

Annual Report 2022

Improving health and well-being for all



UNIVERSITY OF
AUCKLAND
Waipapa Taumata Rau
NEW ZEALAND



Waipapa Taumata Rau, University of Auckland

The name Waipapa Taumata Rau, gifted to us by Ngāti Whātua Ōrākei in 2021, represents our ongoing partnership with iwi. It challenges us to understand that we are part of a whakapapa of historic and current relationships.

We are evolving the University's identity to reflect Waipapa Taumata Rau and creating an identity that connects with our diverse student, staff, alumni and whānau audiences, while reflecting our unique place in the world.

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Chancellor's review

The University has rebounded strongly from the challenges of the global pandemic. We are rising to meet the challenges facing our country and the world by developing innovative interdisciplinary research and engaging with our communities.

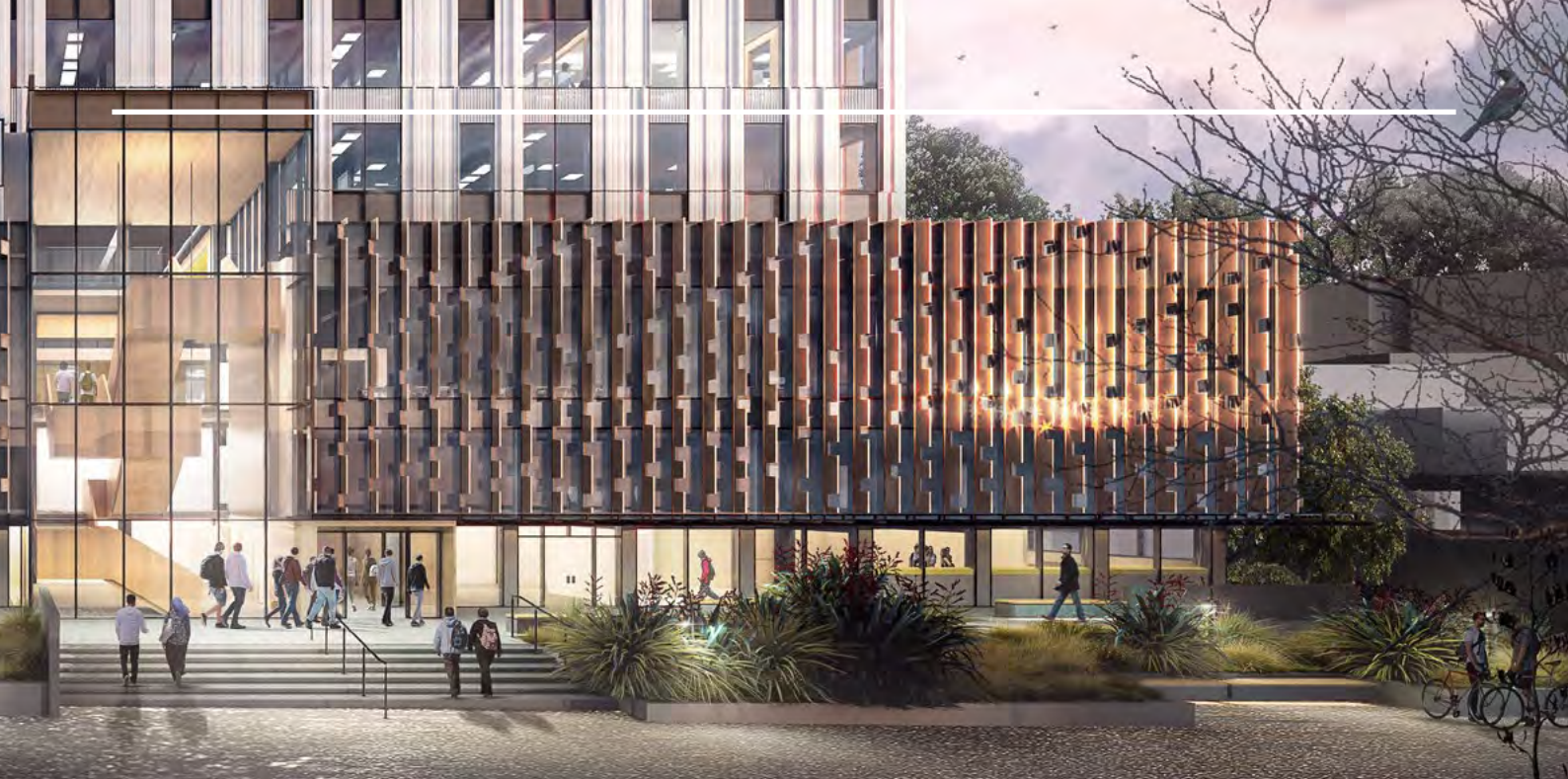


Tēnā koutou katoa

In 2022 Waipapa Taumata Rau, University of Auckland, moved towards a new normal, redefining what it means to be a university beyond the pandemic. As Aotearoa New Zealand's leading university and its largest research institution, we were well positioned to weather these disruptive years. As lockdowns ended and our borders opened, we moved rapidly to the campus life we are so familiar with and value so highly. However, our teaching remained a blend of campus and online learning and our examinations were conducted online.

The Covid-19 pandemic had previously caused the cancellation of many events honouring our students, graduates, staff, alumni and donors, so it was wonderful that many of these events were able to take place in 2022.

The return to campus and the reopening of the international border refuelled our research teams. In August, we launched seven flagship University Research Centres. To progress the four impact areas detailed in our strategy, *Taumata Teitei*, the University also established the Hīkina kia Tutuki fund. The name means 'rising to meet



the challenge' and signals a fresh approach to research by funding transdisciplinary approaches and engaging deeply with communities to develop innovative responses.

Under the banner *Hikina kia Tutuki, Rise to Meet the Challenge*, the University's own Research Excellence Awards, held in November, incorporated the inaugural Research Impact Awards (RIA), recognising the social, environmental, economic, health and cultural impacts of research and creative practice. Professor Christine Rubie-Davies, of the Faculty of Education and Social Work, received the first-ever Individual RIA for her work on the impact of teacher expectations on student learning.

The group Research Impact Awards went to:

- Professor Andrew Jeffs and team (Science) for a project to restore native, green-lipped mussels
- Associate Professor Peng Du and team (Auckland Bioengineering Institute, Medical and Health Sciences) on a non-invasive device that monitors gastric disorders
- Associate Professor Jason Brown and doctoral student John Middleton (Arts) on work to preserve endangered Pacific languages
- Professor Terryann Clark and team (Medical and Health Sciences) whose work surveying the health and well-being of more than 36,000 teenagers has prompted policy change for the better.

Outstanding contributions to academia and Aotearoa New Zealand were recognised in the Queen's Birthday Honours, among them a Knight Companion of the New Zealand Order of Merit to Associate Professor Collin Tukuitonga, Associate Dean Pacific in the Faculty of Medical and Health Sciences, for services to Pacific and public health; retired professor Dr Patrick (Patu) Hohepa for services to

Māori and education; and in the New Year 2023 honours, recently appointed professor Dr Ashley Bloomfield for services to public health. Several current and past staff were also honoured along with alumni.

The University is noted for the quality of our teachers and two were singled out for recognition in 2022 in the National Tertiary Teaching Awards. Professor Richard Easter (Science) and Dr Marcia Leenen-Young (Arts) won Te Whatu Kairangi Aotearoa Tertiary Educator Awards, joining only seven other recipients from tertiary institutions around the country.

We were further honoured in the Royal Society Te Apārangi and Health Research Council of New Zealand Awards. Professor Timothy Mulgan, FRSNZ (Arts) received the Aronui Medal for innovative work of outstanding merit, for his contributions to moral philosophy, philosophy of religion and political philosophy. Associate Professor Nigel Wilson (Medical and Health Sciences) was awarded the Beaven Medal for excellence in translational research for ground-breaking research into rheumatic fever, to help children in New Zealand and the Pacific.

Graduation ceremonies provide an important opportunity to acknowledge the successes of our graduates, and we were pleased to be able to host these in 2022 and catch up on 2021's spring graduation ceremonies that had been deferred due to Covid-19 restrictions. In all, a total of 11,339 students completed the requirements for their qualifications in 2022. Conferring degrees is one of the privileges accorded the Chancellor and I was particularly pleased to be able to take part in a special ceremony to confer an honorary Doctor of Science degree on Ramari Stewart (Ngāti Awa) MNZM.

Despite challenges across the world, 2022 was another very successful year for fundraising at the University. Among the donations received were 13 of \$1 million and

more. Many of these gifts were ongoing funding from some of our most significant donors, supporting large-scale programmes of research, particularly in health and medicine. Two very generous legacy gifts were also included. We received nearly 5,000 gifts and pledges from well over 2,000 donors during the year with a large proportion supporting student scholarships and projects.

I acknowledge our alumni, who support us in so many ways: through responding to appeals; attending events whether in person or online; volunteering their time; and through communications. In 2022, just over 44 percent of our more than 220,000 alumni engaged with the University through these activities.

In June, we celebrated our distinguished alumni with our annual Taumata event. It is a wonderful celebration providing a reminder of how a university education reaches into our communities. Recipients were: Fepulea'i Margie Apa, chief executive of Te Whatu Ora Health New Zealand; Ngarimu Blair, deputy chair of the Ngāti Whātua Ōrākei Trust; Dr Maureen Lander, MNZM, weaver, academic and multimedia installation artist; and Nigel Latta, ONZM, clinical psychologist, author and television host. The Young Alumnus of the Year was Dr Sudhvir Singh, physician and public health leader.

It is inevitable that every year, we lose some members of the University community. May saw the passing of Honorary Doctor Joseph Parata Hawke, MNZM, and in November, Sir Ian Barker, Chancellor from 1991 to 1999. In January 2023 we were shocked by the sudden death of former Vice-Chancellor Emeritus Professor Stuart McCutcheon. Stuart was Vice-Chancellor from 2007 to March 2020. I was privileged to have joined Council while Stuart was Vice-Chancellor and was able to experience first-hand his enormous intellect, his passion for the University and his wit. Like everyone who knew him, I am deeply saddened by his death and acknowledge the loss for his wife and family.

I thank the Council for their commitment and support over the past year. In 2022 Sir Michael Daniell, who had served on Council for 11 years, departed and Jonathan Mason was appointed in his place. We also farewelled Junyi Wang, student representative for the past three years and welcomed Hala Barakat in his place. It is an honour to be the Chancellor of Waipapa Taumata Rau, however my success in that role depends very much on the support of the rest of the Council, and of the University community.

Both personally and on behalf of the Council, I would like to acknowledge the leadership of Vice-Chancellor Professor Dawn Freshwater, her leadership team, Deans, academics and professional staff who, in the third year of the pandemic, again responded to a changing environment to ensure the smooth running of the University.

Ngā mihi nui

Cecilia Tarrant
Chancellor





Vice-Chancellor's report

We are responding to the health and well-being needs of our communities as a priority. Mental health research and equity of access to health resources are front of mind as we move past the worst of the pandemic.



With pandemic lockdowns finally behind us, 2022 saw the University embark on a new normal. Covid-19 has, however, sharpened our focus on health and well-being. Mental health, equity of access to health resources and the University's own health-related research are priorities for us all. As well as being cognisant of the ongoing threat of Covid-19 variants, Waipapa Taumata Rau also responded to the prolific spread of misinformation around the world.

With restrictions lifted, thousands of students returned to campus bringing with them the diverse vibrancy we associate with university life. Some students continued to study online, optimising the hybrid modes of learning and teaching that the University has enhanced during recent years. In 2022, we had 29,388 domestic students enrolled. This included 22,753 undergraduate students and 6,635 postgraduate students.

The return of students to New Zealand's shores was formally welcomed by then-prime minister Rt Hon Jacinda Ardern and then-education minister Hon Chris Hipkins with a celebration on campus in September 2022. We expect to welcome significant numbers of international students to our campuses in 2023.

As we move past the worst of the Covid-19 years, we are acutely aware of the mental health challenges they have created for our students, staff and wider community. There is no quick fix for these challenges, which will remain with our people, their co-workers, families and friends for many years.

This year, our researchers also returned to their labs and research environments full-time, continuing their work on diverse inquiry. Aligned with one of our four strategic impact areas, improving health and well-being for all, four of the University's seven flagship Research Centres are medical and health-related, covering brain, cancer, ageing, and Pacific and global health research. Researchers are drawn to work in these centres to meet intergenerational and community challenges.

Around the world, the health and well-being of people have been and remain at the forefront of public concern and government responses as waves of the Covid-19 pandemic continue to disrupt lives and workplaces and challenge health systems. The health workforce has experienced unprecedented pressure, with existing worker shortages reaching crisis point.

Waipapa Taumata Rau, University of Auckland has a proud record of educating the New Zealand health workforce and improving New Zealand and Pacific-specific health outcomes through research. We offer the largest and most comprehensive range of medical and health programmes for undergraduate and postgraduate students. Throughout the year we have sought to partner with the government and officials to explore ways to meet the health workforce needs at a time of acute global worker shortage. In 2022, 20 percent of students graduating from the University received a degree associated with a health-related profession.

The University brings together a unique set of disciplines in medical and health sciences, health-related large-scale research institutes and a comprehensive spectrum of subjects, including engineering, that enables transdisciplinary solutions to complex problems. In 2022, the Auckland Bioengineering Institute focused on advancing the plans for a national MedTech Innovation Quarter (MedTech-iQ), to accelerate the medical technologies sector.

We remain acutely concerned by Māori and Pacific health disparities and the uneven distribution of medical and healthcare resources across the country, particularly in rural areas. With the Royal College of General Practitioners, the universities of Auckland and Otago have proposed, to government, a Joint Centre for Rural Health to address the shortage of a trained and culturally safe rural health workforce. We are committed to responding to this critical need.

During the year we celebrated the award of the Prime Minister's Science Prize to Distinguished Professor Dame Jane Harding and Liggins Institute neonatal glucose study researchers for outstanding work helping prevent brain damage in newborn babies.

In 2022, Waipapa Taumata Rau strengthened its kōtuitanga with Ngāti Whātua Ōrākei. The partners agreed on a mutual goal to enhance the University's global impact through a mana whenua lens. This partnership was established in 2003 and, as we gathered at Ōrākei Marae in December, we renewed our commitment to education, community and relationship – and agreed to do more. This compact defines us at home and shapes our global ambition as a comprehensive public research university. Through teaching, research and dedication to our communities, we find success and recognition internationally.

Waipapa Taumata Rau was ranked 87th – the highest-ranked New Zealand university – in the QS World University Rankings in 2022. We were placed =139 in the Times Higher Education (THE) World University Rankings and sixth in THE's University Impact Rankings for 2022. We came in at tenth in the inaugural 2022 QS World University Rankings for Sustainability. This rankings success is not a goal in itself; rather it serves as a signpost to tell us we are on the right path.

The opening of the borders permitted University leaders and academics to renew face-to-face connections and pursue research opportunities abroad. I was privileged to travel to New York with a business delegation that included Finance Minister Hon Grant Robertson and Opposition Deputy Leader Nicola Willis. Later in the year, I joined a trade mission to Vietnam led by then-prime minister Rt Hon Jacinda Ardern before attending the Asia Pacific Economic Cooperation (APEC) leaders meeting in Bangkok.

The associated Asia Pacific Rim Universities (APRU) network met alongside the APEC meeting where I presented a Misinformation Resilience Index developed by the University. This index focuses on countries' vulnerability to misinformation relative to the Covid-19 vaccine uptake. It uses trust in science, social media penetration and policy interventions to prototype the Index. Initial findings show a strong correlation: the more resilient an economy is to misinformation, the higher its vaccine uptake and vice versa. The index has the potential for future application to climate science and climate misinformation. Trust is a rare commodity and universities have a responsibility to support communities and society to navigate information and know what to trust.

As the world neared the halfway point of the Sustainable Development Goals 2030 target, the University completed Te Rautaki Aronga Toitū, Sustainability Strategy and Te Taumata Tukuwāro-kore, Net Zero Carbon Strategy. These strategies contain ambitious targets for the University and its community. Implementation plans will be developed during 2023. It has also been pleasing to see Te Ara Tautika Equity Policy and the foundational documents underlying the Curriculum Framework Transformation completed, with the Curriculum Framework brought to life over coming years.

During the year, Associate Professor Jemaima Tiatia was appointed Acting Pro Vice-Chancellor (Pacific) and then confirmed in the role, as Ihonuku te Moana-nui-a-Kiwa.

We were also preparing to welcome Professor Frank Bloomfield as the new Ihorua Rangahau, Deputy Vice-Chancellor Research. While we bid farewell to Professor Jim Metson from the portfolio, we look forward to his strategic growth efforts at the Newmarket Campus.

I was also pleased to welcome Brian Ten Eyck to the new role of Poumatua Kaimahi, Chief of Staff, Vice-Chancellor's Office, and to announce former director-general of health Sir Ashley Bloomfield, as the establishment chair of a new Public Policy Impact Institute and professor in the School of Population Health.

In the shadow of Covid-19, 2022 was another demanding and challenging year for the University. I acknowledge the continued efforts of academic and professional staff to support our students and maintain our considerable research endeavours.

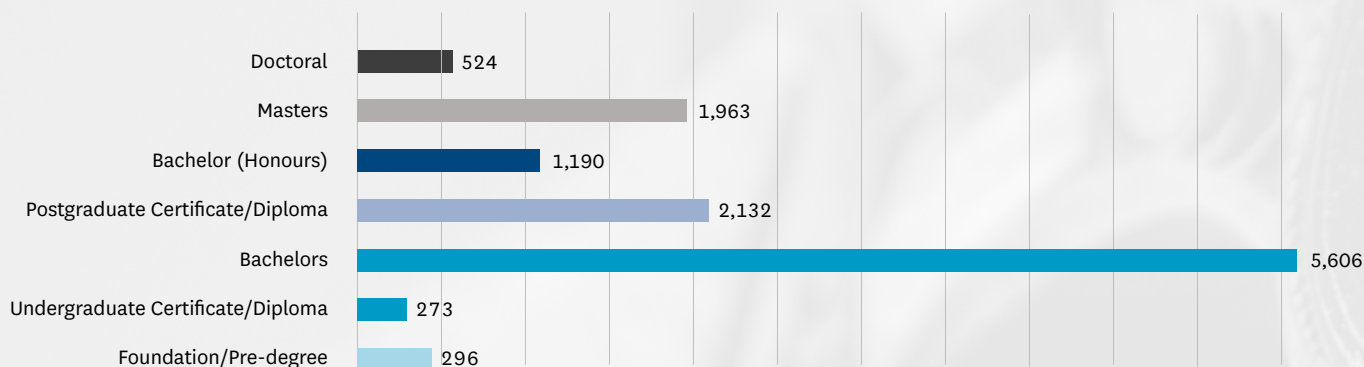
As my team and I prepared this report in the early days of 2023, the University community was shocked and saddened by the sudden death of my predecessor Emeritus Professor Stuart McCutcheon. One of the country's longest-serving Vice-Chancellors, his passion and dedication to the higher education sector in New Zealand and globally have been acknowledged by peers around the world.

Professor Dawn Freshwater
Vice-Chancellor



Key facts and figures 2022

Completions by qualification



No.1
Ranked New Zealand
university¹



Top 100
University in the
world²

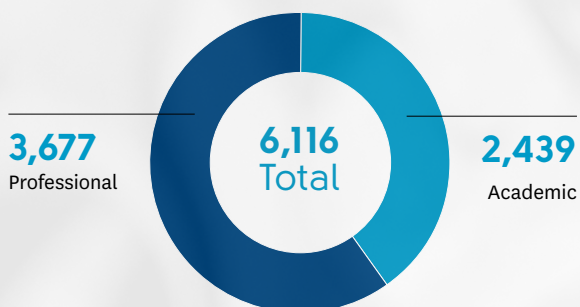


Top 10
In the world for
sustainability³

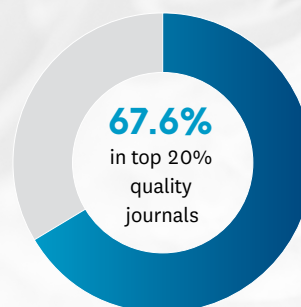


Top 50
In the world
in 12 subjects⁴

Full-Time Equivalent Staff (FTE)

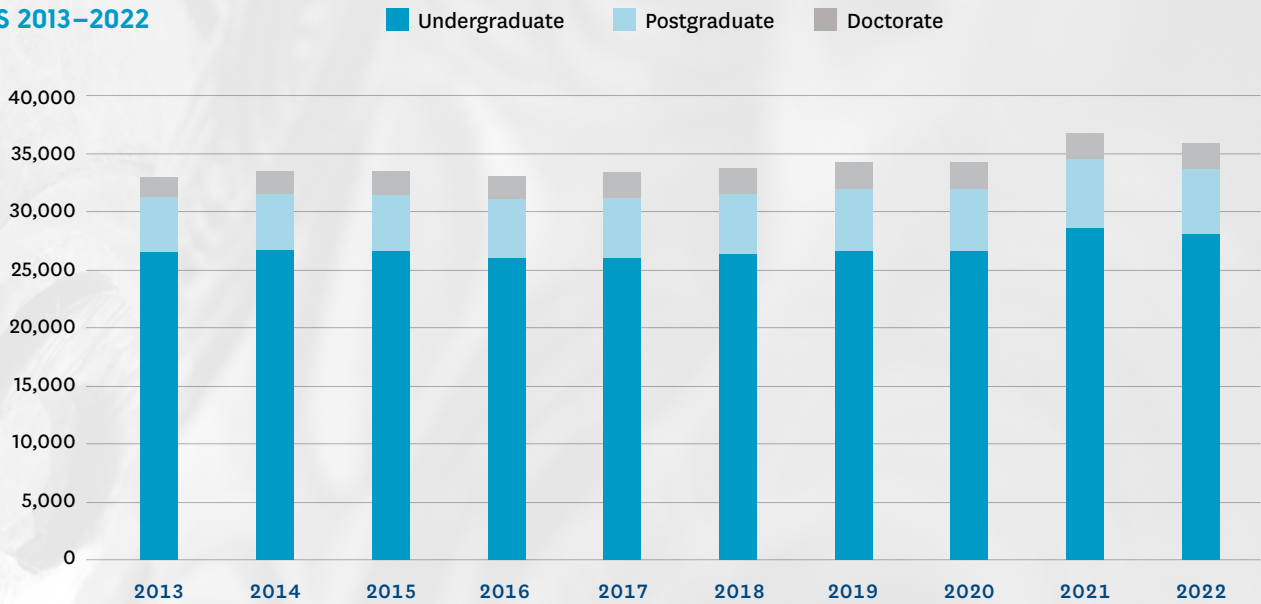


Research publications⁵: 5,991



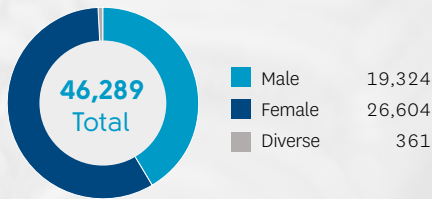
1. QS World University Rankings 2023, ranked 87; THE World University Rankings 2023, ranked 139=; Academic Ranking of World Universities 2022, ranked 201-300.
 2. QS World University Rankings 2023
 3. QS World University Ranking, Sustainability 2023, ranked 10; THE Impact Ranking 2022, ranked 6.
 4. QS World University Rankings by Subject 2022
 5. SCOPUS publications with University of Auckland author address

EFTS 2013–2022

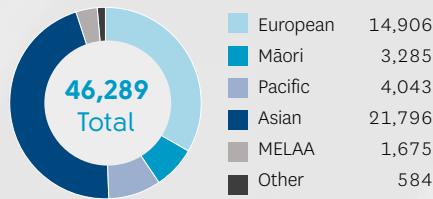


Note: Undergraduate and non-formal degree EFTS are combined.

Gender (headcount of students)

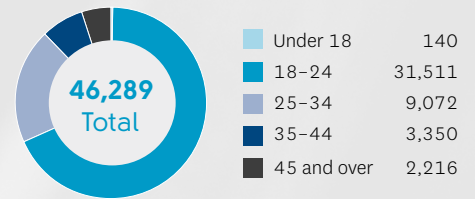


Ethnicity (headcount of students)



Note: MELAA stands for Middle Eastern, Latin American, African

Age group (headcount of students)

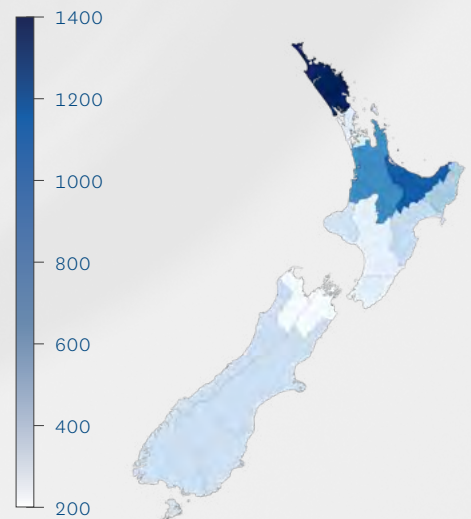


International students



China	5,433	Hong Kong (SAR)	143
India	319	Vietnam	130
Korea, Republic of	272	Iran	111
Malaysia	244	Taiwan	94
United States	207	Other countries	1,164
Indonesia	160	Total	8,277

Students by iwi affiliation



Note: In cases where a student has more than one iwi affiliation, all affiliations for the student are represented. Map Template: Stats NZ. Source: UoA UDW



University governance

Founded in 1883, Waipapa Taumata Rau, University of Auckland celebrates its 140th anniversary in 2023. The governing body is Council and its elected members and appointees.

The University of Auckland was founded in 1883 as a constituent college of the University of New Zealand. Under the University of Auckland Act 1961, the college became an autonomous university.

The University is administered under the 1961 Act and the Education and Training Act 2020 and its amendments.

University autonomy and academic freedom

The Education and Training Act 2020 gives statutory protection to the institutional autonomy of the University and the academic freedom of its staff and students. The Act also binds the Council, the Vice-Chancellor, Ministers and agencies of the Crown to act in all respects to preserve and enhance the University's autonomy and academic freedom.

University leadership: the Council

The University's governing body is the Council, comprising elected staff and student representatives; a member appointed to advise on Māori issues; a member appointed from the alumni; Council appointees; and Ministerial appointees. The Vice-Chancellor is also a member of Council. The Council is chaired by the Chancellor, who is a lay member of Council. Under the Education and Training Act 2020, Council has the following functions:

- Appoint a chief executive (Vice-Chancellor)
- Carry out long-term planning for the University
- Adopt the Investment Plan
- Ensure that the institution is managed in accordance with the Investment Plan
- Determine the policies of the institution in relation to the carrying out of the Investment Plan and, subject to the State Services Act 2020, the management of its affairs.



2022 University of Auckland Council

Top row from left: **Elected by academic staff** Professor Jennifer Curtin; **elected by professional staff** Catherine Dunphy; **appointed by relevant minister** Jonathan Mason (from March 2022); Rajen Prasad.

Second row from left: **Appointed by relevant minister** Rachael Newsome; Cathy Quinn; **to provide skills specified by Council** Jan Dawson, Robert S. McDonald.

From bottom left: **Ex officio** Vice-Chancellor Professor Dawn Freshwater; **elected by students** Hala Barakat (from November 2022) replacing Junyi (Johnny) Wang (below); **appointed to advise on Māori issues** John Paitai; **representing alumni**, Chancellor Cecilia Tarrant.

The University's statutory role

In carrying out its functions, and particularly when considering the University's Investment Plan, Council is guided by the statutory characteristics of universities, which are defined in the Education and Training Act 2020.

- Universities are primarily concerned with more advanced learning, the principal aim being to develop intellectual independence.
- Their research and teaching are closely interdependent and most of their teaching is done by people who are active in advancing knowledge.
- They meet international standards of research and teaching.
- They are a repository of knowledge and expertise.
- They accept a role as critic and conscience of society.

A university, according to the Act, is characterised by a wide diversity of teaching and research, especially at a higher level, that maintains, advances, disseminates and assists the application of knowledge, develops intellectual independence and promotes community learning.

Responsibilities of Council

Council's duties include:

- Striving to ensure that Waipapa Taumata Rau, University of Auckland attains the highest standards of excellence in education, training and research
- Acknowledging the principles of Te Tiriti o Waitangi (the Treaty of Waitangi)
- Encouraging the greatest possible participation of the communities served by the University, especially by under-represented groups
- Ensuring that the University does not discriminate unfairly against any person
- Ensuring proper standards of integrity, conduct and concern for the public interest and the well-being of students
- Ensuring that systems are in place for the responsible use of resources.

The Vice-Chancellor

The Act entrusts the Vice-Chancellor with managing the University's academic and administrative matters, and is supported by a senior leadership structure that includes the University Executive Committee (UEC), Academic Leadership Team and other advisory committees. The Vice-Chancellor is also the employer of all staff.

The UEC is chaired by the Vice-Chancellor and comprises the:

- Provost
- Deputy Vice-Chancellors (Research), (Strategic Engagement) and (Operations)
- Pro Vice-Chancellors (Māori) and (Pacific)
- Director of Human Resources
- Chief Financial Officer

The Senate

On academic matters, Council is bound to consult the Senate which the Vice-Chancellor chairs. The Senate includes all the professors and representatives of sub-professorial and professional staff and representatives of students. It takes advice from the Education and Research Committees and a range of other committees.

The Senate is responsible for:

- Making recommendations or reports to Council
- Furthering and coordinating the work of faculties and departments, the University Library and Auckland University Press
- Encouraging scholarship and research
- Appointing standing committees as required
- Delegating authority to its committees. As a delegate of Council, the Senate operates as a committee of Council.

The faculties and large-scale research institutes

Each faculty and large-scale research institute (LSRI) is headed by a dean or director responsible for managing its teaching, research and administrative activities. Each faculty/LSRI has established its own structure of academic governance.

Deans and directors have primary financial responsibility for their academic unit. Faculties and LSRI's prepare an annual plan and an annual report that outlines achievements and planned activities. The plans set out the contributions to *Taumata Teitei* priorities and initiatives to ensure their activities help move the University towards its strategic vision.





Governance documents

Taumata Teitei: Vision 2030 and Strategic Plan 2025

Taumata Teitei is the key document in the University's cycle of planning, delivery and accountability. It sets out a vision to be internationally recognised for its unique contribution to fair, ethical, and sustainable societies, and establishes sets of priorities within each of the five strategic portfolios.

The priorities and initiatives have been developed into operational plans to deliver its strategic aspirations. These plans form the basis for planning, activities and resource allocation across the faculties, LSRLs and service divisions which are designed to achieve the plan's broader impacts and priorities.

The University's annual performance is measured against *Taumata Teitei*'s priorities and initiatives. Annual progress toward achieving the priorities is reported under the Statement of Service Performance from page 38.

Capital Plan and financial projections

This plan sets out the priority initiatives to achieve the vision and strategic priorities in *Taumata Teitei*.

It identifies the investment required to support these initiatives and to maintain University infrastructure and facilities. Senior management reviews the property capital expenditure programme with specific project approvals sought from Council. Capital requirements are established subject to an annual Asset Management Plan. The Information Technology spending programme is established subject to the Digital Strategy, and the Library Committee oversees the University Library's capital expenditure allocation.

The University periodically prepares a projection of financial performance, position and financing requirements over ten years. This includes projections of operating income and expenditure combined with the capital requirements determined in the Capital Plan.

Council committees

Audit and Risk Committee

This committee ensures all financial statements released to the public, stakeholders, lenders or any regulatory body comply with accounting standards and fairly represent the University's financial position. It ensures an appropriate system of internal controls and adherence to legal compliance, and it regularly reviews risk appetite and the enterprise risk register to ensure material risks are appropriately managed.

This committee also oversees the relationship with the University's external auditors – Ernst & Young – who were appointed as the University's current external auditor by the Office of the Auditor-General. The committee receives regular reports on any matters connected with the performance of the external audit. KPMG provides internal audit support.

Finance Committee

This committee monitors the University's finances to ensure they:

- Maintain solvency at all times
- Promote achievement of the University's annual budget, mission and strategic objectives
- Minimise the risk of external intervention in the affairs of the University. The Finance Committee supports the Council in carrying out its duty under s.181(e) of the Education and Training Act 2020 to "ensure that the institution operates in a financially responsible manner that ensures the efficient use of resources and maintains the institution's long-term viability".

The committee is responsible for reporting and recommending to Council matters concerning:

- Approval of major financial decisions
- Financial policy and regulatory matters
- Financial strategy and planning
- The financial position and performance of the University
- Any other matter that Council or the Vice-Chancellor may refer to the committee.

Capital Expenditure Committee

This committee is responsible for considering all capital expenditure proposals over \$10 million, with a particular focus on the contribution each proposal would make to the achievement of the objectives in *Taumata Teitei*, and the financial sustainability of each proposal.

University Equity Leadership Committee

This committee provides strategic equity leadership and advises Council, via Senate, on fulfilling statutory and compliance obligations, including under the State Services Act 2020 and the Education and Training Act 2020. It is chaired by the Vice-Chancellor with membership comprising senior academic and professional staff, and student representatives.

The committee, the Office of the Pro Vice-Chancellor Equity, the Equity Action Network and our staff and student equity groups contribute to the University being a safe, inclusive and equitable place to study and work. Equity leadership enhances reputation and helps attract, retain and support talented people to succeed and contribute to New Zealand's social and economic well-being.

Rūnanga

The Rūnanga is a committee of Senate and Council, constituted as a committee of Council and chaired by the Pro Vice-Chancellor (Māori). It has five primary roles:

- To advise Council on the appropriateness of relevant sections of the Charter, Strategic Plan and Council policies in terms of the University's aspirations to partner with Māori and support Māori development
- To advise Council on the progress and achievements of the University towards its strategic objectives for Māori
- To advise management on operational matters relevant to the delivery on strategic objectives for Māori
- To consider and advise appropriate Senate committees and, through them, Council, on academic matters that have direct relevance to Māori curriculum content, delivery and research
- To provide to Council and senior management other advice as may be requested from time to time. The Rūnanga reports to Council through Senate.

Ethical and safety standards

The University of Auckland maintains high standards of safety and integrity for research and teaching involving animals and humans. The following three committees report directly to Council:





Animal Ethics Committee

This committee ensures the protocols for the use of animals in research and teaching are of the highest ethical standard in accordance with legislative requirements. It reviews proposals and monitors the use of animals in accordance with the University's Code of Ethical Conduct, approved by the Ministry of Primary Industries under the Animal Welfare Act. In 2022, the University became a signatory to the Openness Agreement on Animal Research and Teaching in New Zealand, developed by the Australian and New Zealand Council for the Care of Animals in Research and Teaching.

Biological Safety Committee

This committee assesses applications for the use of genetically modified organisms in the University to identify all potential risks to people including researchers and the community and the environment. Applications are determined in accordance with the Hazardous Substances and New Organisms (HSNO) Act 1996 and any relevant supporting protocols issued by the Environmental Protection Authority. The committee also monitors ongoing work within the University and makes recommendations on containment issues as appropriate. The committee has a system for consultation with Māori.

Human Participants Ethics Committee

This committee reviews proposed research and teaching projects involving human subjects, other than projects requiring approval from a New Zealand Health and Disability Ethics Committee, to ensure compliance with the highest ethical standards. It also provides advice and assistance to Council and the University community on ethical standards and issues involving human subjects.

Other committees reporting to Council:

Discipline Committee

Student Appeals Committee

University Honours Committee

University Naming Committee

Vice-Chancellor's Review and Executive Remuneration Committee

Health, Safety and Well-being

Chaired by the Vice-Chancellor, this committee is a forum of nominated and elected management and staff representatives. The committee ensures staff, unions and students can advise on any health and safety issues, and encourages staff participation in maintaining and improving the University's safe and healthy environment. It reports to the Audit and Risk Committee.

Business details

Bankers:

ANZ Bank

Bank of New Zealand

Commonwealth Bank of Australia

Hong Kong Shanghai Banking Corporation

Industrial Commercial Bank of China

China Construction Bank

Westpac

Auditors: Ernst & Young, on behalf of the Office of the Auditor-General

Valuers: Beca Projects NZ Ltd

ART + OBJECT

Smith's Bookshop



A 457-DJ-JK

```
elif operation == "MIRROR_X":  
    mirror_mod.use_x = True  
    mirror_mod.use_y = False  
    mirror_mod.use_z = False  
elif operation == "MIRROR_Z":  
    mirror_mod.use_x = False  
    mirror_mod.use_y = False  
    mirror_mod.use_z = True  
  
#selection at the end -add back  
mirror_ob.select= 1  
modifier_ob.select=1  
bpy.context.scene.objects.active =  
print("Selected" + str(modifier_ob)  
#mirror_ob.select = 0  
time = bpy.context.selected_object  
#bpy.data.objects[time.name].name =  
#bpy.data.objects[time.name].name =
```

```
Click the deselected  
modifier_ob  
) # modifier ob  
AJK5545001JJK
```

02

Outcomes

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Improving health and well-being for all

“We will be a global innovator in the discovery and ethical and equitable application of technologies, public policy and delivery mechanisms that contribute to the sustainable health and well-being of humanity.”

– *Taumata Teitei, Our Impact*

Improving health and well-being are identified in *Taumata Teitei*, the University’s Vision 2030 and Strategic Plan 2025, as one of our four impact areas.

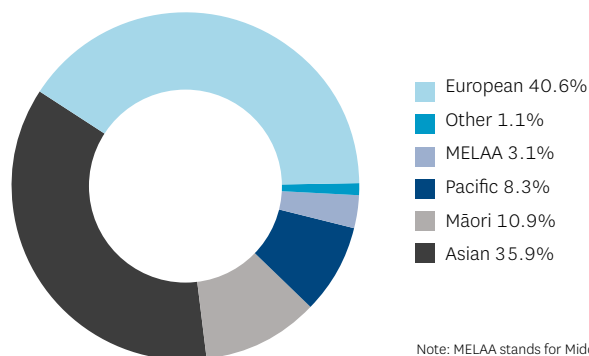
We are uniquely positioned in one of the world’s most diverse cities with deep connections to our Pacific, Australasian and Asian neighbours. We enjoy strategic regional and global alliances that serve to further our purpose and values. As a global civic institution, we have a significant role to play in improving health outcomes. With much of the change society faces arising from Covid-19, it is appropriate that this report aligns with that focus on health and well-being, and outlines how the University of Auckland is improving health outcomes for all New Zealanders.

Building the future of health: students and graduates in action

Waipapa Taumata Rau, the University of Auckland offers the largest and most comprehensive range of medical and health programmes in New Zealand for undergraduate and postgraduate students. The qualifications and pathways support and prepare learners for most health professions, from general practitioners to specialists, and include nurses, pharmacists, optometrists, audiologists, dieticians, sonographers, bioengineers, research scientists, and clinical educators. We extended the programmes in 2022 to include postgraduate physiotherapy. In 2022, one in five students graduating from the University received a degree associated with a health-related profession.

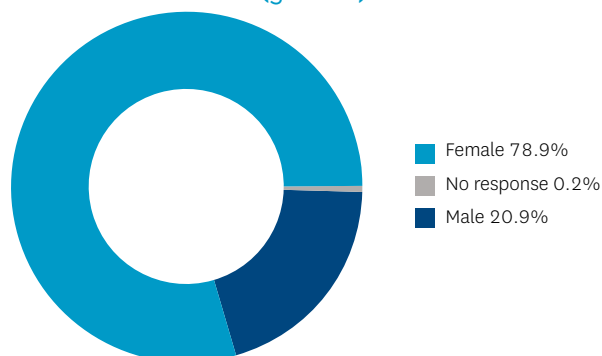
Our comprehensive range of medicine and allied health programmes enables us to offer an innovative interprofessional education programme (IPE) that responds to the multidisciplinary nature of modern medicine. Formal IPE activities include topics such as Māori health; intensive care; quality and safety; urgent and immediate care; and advanced cardiac life support. Informal IPE activities occur within smaller groups of students, often during placement activities. The IPE programme contributes to the breadth of our students’ experiences, ensuring they are appropriately qualified, practice-ready graduates that reflect the communities in which they will be based.

FMHS Graduates 2018–2022 (ethnicity)



Note: MELAA stands for Middle Eastern, Latin American, African

FMHS Graduates 2018–2022 (gender)





Hannah Rapata (Ngāi Tahu), pictured above, is a PhD candidate in Māori public health and a registered dietitian providing nutrition counselling, medical nutrition therapy, and food service support for organisations. She graduated in 2020 with a Masters in Health Science (MHSc) in Nutrition and Dietetics.

“Māori health outcomes and equity are major concerns for me, having had a number of my whānau members live with and die from chronic diseases,” says Hannah. “I knew that nutrition plays a big part in these issues and that I wanted to help improve nutrition-related health outcomes within my whānau and community.”

Sarah Cowan discovered her passion while on a placement for the Bachelor of Medicine and Bachelor of Surgery (MBChB). “My fifth year was spent completing the rural regional programme in Taranaki where I discovered my passion for working in regional New Zealand.”

Sarah graduated from our MBChB programme in 2019 and is now a junior surgical registrar at Taranaki Base Hospital. The Faculty of Medical and Health Sciences (FMHS) launched its Regional Rural Admission Scheme as part of its commitment to solving the critical shortage of rural healthcare workers in New Zealand.

Figures confirm our reputation as a hotbed of entrepreneurial talent. Our research and technology transfer kaihono – UniServices – has added 11 companies to its start-up portfolio of 35 active companies since 2019, which together have raised more than \$800m in both seed and venture capital, and generated more than \$220m of research contracts to the University. Among the spin-outs is TheiaNova which has created a ground-breaking, non-invasive treatment for the eye disease keratoconus which breaks down collagen in the cornea. PhD student Carol Greene and colleagues discovered corneal cells known as keratocytes could be reprogrammed to produce a type of

collagen to strengthen corneas and prevent further damage. The founding scientists note that “while it is very satisfying to see the commercial value of our research recognized via joint investment from both the public and private sectors, and the University of Auckland, the most rewarding thing is that this now enables us to bring our therapy closer to the patients who need it.”

Making a difference to babies

The Prime Minister’s Science Prize recognises ‘transformative scientific discovery or achievement that has had a significant social, economic, health or environmental impact’. The 2021 prize was awarded in 2022 to the Neonatal Glucose Studies Team, a multidisciplinary team led by Distinguished Professor Dame Jane Harding that has investigated abnormal low blood sugar levels in newborns for more than 20 years.

“We are talking about trying to prevent brain damage in newborn babies, which is so obviously important,” Dame Jane says. “About four out of five very pre-term babies has high blood sugar. About one in six babies has low blood sugar. That’s around 12,000 babies a year. We know that, in some babies, low blood sugar can cause brain damage.”

Dame Jane is particularly thrilled that the prize was awarded for the efforts of the entire team which has developed new, non-invasive diagnostic and treatment methods to prevent abnormally low blood sugar in babies.

Healthy hearts

Cardiovascular disease is responsible for more than 30 percent of deaths in New Zealand each year, including around 500 people aged under 55. It is also a major contributor to the difference in life expectancy, with Māori death rates twice those of non-Māori.

Pūtahi Manawa Healthy Hearts for Aotearoa New Zealand was created to help achieve equity in heart health outcomes for Māori and Pacific people. It is one of New Zealand's newest Centres of Research Excellence (CoRE) and hosted by the University in collaboration with a national network of researchers, community experts and clinicians. One of its key goals is to address life expectancy gaps and shape a healthcare system that better meets the needs of Māori and Pacific people. In turn, this will help improve New Zealand's heart healthcare statistics across the whole population.

There is a Māori proverb that says: 'Tūngia te ururua kia tupu whakaritorito te tupu o te harakeke', which means to set the overgrown bush alight and let the new flax roots spring forth, says Dr Anna Rolleston, co-director of Pūtahi Manawa. "For example, a kaupapa Māori model is holistic in that it approaches heart health from the point of view of a whole person as a part of their community and whānau, not just as their physical body or illness."

Today, we create tomorrow

The University of Auckland, via its Auckland Bioengineering Institute (ABI), is leading the development of a national MedTech Innovation Quarter (MedTech-iQ) to accelerate the success of the MedTech sector, driving prosperity and increased productivity across New Zealand.

MedTech-iQ is a national medical devices and digital health innovation hub that brings together universities, government entities, health providers, the technology industry, investors and communities to advance the MedTech sector for New Zealand. It builds on the successful foundations of the Consortium for Medical Device Technologies partnership, extending this into a national backbone of linked regional hubs. It provides a physical and virtual place for multi-disciplinary and cross-industry collaboration to develop and deliver new health technology.

Noting the strategic importance of MedTech-iQ, the ABI's co-founder and director, Distinguished Professor Peter Hunter says: "There are huge benefits to working in the clinical environment of the Auckland District Health Board, as well as boosting the ABI's links with FMHS and the Liggins Institute."

Looking ahead

"Mobilising to achieve our purpose in a world in flux is not without risk. To succeed, we must be a strongly principled and values-led academic community, holding ourselves and our partners to values that support academic freedom, curiosity, research-driven knowledge, sustainability, impact and engagement." – *Taumata Teitei*

The normal uncertainties of the world have been exacerbated by recent global events, from Covid-19 to the invasion of Ukraine. Despite these ever-changing scenarios,

our approach remains steady: we will continue to research and deliver world-leading medical and health advances, making a tangible difference to lives from Auckland to the furthest reaches of the globe.

Distinguished Professor Dame Jane Harding's team plans to use their Prime Minister's Science Prize to continue long-term follow-up research with the babies they have worked with, and to develop national best practice guidelines.

We are excited about a new, smarter cardiac pacemaker that responds to the natural variability of a person's heart rate. This will be trialled in patients in Aotearoa with the potential to be a game-changer for the treatment of heart disease worldwide.

Our focus on mental health and inequity starts with children and continues through to our own students. Our ground-breaking Growing Up in New Zealand longitudinal study shows that our children benefit where there is strong maternal mental health, and, regrettably, that there are longstanding and terrible inequities for child and youth well-being, particularly for Māori. We deliver student support through Te Papa Manaaki Campus Care using face-to-face and online channels. We provide advice and services in areas ranging from mental health and financial stress to depression, as well as support for our LGBTI community.

Our new Public Policy Impact Institute will support the translation and application of research into policies that directly benefit the community. It will be led by the former director-general of health, Sir Ashley Bloomfield, as a professor in the School of Population Health. Our students will benefit from his enormous public sector and policy experience culminating in his leadership during the Covid-19 pandemic.

We are engaging with stakeholders to contribute to Te Pae Tata through our graduates and innovative research. We share their goal of 'a health service delivery system that better serves all New Zealand's people and community'.

The world is described as being post-pandemic, but it is clear the challenges will be with us for many years yet. This will not change our commitment to education, research, innovation and collaboration; rather, we will strengthen our resources and direction to meet those challenges. It is graduates such as Hannah, Sarah and Carol who are now heading out into this world of complex uncertainty. There will be 3,000 or so new medical and health sciences students joining the University in 2023. Together, we will continue the University of Auckland's record of tangible, innovative and world-class solutions to medical problems.





Faculties, Institutes and UniServices

The Auckland Bioengineering Institute

The ABI is primarily involved in the development of multi-scale computational models of physiological function of the human body's organ systems, together with the instrumentation and measurements needed to parameterise and validate the models. Over the last two years we have been integrating these multi-scale organ system models into whole body models to address issues around chronic disease and to link the models with genetic data. We lead the world in the development of modelling standards and model reproducibility and have recently established a new open access journal to promote these standards. Other areas of ABI research include translating findings from biology into engineering applications ('biomimetics'), developing aids for the disabled ('augmented reality'), improving human-computer interfaces ('empathetic computing'), and applying our physiological modelling frameworks to some of New Zealand's agriculturally important animal species with companies such as Fonterra. All our research groups strive to ensure that their basic research is translated into clinical or other appropriate outcomes via our startup companies. We will be working to ensure sustainability of this translation pipeline.

The ABI is the academic lead for the university's MedTech-iQ project which aims to substantially increase medtech research capability and the subsequent creation of start-up companies from across the university. It involves moving the ABI to Grafton and creating an innovation ecosystem for medtech companies on the Newmarket campus. A focus for ABI early next year will be to work with our current spinout companies and our international partners to identify exactly what facilities are needed to support

the medtech ecosystem in Newmarket. We will also be engaging with healthcare providers and community groups to understand how medtech innovation, including human digital twins, can help improve diagnostics and treatment in hospitals, healthcare clinics and in the home.

Over the past year, ABI's senior leadership team has worked with its community to finalise our own strategic goals and subsequent priorities aligned with the University's *Taumata Teitei*. We consider this an important step to secure a clear vision for our future direction – to improve the health and well-being of New Zealand. To achieve this ambitious goal, we focus on growing our own people and capabilities.

Our Three Strategic Goals can be summarised as follows:

1. **People:** Help grow talented people who are supported to be ambitious, with clear research or professional career pathways, and career development frameworks that help them to succeed.
2. **Impact:** Grow the health, social, and economic impact of our research through establishing and nurturing partnerships with key stakeholders, including within the Māori and Pacific community, and growing our international engagement.
3. **Environment:** Grow a research environment that supports our people to be ambitious by providing secure and sustainable funding from diverse sources, a network of national and international partners, and a culture of manaakitanga.

Faculty of Arts

Faculty of Arts progressed many of the goals set out in the annual plan with a focus on Mātauranga Māori and Pacific worldviews to ensure that all staff and students were supported throughout the year of 2022.

Key actions aligned with 'Education and student experience' include the introduction of Arts Gen 104 'Te Pārekereke' and Arts Gen 103 'Ko Wai Tātou'. Both offerings are designed to support the transition and retention of Māori and Pacific students, as well as the wider Arts undergraduate student body who started in 2022.

Te Pārekereke addresses the challenges faced by high school leavers, with the course designed to alleviate some of those challenges. Developed by Pacific course convenors, Te Pārekereke factors the principle of vā, and embeds support structures such as Arts+ and Tuākana mentors within the classroom environment.

Ko Wai Tātou, was a course offering designed to enhance whanaungatanga and sense of belonging for all first year Arts students. This course was developed by Dr Aroha Harris who used the Waipapa framework to design the course content and ensured that through the content students understood their space and place within Waipapa Taumata Rau. Once again support teams such as Arts+ and Tuākana mentoring programmes were embedded within the classroom to ensure all students, particularly Māori and Pacific students, had a successful start to their university journey.

In terms of research and innovation priorities, the faculty focused on reinvigorating the Research Development fund, as well as supporting the development of the University Research Centres such as James Hēnare Māori Research Centre. It was essential for the Faculty to set up a plan and guidelines for the faculty research funds, particularly by placing our Faculty of Arts values, Ō Tātou Matapono, in the centre. Our Associate Dean Mātauranga Māori held a series of wānanga to enhance Early Career Researchers' capabilities and develop their understanding of vision mātauranga. The faculty continues to support the development of Ngā Ara Whetū, the Centre for Climate, Diversity and Society, and is exploring ways to enhance its Māori and Pacific research capacity through strategic hires and scholarships.

The faculty is deepening its relationship with tangata whenua and global partners, despite the challenges brought about by Covid-19. The faculty's leadership team held wānanga with Whangaroa Papa hapū. Through these connections the faculty is exploring opportunities to deliver a selection of programmes/courses at Te Tai Tokerau campus, as well as scholarships for students in those communities to enable them to select Waipapa Taumata Rau as their university of choice.

Connections with key markets such as India continued to progress. A memorandum of understanding was signed with the University of Hyderabad, and a letter of understanding is in place with Flame University in Pune. The faculty also progressed discussions with the University of Hawai'i at Mānoa and is hopeful this partnership will lead to Indigenous student/staff exchanges in 2023.





Faculty of Business and Economics

The Business School continued its focus on teaching innovation in 2022, improving interdisciplinary and relational teaching and learning, working towards 2023's Curriculum Framework Transformation.

We strengthened our BCom vertical core with the development of capstone courses for 2023, and the launch of the Year 2 Business Consulting course in 2022. Students apply multidisciplinary knowledge to solve complex problems in business scenarios and work through topics of global importance such as climate change, the future of work, and competing globally. Learning activities are varied, using multiple technologies and spaces, including the new 5G-powered Te Ahi Hangarau Technology Hub which exposes students and staff to cutting-edge technology and offers Year 2 students an immersive virtual reality experience in team collaboration. The team won the bronze award for the Oceania region across all categories at the Wharton-QS Reimagine Education Awards 2022. The Business School, in partnership with Online Education Services, also received two platinum LearnX Live! Awards for the Best e-Learning Project and Best e-Learning Design (Agile).

In 2021, we developed multiple pathways to provide flexible routes for lifelong learners, and the PGDipBus has proved to be a very successful pipeline into business postgraduate programmes. The Master of Property Practice was also launched this year with strong enrolments. We are reviewing and consolidating our portfolio of postgraduate programmes, and also reviewing the MBA programme to create a qualification with more flexibility and one that embeds sustainability and te ao Māori principles.

We strengthened our focus on research-based engagement. Following the appointment of an Associate Dean External Engagement role in 2021, we appointed an External Engagement Manager to improve our research connections with industry and to coordinate engagement activities across the School. We increased support for our research centres and externally-focused research beacons through additional funding. The Circular Economy in Business beacon was launched in November to lead and promote research on circular business to drive the transformation towards a sustainable society.

A new faculty research centre – Juncture: Dialogues on Inclusive Capitalism – will launch in 2023. It will partner across disciplines at the University, and collaborate with our business, government, iwi and student communities to start a dialogue that critically interrogates the premise on which Inclusive Capitalism and wider shifts in business are based, within a uniquely Aotearoa context. The centre will contribute to world-class transdisciplinary research, education and outreach.

Reorganisation of our faculty into disciplinary areas supports and enables opportunities for transdisciplinary research and professional development, providing a more nurturing environment for early career academics.

In 2022, our Centre for Innovation and Entrepreneurship (CIE) was named a finalist for an Excellence in Entrepreneurship Education award from the US Association of Small Business and Entrepreneurship – the only finalist outside the US. In January 2023, CIE found out it had won. The University of Auckland was named one of the World's Best Maker Schools by Make, the international organisation that has championed the maker movement over the past 19 years, recognising the success of CIE's Unleash Space.

Faculty of Creative Arts and Industries

The Faculty of Creative Arts and Industries (CAI) initiated and supported a number of courses, programmes, centres and engagement activities to improve health and well-being for all in 2022.

Opportunities for education in health and well-being abound in CAI's performance disciplines. Music and Dance focus on developing the hauora of students as performers and also as therapists and community workers in schools and the aged care sectors. These transdisciplinary initiatives are community and industry focused. The Master of Dance Movement Therapy is a recently approved programme working towards professional accreditation. The development of transdisciplinary creative therapy courses was an objective in the 2022 annual plan.

We were successful in establishing our first university-level research centre, MĀPIHI: Māori and Pacific Housing Research Centre, led by Professor Deidre Brown and Dr Karamia Müller (both School of Architecture and Planning). MĀPIHI has a strong health and well-being focus, with its work programmes centred on enhancing Māori and Pacific hauora (well-being) through improved housing quality and supply. The CAI development manager is working with the MĀPIHI directors to investigate new donor prospects in the area of housing for improved hauora.

Dr Tia Reihana (Dance Studies) was appointed co-director of the Centre for Co-Created Ageing Research, a centre founded on a health and well-being platform and one of the new University of Auckland flagship Research Centres established in 2022.

We are also using our skills to improve community health and well-being. Researchers at the School of Architecture and Planning (SoAP) have received Waka Kotahi Innovation funding that could move people from park-and-ride to scoot/bike and ride. They're trialling a micro-hub at Auckland's Panmure railway station to solve what's called the "last and first mile" of public transport. Ngākau Oho is a programme developed to support injury recovery through rongoā Māori – customary Māori ways of healing. It received funding from ACC's Innovation Fund for a personalised recovery programme for ACC clients and their whānau.

History is also crucial to health and well-being. Funding from Toka Tū Ake EQC (Earthquake Commission) will enable a research team from the SoAP to revive an ancient Māori building technique and test it for seismic resilience. Mīmiro is a form of post-tensioning which gave whareniui and other buildings remarkable structural stability. The ancient Chinese construction technique of Dou Gong, which first appeared 3,000 years ago, is also being revived as a masters project for an Architecture student.

Architect, educator, activist, ambassador and Professional Teaching Fellow in the SoAP masters programme, Julie Stout, was named Te Kāhui Whaihanga New Zealand Institute of Architects 2021 Gold Medallist. She is the first woman awarded a Gold Medal.



Faculty of Education and Social Work

In 2022, the Faculty of Education and Social Work launched online versions of our three graduate teaching diplomas. This enabled more than 100 students north of Pōkeno to enrol in this one-year teaching qualification without attending the Epsom Campus. From 2023, we will offer this option to students across Aotearoa New Zealand.

We completed a successful pilot of our Teacher Education in Schools Programme with 13 secondary teaching students embedded in seven south Auckland schools. These students were supported by scholarships, making it possible for them to experience the daily life of a school and participate in co-curricular activities. In 2023, the Ministry of Education will fund additional scholarships in this programme and we will welcome two new Auckland and four Whangārei schools to the consortium.

A small team led by three senior professors has developed a new postgraduate research methods course to replace nine existing courses from 2023. The course will be offered face-to-face and online and will also be available in Summer School and each semester.

The transition to the new model for admissions and enrolment has proved challenging and we continue to partner with Student Services to maximise conversion and mitigate negative effects on our enrolments.

We made extensive submissions on the Ministry of Business, Innovation and Employment's Te Ara Paerangi green paper and the Education Research Evaluation and Development strategy developed by the Ministry of Education, the Education Review Office and the New Zealand Council for Educational Research. These documents signal significant changes in the research landscape, with proposed approaches in Te Ara Paerangi likely to undermine already weak support for social science research.

We continued to encourage academic staff to form researcher teams. Presentations at faculty meetings, a cross-faculty writing retreat, and a strategic approach to awarding PhD scholarships have resulted in staff developing stronger research connections and working towards joint projects and grant applications.

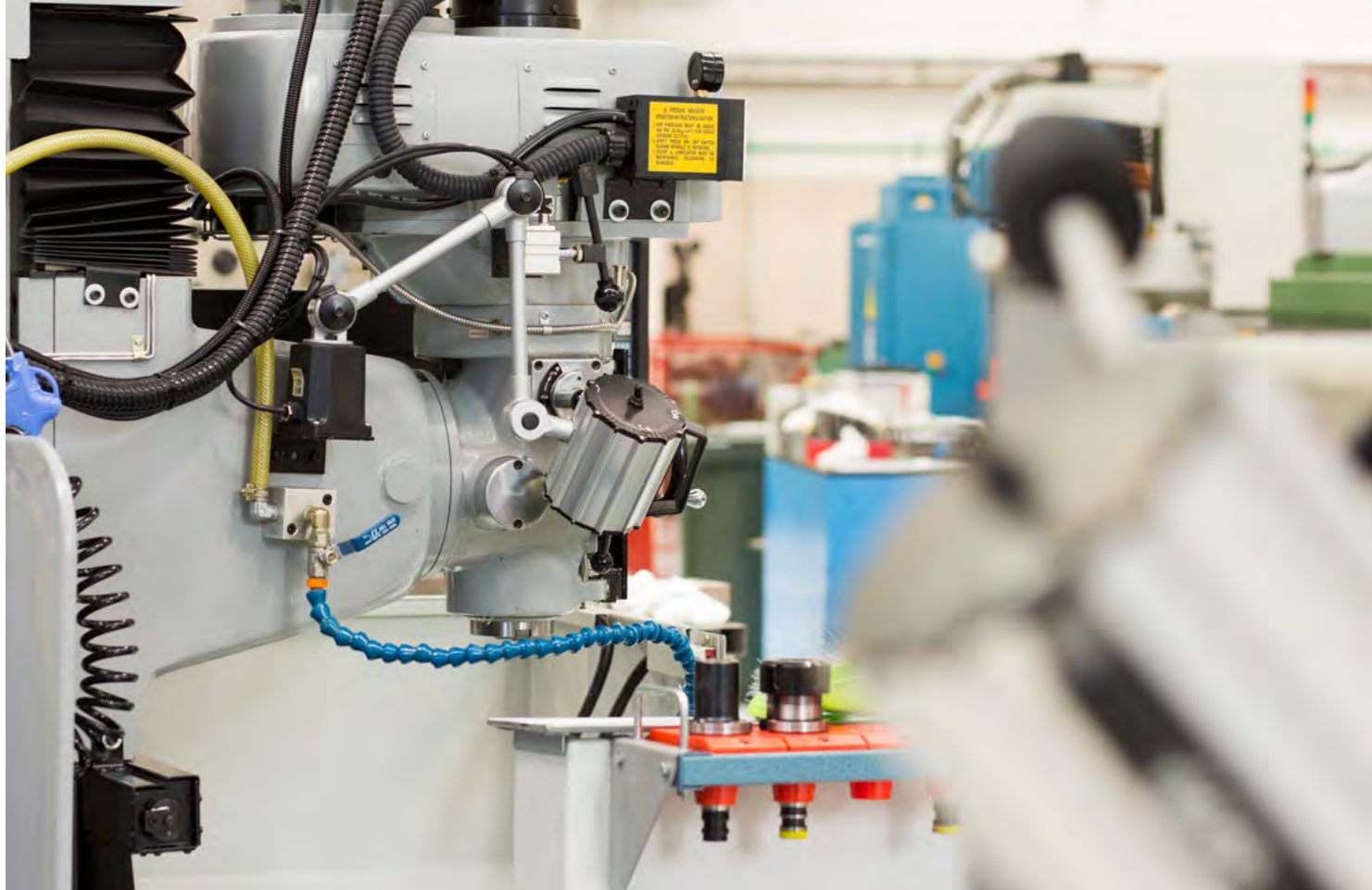
Across summer 2022-23 we have 21 summer scholars working in two cohorts – one on equity-related projects and the other on Indigenous education projects. Our 2021 EdD cohort of 18 mainly Māori and Pacific scholars working with Indigenous methodologies successfully completed confirmation seminars to progress to independent research.

Tāwharau Whakaumu, Centre for Asia Pacific Refugee Studies, and Te Rito Toi, Centre for Arts and Social Transformation, were re-approved as faculty research centres for five years. Both centres have increased the range and scope of their research projects, supported by significant philanthropic grants and gifts, including those from the Boyd Clarke Foundation and Youthtown.

We continued to develop our relationship with Ngāti Whātua Ōrākei. Ngāti Whātua hosted the faculty's strategic leadership team and students and staff in the faculty's professional social work programmes at Takaparawhau for wānanga and hikoī. In the summer of 2022-23, a Whai Maia intern will join summer students working on Indigenous education projects.

Staff have succeeded in delivering face-to-face programmes in a consistently challenging context in 2022.





Faculty of Engineering

The Faculty of Engineering completed its delayed six-yearly accreditation visit from Engineering New Zealand to review its undergraduate programme against the standards of the Washington Accord.

Preparation for this involved coordinating programme directors across our five departments, ten specialisations, and professional staff teams. The Washington Accord is a significant contributor to the international relevance of the programme. This process was completed in December 2022 and the faculty has achieved this accreditation.

The Graduate School of Engineering continued its first online programme which has proved popular with working professionals. The faculty also introduced two new programmes: the Master of Professional Engineering and Master of Civil Engineering.

Co-curricular and student outreach activities continued successfully with a return to in-person activities. The Dean's Leadership Programme delivered high-quality experiences to high-potential students, with guest speakers including the former director-general of public health Sir Ashley Bloomfield. The Women in Engineering Outreach activities, the Formula SAE and Auckland Programme for Space Systems all successfully returned to in-person delivery.

Research activities spanned the range of science, from ground-breaking research with Māori partners towards a sustainable pumice economy to turning non-recyclable personal protective equipment into water and vinegar. The faculty was successful in the MBIE Endeavour

round, garnering seven grants worth ~\$25M across five years. Other successes included a Rutherford Discovery Fellowship for 2022 from the Royal Society Te Apārangi to uncover why so many women exit the software industry within their first five years.

The faculty also secured a Standard Award and two Fast Start Awards from the Royal Society. MBIE Endeavour funding and one Smart Ideas fund in 2022 will cover two research programmes and subcontracts, all worth around \$25m across five years. Funds will support research including a wearable device to detect complications after gut surgery, climate resilience in tītī/muttonbirds, and rechargeable seawater batteries. A member of the faculty was named a (Clarivate) Highly Cited Researcher and another was awarded an Early Career Research Excellence Award at the University's Celebrating Research Excellence Awards.

While our partnerships and engagement activities were impacted in the first half of the year, the faculty has made a conscious effort to expand and scale up the Apollo and Genesis programmes, which contributed to our largest-ever intake of Māori and Pacific students. These programmes provide unique pathways to high-potential students who likely would not otherwise have secured a place in Engineering.

The faculty had a successful year despite the challenges of remote delivery for the first half of the year. The domestic intake continued to track above predictions, as did international enrolments. The faculty was grateful to receive approval to conduct in-person examinations for four core papers in Semester Two.



Faculty of Law

The Faculty of Law focused heavily on education and the student experience in 2022, enhancing online delivery and increasing interactive workshops on campus where possible. We continued to offer extra-curricular activities focused on student well-being.

We were delighted to establish the Olive Malienafau Nelson Pasifika Scholarship for Excellence, the first endowed scholarship for Pacific law students at the University through the generosity of the Sir Michael Jones Foundation. We made progress on offering New Zealand's first Juris Doctor degree which promises graduate entrants to law an education that is better suited to the needs of mature learners.

Two of our students won awards from Te Hunga Rōia Māori o Aotearoa Māori Law Society while another received a scholarship to support further study at the University of Chicago. From 2023, up to three Auckland law undergraduates will be accepted into a programme at the University of Cambridge with the opportunity to benefit from the first-class, small-group learning environment. Our pathway agreements for our students with Cambridge as well as OP Jindal University (India) strengthen our international linkages.

Our staff performed strongly in research, with success in the Rutherford and Marsden grant schemes. Of particular note are a Rutherford Discovery Fellowship investigating the complex international legal framework in the Pacific and a research excellence medal on increasing the equity of taxing the digital economy. Towards the end of the year, our 'Constitutional Kōrero' conference brought together experts from around the world and within New Zealand to present arguments and options for constitutional transformation to realise Māori rights in Te Tiriti o Waitangi, He Whakaputanga and the UN Declaration on the Rights of Indigenous Peoples.

We appointed two new Māori and Pacific academic staff and a senior Māori legal practitioner as an adjunct professor to run an Indigenous legal clinic. The 'Constitutional Kōrero' attracted the participation and attendance of Māori leaders from many fields. Other outreach activities for and by Māori and Pacific students included the annual haerenga of Māori taura to schools, while a local law firm provided funding to expand the Pacific-student led MALOSI project (Movement and Action to Overcome Social Injustice).

Faculty of Medical and Health Sciences

In 2022, we supported the start-up of four new virtual University Research Centres in cancer, brain, ageing and Pacific health, consolidating our global, regional, and national research projects. We also began exploring options to expand our physical research space as we take on new research contracts and expand existing programmes.

As always, our research spans diverse areas, but is always driven by the goal of improving health outcomes. Several key projects focused on improving Māori health outcomes – from lung cancer and rheumatic fever to the impacts of Covid-19. Data releases from Growing Up in New Zealand gave us important new information on child nutrition and wahine Māori breastfeeding.

A new spin-out aims to introduce ground-breaking, non-invasive treatment for the eye disease keratoconus, while our Vision Bus Aotearoa provided glasses for children who otherwise wouldn't have them.

We have a team bringing three novel drugs to clinical trials with a goal of finally stamping out tuberculosis while another team is harnessing mRNA vaccine technology developed for Covid-19 to conquer a common superbug – staph, or *Staphylococcus aureus*.

We gained a significant number of grants to support our work with several of our researchers recognised for their work in fields ranging from brain injuries and trauma to clinical equity and improving end-of-life care.

We began developing new programmes to better meet the needs of today's students interested in health as a career. These included the progression of a new undergraduate Bachelor of Medical and Health Sciences, postgraduate health professional degrees and a new Doctor of Health Science.

Rural health teaching and education continued across several programmes. We successfully extended our rural health teaching stream to include Years 2 and 3 of the MBChB programme, and continued embedding teaching at Te Tai Tokerau Campus with the School of Nursing. We will continue exploring the needs of our rural students including further development of remote learning capability.

We began a pilot programme for outreach activities with Pacific secondary school students, with the goal of improving their admissions. We also formed a knowledge hub on Pacific health and social outcomes.

Components of our existing formal learning courses were successfully migrated to online delivery and we established an office at the Tai Tonga campus to increase our Pacific health presence in south Auckland.

We have a new process to provide permanent appointments for senior research fellows, to resolve equity issues and provide more certainty for staff who can make significant contributions to the University. We began a programme to improve Māori and Pacific staff and student ratios, covering recruitment, development pathways, and creating employment opportunities for current Māori and Pacific students.

In December it was announced former director-general of health, Sir Ashley Bloomfield, will join the University as a professor in the School of Population Health. He will lead the establishment of our new Public Policy Impact Institute as its inaugural chair.





Faculty of Science

The Faculty of Science has had an eventful year, with continued Covid-19 disruptions but there have been good signs of recovery, including the return of international students.

In Education and Student Experience we approved new Graduate Profiles and engaged champions to implement them. Changes to the Masters programmes are being embedded and development of the undergraduate Waipapa Taumata Rau course is underway, along with plans for a follow-on course. Supporting this is a new Curriculum Development Manager, with a focus on Mātauranga Māori, and Associate Dean Māori complementing our Kaiarahi and Associate Dean Pacific roles. Of note are new postgraduate courses including a health-focused physiotherapy masters which has proved popular.

We had excellent results from MBIE Endeavour Fund grants for research and innovation. We implemented a new research strategy and internal funding model, approved a number of faculty and school research centres and gained approval to host Ngā Ara Whetū, a University-level research centre which focuses on sustainability.

A successful Pacific Science Research Symposium was held in 2022 and Ngā Motu Whakahī, a framework for developing Māori and Pacific research capability, is underway with specific funding for the next two years. This provides dedicated summer scholarships and research fellow positions to grow capability.

We are renewing and expanding our Joint Graduate School relationships with Crown Research Institutes, aligning with the new Science White Paper. We continue to lead the Covid Modelling partnership with government, contributing significantly to ongoing pandemic decision-making.

We laid the foundations for a fresh engagement strategy including new international educational partnerships in China, India and Vietnam. This strategy will also develop a purposeful direction for enduring engagement and partnership with Māori, and Ngā Ara Whetū: Centre for Climate, Biodiversity and Society will be key to our engagement with the community on sustainability.

In Enabling Environment, Science staff have contributed significantly to the University's sustainability strategy and have begun considering implications for the faculty, including academic travel. A new physical environment rōpu mahi (working group) has been established to help make our facilities more attractive to return to post-Covid, and to better use space in the face of new working styles.

Liggins Institute

The impact of our research, which focuses on a healthy start to life, was recognised with the Prime Minister’s Science Prize for the Neonatal Glucose Studies Team, led by Distinguished Professor Dame Jane Harding. The prize recognises “transformative science” that has had a significant social, economic, health or environmental impact. The team’s work has led to new knowledge about high and low blood-sugar levels in newborns. Vision is likely to be affected by low blood sugar and the team’s work in assessing vision is being applied more generally. The ongoing importance of their work is evidenced by the recent publication of two papers in the same issue of *JAMA* – a leading international journal.

Postgraduate student numbers are recovering, with growing numbers of international students arriving in 2022. Our postgraduate students were also successful, with several awards and recognition of outstanding doctoral theses. Our taught Masters course in Early Life Nutrition and Life-Long Health starting in 2023 will offer more opportunities for high-performing researchers. We continue to grow our philanthropically funded internship programme which provides transdisciplinary research experience for medical students interested in postgraduate research training.

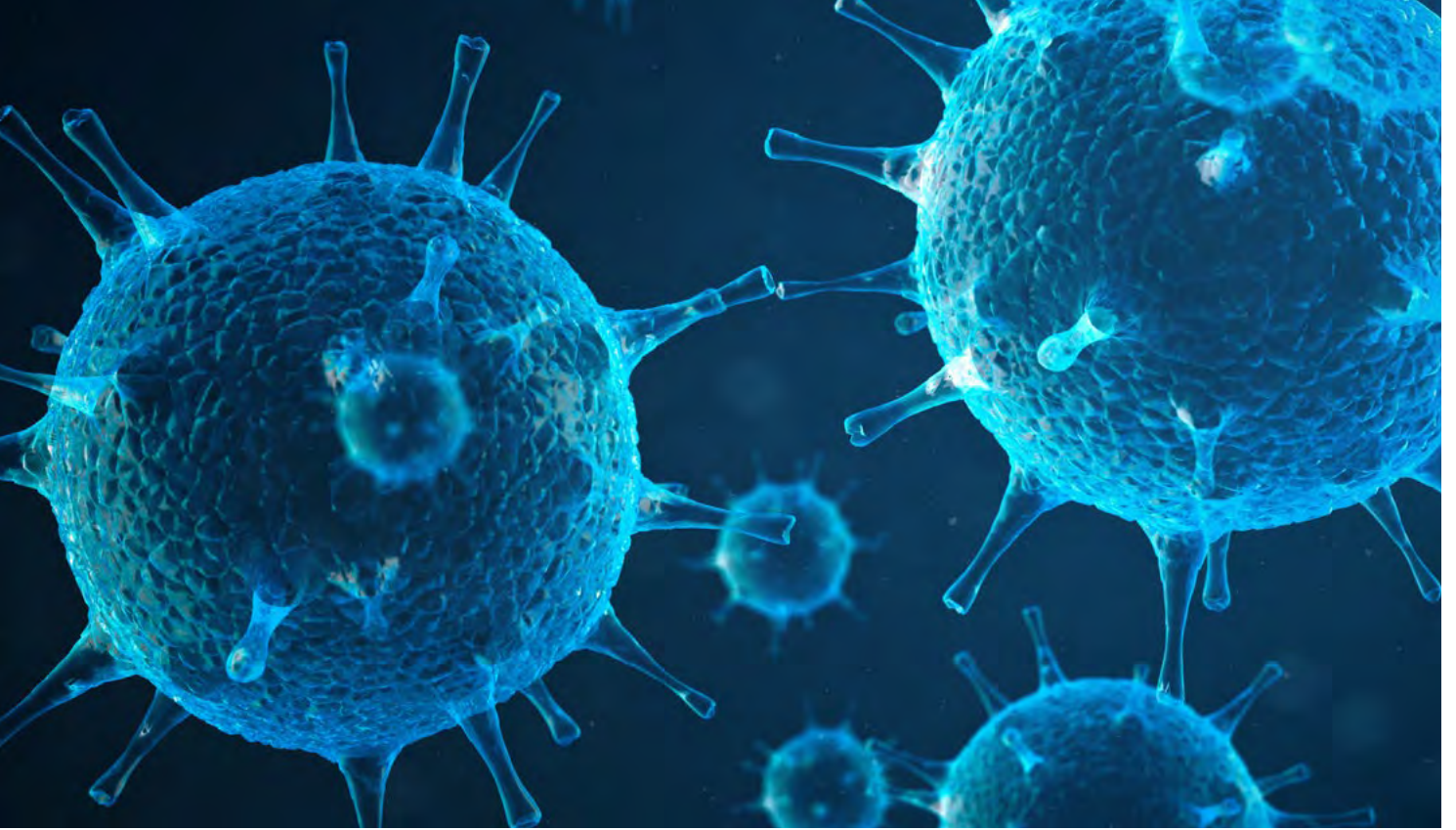
The Institute is also involved in national initiatives. We host three university research platforms – Human Health Research Services, Ngapouri Research Farm near Rotorua, and the Liggins Analytical Laboratory. We also host two National Science Challenges – High Value Nutrition Ko Ngā Kai Whai Painga and A Better Start E Tipu e Rea. Clinical trials are critical to improving patient outcomes and increasing medical knowledge, and we led a review of how clinical trials are run to improve access and equity in partnership with Māori and consumers.

We began two new research projects in 2022 aimed at improving outcomes for babies – rapid genome sequencing for critically ill newborn babies and bringing forward the diagnosis of cerebral palsy to improve ability and independence. While our focus is on the start of life, our research has made a groundbreaking discovery for those with Parkinson’s disease, showing that biological activities far from the brain are involved. This work was published in *Frontiers in Genetics* and the prestigious *Brain* journal.

The Liggins research lab has also become the first university lab in New Zealand to be awarded a My Green Lab certification, recognising its implementation of sustainability initiatives that make lab users conscious of water and energy usage.

We celebrated milestones for the Liggins Institute and of wider perinatal research in Auckland and Aotearoa which will be captured in a book on the history of the University of Auckland’s leading role in this research, to be published in 2023. This has provided an excellent opportunity for engagement with the public and with philanthropy, reflected in ongoing year-on-year growth in philanthropic donations, and the opportunity to acknowledge the members of the Liggins Institute Māori Advisory Group, who most generously have provided invaluable support, insight and feedback on our research.





UniServices

UniServices is the University's research application and commercialisation company. We work to advance research, accelerate the commercialisation of research-based ideas, invest in the most promising projects and deliver positive community impact in the form of evidence-based programmes and services.

In 2022, we made important contributions to improving health and well-being for all, something confirmed by a new report showing the University is among the most impactful public research institutions in Australasia.

The Global Vaccine Data Network, headquartered at UniServices and co-led by University of Auckland vaccinologist Helen Petousis-Harris was launched in 2021 with \$8 million in funding. In 2022, the programme attracted additional projects on global health, growing to more than \$16 million.

We helped secure funding from the global health research consortium Wellcome Leap for an Auckland team to lead research on developing an mRNA vaccine for the superbug *Staphylococcus aureus*.

To advance the health of the planet, we also played a part in securing \$6 million for research into making geothermal energy truly green by trapping carbon emissions underground in the form of stone. The research team also aims to apply the technology to other industries.

We are proud to manage a portfolio of programmes and services that translate evidence-based knowledge into community impact.

We appointed a Manutaki Whanaketanga Umanga Māori (Māori Business Development Director) and a Pacific Business Development Director to establish enduring research partnerships and engagement with Māori and Pacific communities and to uncover and elevate te ao Māori perspectives. We also created a new Māori intellectual property policy to reflect our responsibilities regarding the way we treat Indigenous intellectual property and data.

Growing Up in New Zealand, the largest longitudinal study of child development in Aotearoa, completed its latest data collection wave – the 12-year kōrero (interviews). We made a major effort to strengthen engagement with Māori, Pacific and Asian cohort families to ensure the study's continued diversity.

Throughout the pandemic, the Immunisation Advisory Centre has played a key role in training and advising the vaccinator workforce, providing expert advice for the Covid-19 Technical Advisory Group and responding to media queries. It also supported immunisation for a range of other infections including monkeypox and influenza.

In December, UniServices co-hosted the Blue and Green Technology Conference, bringing more than 200 innovators, investors and government leaders together from New Zealand and the United States to address the innovation challenges and opportunities of climate change.

We doubled the size of the University of Auckland Inventors' Fund to \$40 million, enabling us to support more high-impact research and product development and expand our support for Māori and Pacific inventors and entrepreneurs. This fund also invested in five new spin-out companies: eVouch, Kitea Health, TamoRx, TheiaNova and TrueSilence.





03

Statement of service performance

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Statement of Service Performance

Waipapa Taumata Rau, the name gifted to the University of Auckland, connects us with the nearby shoreline (Waipapa). Taumata Rau speaks to the many peaks or heights reached through the hard work and endeavour of our staff and students.

This name speaks to our purpose, which is to 'create globally transformative impacts through our distinctive strengths in world-leading research, scholarship, teaching and collaborative partnerships, inspired by our unique position in Aotearoa New Zealand and the Asia-Pacific'. With this purpose, *Taumata Teitei*, the University's Vision 2030 and Strategic Plan 2025, was launched in 2021 with the vision that the University be internationally recognised for its unique contribution to fair, ethical and sustainable societies.

The outputs of the University fall into three broad categories:

1. Teaching, learning and scholarship
2. The production and application of research outputs and creative works
3. Contributions to our local and international communities.

Our objectives and performance metrics relate to one or more of these categories.

The Statement of Service Performance (SSP) provides a report on the performance of the proposed outcomes described in the Plan. The SSP also provides a summary of the University's equal employment opportunities activities, the ways in which equal educational opportunities have been addressed through recruitment of under-represented groups, and the ways that students' progress has been enhanced.

The SSP is structured in alignment with *Taumata Teitei*. The targets for each metric are determined as part of our annual planning and budget cycle.

As the outcomes and measures set out in the University's current approved Investment Plan 2020-2022 were intended to explain the outputs of the University's previous Strategic Plan, the mapping table below explains the linkages between our Investment Plan 2020-2022 outcomes and *Taumata Teitei*.

Taumata Teitei outcomes		The Plan: 2020 to 2022 outcomes	
Education and student experience	Priority 1 Accessible, equitable lifelong higher education opportunities	Attract students of high academic potential and give them an outstanding university experience so that they become successful and influential graduates and loyal alumni	Objective 4 A diverse student body of the highest possible academic potential
	Priority 2 Student-centric learning, co-curricular and extra-curricular cultures		Objective 7 A high-quality learning environment that maximises the opportunity for all students to succeed and provides them with an inclusive, intellectually challenging, and transformative educational experience
	Priority 3 Education that is research-informed, transdisciplinary, relevant and with impact for the world		Objective 6 A substantial increase in annual completions of taught masters, research masters and doctorates
	Priority 4 Graduates who make the world better tomorrow than it is today		Objective 8 A distinctive, high-quality extra-curricular experience that maximises the value to our alumni of their university experience
			Objective 5 A student body growing at 1% per annum with increased proportions of international, postgraduate taught and postgraduate research students
Research and Innovation	Priority 1 World-class research inspired by our place in Aotearoa New Zealand and the Pacific	Benefit society by conducting and applying research of the highest quality	Objective 9 A growing output of excellent research across all our disciplines
	Priority 2 A global powerhouse of innovation, creativity and entrepreneurship		
	Priority 3 Relevant, purposeful, impactful research for our communities		Objective 10 Dissemination of high-quality research that has the greatest possible impact on and value for Aotearoa New Zealand and the world
	Priority 4 Ambitious research confronting humanity's greatest challenges		
	Priority 5 Nurture, recruit and retain outstanding research talent		Objective 1 People and Culture see page 78
	Priority 6 A research ecosystem characterised by collaboration, agility, simplicity, engagement and empowerment		

Taumata Teitei outcomes		The Plan: 2020 to 2022 outcomes	
Partnerships and engagement	Priority 1 Strengthen and deepen our relationship with tangata whenua	Benefit Māori and the University through partnerships that acknowledge the principles of Te Tiriti o Waitangi	Objective 11 Partnerships in which the University and Māori work together to achieve their shared aspirations
	Priority 2 An ambitious and relevant partner that is globally networked	Be a public university of global standing that serves New Zealand, is distinctive and reflects our place in the Asia/Pacific region	Objective 19 An international standing that places us in the top half of the groups of leading Australian, British and Canadian universities
	Priority 3 Deep engagement with diverse Aotearoa and Asia-Pacific communities	Develop strong partnerships with key organisations and communities, nationally and internationally	Objective 12 Strong relationships with key partners that have a positive impact on both parties
	Priority 4 Enduring relationships with prospective students, students, alumni and donors		Objective 14 Deliver 1.5% of operating revenue from endowment income and current-use philanthropic gifts to provide broad and flexible support for future University initiatives
	Priority 5 Diverse student body reflecting our communities		Objective 4 Partnerships and engagement see page 62
	Priority 6 Recognised and valued by our communities for the contributions we make towards a more sustainable future		Objective 16 Sustainable practices to make more efficient use of resources and enhance our environmental performance



Taumata Teitei outcomes		The Plan: 2020 to 2022 outcomes	
Enabling environment	Priority 1 Mana-enhancing services and practices	Adhere to our core values and remain an autonomous, sustainable, equitable organisation	Objective 18 High-quality governance and management practices consistent with the mission and values of the University of Auckland
	Priority 2 Efficient, effective, prudent, transparent, and informed operations		Objective 13 A growing and increasingly diversified revenue base to support our activities
	Priority 3 Seamless, effective and equitable user experiences across social, physical and digital environments		Objective 15 An infrastructure of the highest quality possible to support our teaching, learning, research and community engagement
	Priority 4 A distinctive, capable, and flexible built environment that celebrates our place in Aotearoa New Zealand and the Pacific		Objective 17 A safe and healthy environment
	Priority 5 A commitment to achieve net-zero carbon status and to publish meaningful metrics of the University's progress towards overall sustainability		

Taumata Teitei outcomes		The Plan: 2020 to 2022 outcomes	
People and culture	Priority 1 Live our values and purpose	Be a community of highly accomplished and well supported academic and professional staff	Objective 1 A work environment characterised by a commitment to clear expectations, development of potential, inclusiveness, high achievement and rewarding performance
	Priority 2 Develop a future-ready workforce		
	Priority 3 Build a high performing, diverse, inclusive and equitable community		Objective 2 An outstanding staff experience where success is celebrated and high levels of engagement achieved
	Priority 4 Activate manaakitanga, whanaungatanga, and kaitiakitanga across our People and Culture practices		
	Priority 5 Aspirational and inclusive leadership		Objective 3 An environment in which distributed leadership is developed and valued

Viability and reputation

To deliver on its goals, plans and strategic initiatives, it is important that the University is both viable and effective.

Long-term viability requires maintaining sufficient revenue and student numbers, as well as ensuring that the University's revenue stream is sufficiently broad, and that we are recruiting students from diverse segments of the market.

Guided by Waipapa Toitū, the University's framework of principles, *Taumata Teitei* details the distinctiveness that the University will pursue – to be known globally for

excellence and impact in our agreed transdisciplinary areas. These are evidenced and recognised by the University's position in global university rankings, where we are measured against other tertiary education providers in the world on globally comparable benchmarks for compelling evidence of academic excellence, community engagement, and contributions towards the Sustainable Development Goals.

1 Total revenue from tuition, research and other sources

	2020 Actual (\$000)	2021 Actual (\$000)	2022 Target (\$000)	2022 Actual (\$000)
Tuition fees	352,221	381,941	365,742	384,805
Research	269,059	295,055	333,432	327,043
All others	573,270	645,004	645,390	699,798
Total	1,194,550	1,322,000	1,344,564	1,411,646

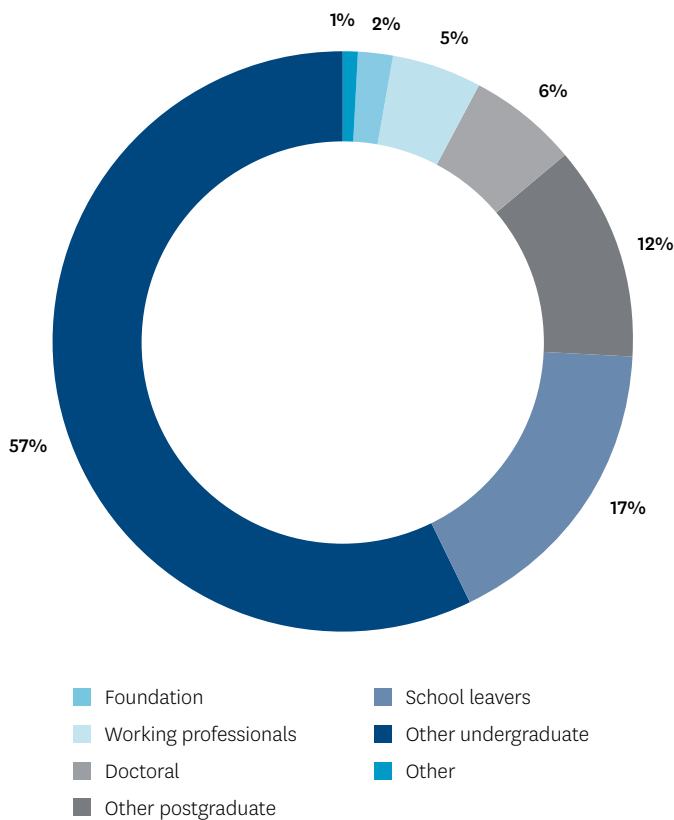
- The University's roll decreased by around 900 EFTS between 2021 and 2022 (-2.5%). However, this decrease is partially offset by increases in tuition fees and TEC Student Achievement Component funds which were regulated at 1.7% and 1.2% respectively, resulting in a 0.7% increase in tuition fees revenue.
- Between 2021 and 2022, research revenue grew by approximately \$32 million (+10.8%), but fell 1.9% short of the target value of \$333 million.
- Revenue from all other sources grew by approximately \$55 million between 2021 and 2022 (+8.5%), and was above the target of \$645 million.

2

Total EFTS (Equivalent Full-Time Students) by segment

	2020 Actual	2021 Actual	2022 Target	2022 Actual
Foundation	663	733	583	833
School leavers	5,141	6,284	5,708	5,902
Other undergraduate	19,865	20,545	20,904	20,412
All undergraduate	25,669	27,562	27,195	27,147
Working professionals	1,671	1,836	1,574	1,856
Other postgraduate	4,465	4,903	4,980	4,394
Doctoral	2,249	2,221	2,087	2,120
All postgraduate	8,385	8,960	8,641	8,370
Other	194	226	125	310
Total	34,248	36,748	35,961	35,827

Student body in 2022 by market segment



- During 2022, we changed the way we define segments, with the goal of making them more transparent, simpler to calculate, and aligning them better to the realities of the market.
- In postgraduate, 'doctoral' has been separated from the 'doctoral and pathways to research' segment, and the 'pathways to research' segment has been combined here with 'career enhancement' to form 'other postgraduate'.
- For undergraduate enrolments, 'transfers' has been replaced with 'UoA New Non-SL', which now includes any new undergraduate (at any level) who is not a school leaver, and 'Foundation' is now defined as any 'level zero' (pre-degree) course, regardless of the programme or programme owner. In the view used here, 'UoA New non-SL' has been combined with 'pipeline undergraduates' to form 'other undergraduates'.
- Overall, EFTS fell from 36,748 in 2021 to 35,827 in 2022 (a 2.5% drop), reflecting ongoing difficulties in recruiting international students, as well as a strong domestic labour market. However, as can be expected, these changes have not affected all segments evenly.
- The University has seen steady improvement in Foundation enrolments, reflecting investment in various programmes aimed at preparing students for tertiary study. Enrolments have risen by 65% since 2019, with an approximate 14% increase between 2021 and 2022 specifically.

- In absolute terms, the Working Professionals segment remained largely unchanged between 2021 and 2022, although as a function of the lower overall EFTS, its contribution to the student body has risen from 4.9% (2021) to 5.2% (2022).
- There was a notable decline for University of Auckland New Non-School Leaver which is the sub-component of 'Other Undergraduate' that represents students who are new to the University but are not school leavers. This group fell by 465 EFTS (21%).
- In postgraduate enrolments, there is a similar pattern as seen for Career Enhancement, a group within 'Other Postgraduate' representing programmes that are not research-focussed, and that are predominantly full-time and on-campus. This group fell by 339 EFTS (13%).
- Both of these groups are sensitive to the overall pool of prospective students, with Career Enhancement particularly reliant on people who wish to advance (or change) their career during times of high or rising unemployment.



3 Operating margin

	2020 Actual	2021 Actual	2022 Target	2022 Actual
Operating margin (%)	-2.5%	+6.8%	+1.4%	+8.3%

The University's operating margin increased from 6.8% in 2021 to 8.3% in 2022. This is well above the target of 1.4% due to the pandemic causing a temporary reduction in operating expenditure through supply chain disruption and border closures, coupled with a higher mix of international students and continued prudent management.

It also reflects a non-cash accounting adjustment resulting from the government's interest-free 'shovel-ready' loan. Without that adjustment, the operating margin would have been 6.2%.

4 Overall institutional ranking

	2020 Actual	2021 Actual	2022 Target	2022 Actual
Times Higher Education (THE) World University Rankings	147	=137	Top 150	=139
Quacquarelli Symonds (QS) World University Rankings	81	=85	Top 100	87
Academic Ranking of World Universities (ARWU)	201 - 300	201 - 300	Top 150 - 200	201 - 300

- The University retained its band in ARWU but dropped two places in both the THE and QS rankings. We retain our position as the highest-ranked institution in New Zealand on all three ranking systems.
- In terms of relative rank, we moved from the 93rd percentile to the 94th for QS between 2021 and 2022. We have remained unchanged in the 94th percentile for both years in THE's World University Rankings.
- Our constituent scores were largely unchanged for all three ranking systems between 2021 and 2022, with the exceptions of declines in QS Employer Reputation (57.3 compared to 48.3), QS International Faculty Ratio (99.5 compared to 92.4), and THE Industry Income (69.4 compared to 56.4).
- Although the International Faculty Ratio score has dropped, the fact that it has remained relatively high (>90) speaks positively to the University's handling of the challenges associated with recruiting and retaining international staff in a period of significant travel and immigration restrictions.
- In addition to these ranking systems, we have also performed well in both the US News and National Taiwan University rankings, rating 123/2,165 and 217/1,017 respectively, in the most recent editions. In both cases, this makes us the highest-ranked institution in New Zealand.



5 Ranked subjects contributing to transdisciplinarity

The University recognises that many of the most significant social, economic, and environmental challenges facing the world today can only be solved through transdisciplinarity. We define this here as a collaborative process that interweaves different knowledge systems, methodologies, values and fields of expertise in the aid of positive social impact. As a comprehensive institution that offers high-quality research and teaching services across a diverse range of academic fields, the University of Auckland is well-placed to support its local and global communities in facing these challenges. This metric reports on the number of subjects where the University has ranked within the top 50.

Note: Subjects eligible for ranking are selected and defined by the rankings agencies – in this case, ARWU and QS. The number of institutions competing in a given subject category can vary, although it should be noted that ranking within a subject requires a valid score in all of the constituent metrics. Scores are also smoothed which means that a drop in score does not necessarily mean an absolute decline in the underlying metrics.

	2020 Actual	2021 Actual	2022 Target	2022 Actual
Subjects in Top 50	ARWU: 3 QS: 13	ARWU: 3 QS: 10	≥18	ARWU: 2 QS: 12

- Under QS, we moved into the Top 50 for Accounting, Linguistics and Psychology, but dropped out for Performing Arts. We retained our high ranking for Anthropology, Archaeology, Education, Civil Engineering, English Language & Literature, Geography, Nursing, Pharmacy, and Sports-related subjects.
- Under the ARWU system, we retained our Top 50 position for Civil Engineering and Food Science & Technology but fell from 43 to the 51–75 band for Instruments Science & Technology.
- Work has begun on mapping taught courses to QS and ARWU subject rankings. This will complement existing data on reputational votes and research outputs and will allow us to develop a more complete picture of how the work of our academic staff contributes to these rankings.

6

Sustainability ranking performance

	2020 Actual	2021 Actual	2022 Target	2022 Actual
THE Impact Ranking	1	9	Top 10	6
QS Sustainability Ranking	N/A	N/A	N/A	10

- Launched in 2019, the THE Impact Rankings assess universities against the Sustainable Development Goals (SDGs). The goals cover a wide range of social, environmental and economic challenges facing the world, including poverty, hunger, the promotion of entrepreneurship and innovation, climate action, and peace and justice. Universities are compared across four broad areas: research, stewardship, outreach and teaching.
- In 2022, global ranking agency QS also launched a sustainability-focused university ranking, which has different constituent metrics, but a similar aim. The University has adopted this as a second component to this KPI. Note that no target was set because the inaugural version of this ranking was only released in the 2022 calendar year, after the targets for 2022 were adopted in December 2021.
- The University has consistently ranked within the top ten globally in THE's Impact Ranking even though the number of competing institutions has grown from around 450 to more than 1,400. Our current rank places us within the 99th percentile.
- The final score in this ranking is based on an institution's submission for SDG 17 (Partnerships for the Goals), as well as the best-scoring three SDGs from the remaining 16. Since this ranking began, the University has had nine of the 16 as part of our featured top three, and has been recognised more than once for SDG 3 (Good Health and Well-being) and SDG 15 (Life on Land).
- Our top three in 2022 were SDG 2 (Zero Hunger), SDG 9 (Industry, Innovation and Entrepreneurship), and SDG 15 (Life on Land).
- The University also ranked tenth in the inaugural QS Sustainability Rankings in 2022. It is the only institution to appear in the top ten in both of these rankings.
- Under this new system, the University performed particularly well ($\geq 85/100$) for Sustainable Education (95.0), Sustainable Research (89.1), Equality (90.8), and Impact of Education (97.8). This last score, in particular, speaks to our commitment to incorporating sustainability into our wider curriculum (see KPI 14).

7

Commencing student demand per place

Most of the performance measures provided in this statement relate to outputs and outcomes of the University's activities. An important supplement to these numbers is to examine demand in terms of applicants – that is, individuals who have applied for a programme, regardless of whether they eventually enrolled with us. In essence, this is a 'reverse' conversion rate: rather than reporting the percentage of applications that progressed to enrolments, the data given below represents the number of applicants per eventual enrolment.

On an aggregate level (i.e., all programmes), demand has trended up over the past few years, starting at 2.8 applicants per enrolment for the 2019 academic year, rising to 2.9 in 2020, and to 3.0 in both 2021 and 2022.

It is also possible to perform this calculation according to various demographic characteristics of the applicants. For the 2022 academic year:

- Demand by male applicants was slightly higher (at 3.1) than for female (2.9) or gender-diverse applicants (2.7).
- By ethnicity, demand was highest for the MELAA¹ (8.1) and 'Other' (6.1) categories, and lowest for Māori and Pākehā applicants (2.3).

1. Middle Eastern, Latin American, African

- This was driven largely by a substantial difference in the demand between domestic (2.2) and overseas resident applicants (7.2) where the MELAA and 'Other' ethnic categories are well represented. This reflects positively on the University's reputation as a desirable study destination for international students.
- In terms of programme level, demand was lowest for non-formal (pre-degree) programmes, at 1.9, and highest for postgraduate at 3.9. Demand for undergraduate level was 2.8.

Countries with the highest level of interest (number of international applicants) were, in descending order, China, India, the Philippines, South Korea, the US, Malaysia, Nigeria, Pakistan, Indonesia, Australia and South Africa. As well as representing the most applicants, China, India, and the Philippines also represented the most successful enrolments, with demand of 3.3, 9.4, and 3.8 respectively.

In terms of demand for particular programmes, the top three by number of applicants were the Bachelor of Science (demand of 3.8), Bachelor of Arts (5.5), and Bachelor of Commerce (4.0). Programmes with fewer applicants overall, but notable for the high level of interest, were the Bachelor of Nursing (demand of 17.1), the Master of Commerce (11.2), and the Master of Data Science (14.9).

Education and student experience

Students are the most direct stakeholders in the University, and their education and experience are fundamental to our broader contribution to Aotearoa New Zealand and the world.

The indicators reported for this strategic priority include measures of student intake, student and graduate satisfaction, employer satisfaction, and qualification completions. These metrics are selected with the intention

of reflecting the direct experiences of our students, the impact that they have on the community at large, and the University's ability to attract and retain students from priority cohorts.

8

Enrolments by student cohort (Māori, Pacific, All Other ethnicities), at each qualification segment

The University closely monitors enrolments by these groups in all market segments in line with its commitments to support positive educational outcomes for Māori and Pacific students.

- Students can select any combination of ethnic affiliations when they enrol. For the purposes of KPI reporting, they are grouped along a hierarchy.
- A student identifying as Māori is always counted as Māori, regardless of whatever other groups they select.

- A student is identified as Pacific regardless of any other groups selected unless they also selected Māori (that is, a Māori/Pacific student is counted as Māori, but a Pacific/Asian student is counted as Pacific).
- To be included in 'All Others', a student must not have selected either Māori or Pacific.



Māori students

	2020 Actual	2021 Actual	2022 Target	2022 Actual
Foundation	85	98	88	87
School leavers	317	389	354	347
Other undergraduate	1,489	1,532	1,514	1,462
Working professionals	163	162	173	168
Other postgraduate	211	273	274	240
Doctoral	89	103	106	111
Other	9	12	15	23
Total	2,363	2,569	2,524	2,438

- Enrolments by Māori students fell between 2021 and 2022 for most segments, with an overall drop of around 5%, although Working Professionals (+4%) and Doctoral (+8%) went against this trend.
- Postgraduate enrolments by Māori students likewise remained stable, at around 6% in both 2021 and 2022.
- In percentage terms, Māori students remained relatively unchanged as a proportion of the student body, representing just under 7% of total enrolments in both years.

Pacific students

	2020 Actual	2021 Actual	2022 Target	2022 Actual
Foundation	164	179	180	178
School leavers	449	551	540	505
Other undergraduate	1,897	1,950	2,204	1,919
Working professionals	150	169	195	173
Other postgraduate	204	255	270	221
Doctoral	67	64	70	65
Other	20	14	20	20
Total	2,951	3,182	3,479	3,081

- Enrolments by Pacific students fell by around 100 EFTS (3%) between 2021 and 2022, which is approximately in line with the overall drop in EFTS of 2.5%.
- As a percentage of the total student body, enrolments by Pacific students remained relatively stable at just under 9% in both 2021 and 2022.
- Enrolments by Pacific students at postgraduate level remain stable, representing just over 5% of all postgraduate enrolments in both 2021 and 2022.

All Other students

	2020 Actual	2021 Actual	2022 Target	2022 Actual
Foundation	414	456	315	567
School leavers	4,375	5,344	4,814	5,049
Other undergraduate	16,479	17,064	17,186	17,032
Working professionals	1,358	1,505	1,206	1,516
Other postgraduate	4,050	4,375	4,436	3,933
Doctoral	2,093	2,054	1,911	1,944
Other	164	200	90	267
Total	28,933	30,998	29,958	30,308

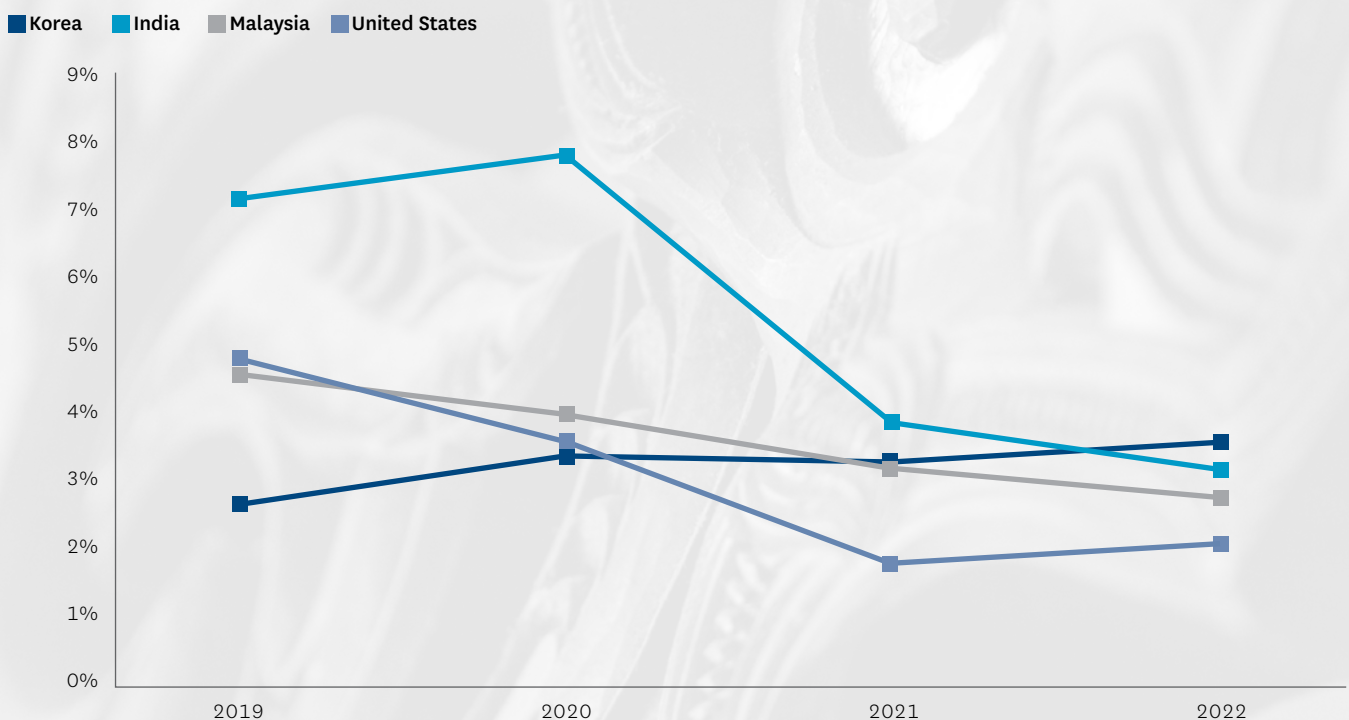
- Being the largest cohort, the changes for this group largely reflect the changes seen for the overall student body.
- In absolute terms, most segments for this cohort have declined in size between 2021 and 2022, with the exceptions of Foundation (+24%) and Working Professionals (+1%).
- A particular decline is evident for Other PG (-10%) which is the grouping that contains Career Enhancement and Pathways to Research (see KPI 2).

International students

- In 2022, we had 8,277 internationally resident² students from 103 different countries enrolled at the University, representing 18% of the total EFTS load.
- In simple percentage terms, the University has weathered the effects of travel restrictions relatively well, with the percentage of internationally resident EFTS declining only slightly from 18.7% in 2020 to 18.0% in 2022. This can be attributed in part to the fact that some international students were already resident in New Zealand, and also to the work done by Auckland Online and the International Office in making qualifications available to students online, and via overseas learning centres.
- However, the most evident effect over the past few years has been a relative loss of diversity in these internationally resident EFTS. In 2020, the University had international students from 127 countries, which fell to 119 in 2021 and further to 103 in 2022.
- The proportion of EFTS from the largest single source has also risen, with China representing 53% of our international students in 2020, rising to 66.7% in 2022.
- There has also been a change in the relative ordering of the top contributors. While India was the second-largest contributor in 2020 (7.8% of internationally resident EFTS), this fell to 3.2% in 2022, meaning that the second-largest contributor for 2022 is now South Korea, on 3.6%.

2. This includes students who are domestically funded, despite not being New Zealand citizens or permanent residents. This can occur with certain government programmes, and is also the case for most doctoral students.

Top contributors of international students (excluding China)



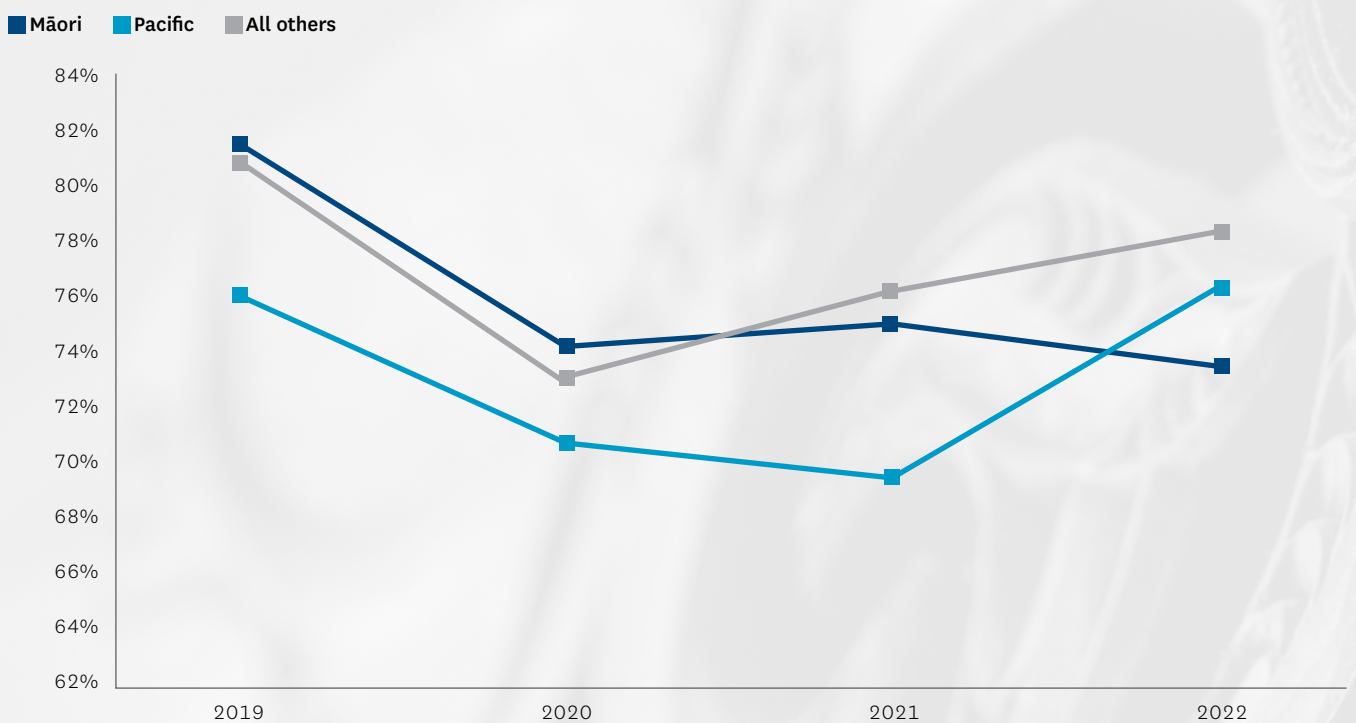
9

Student satisfaction with their programme

	2020 Actual	2021 Actual	2022 Target	2022 Actual
Students satisfied with their programme	72.9%	75.4%	≥75.5%	77.6%

- After a Covid-related decline in 2020, satisfaction with university life improved over 2021 and 2022, finishing within the target range in 2022.
- There were no significant differences in programme satisfaction by gender, with ratings of 76.4% for male students and 78.2% for female students. There were too few responses from gender diverse students to draw concrete conclusions for this group.
- There were somewhat greater differences by broad ethnic category, with programme satisfaction lower for Māori students (73.5%) than for Pacific students (76.2%) or students from other ethnic groups (78.2%). This is notable in that Māori students were the most satisfied group in 2019 and 2020, before dropping to second place in 2021, and then to third in 2022.
- The University is currently devising a Māori staffing plan. This and other initiatives are expected to play a positive role in addressing Māori student satisfaction.
- By faculty, programme satisfaction ranges from Law (72.5%) to Education & Social Work (82.1%). The average for the three STEM faculties (Science, Medicine, Engineering) was 79.3%, while the average for the remaining faculties (Business, Arts, Law, Education, and Creative Arts) was 76.2%.

Student satisfaction with programme by ethnic group



10

Student satisfaction with university life

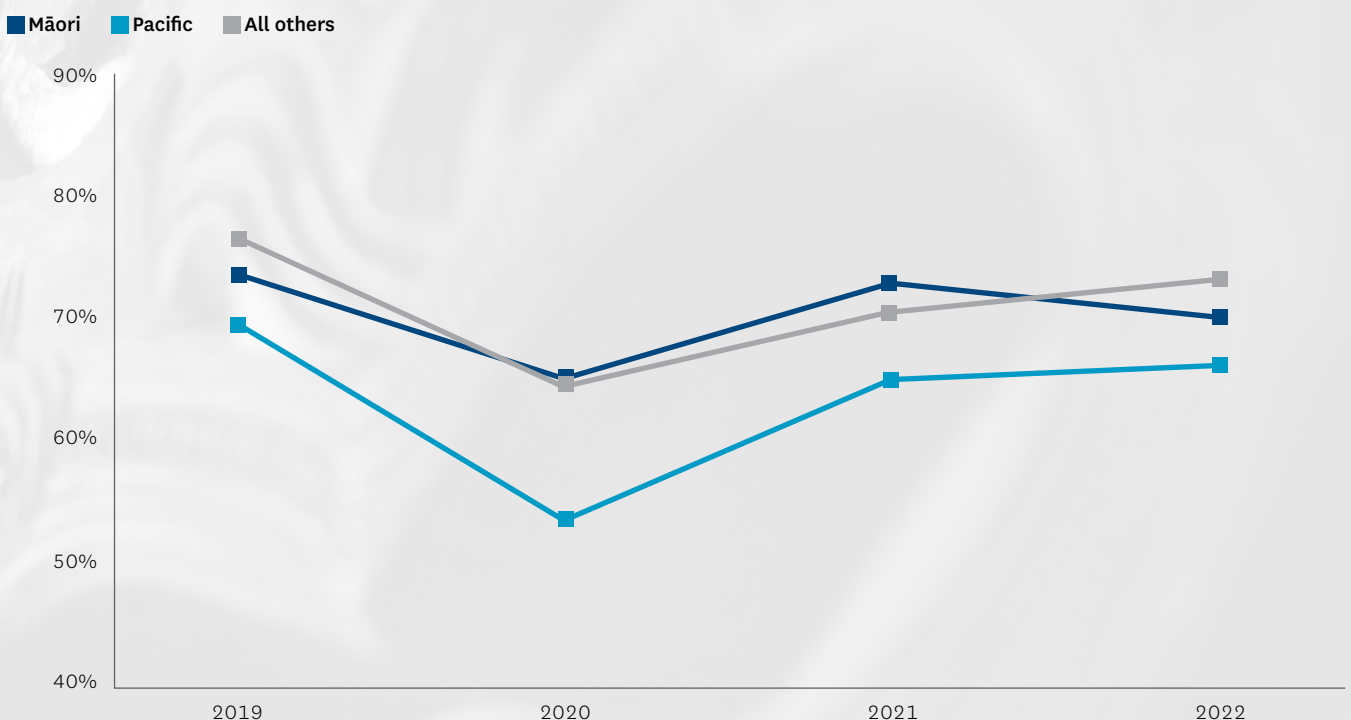
	2020 Actual	2021 Actual	2022 Target	2022 Actual
Students satisfied with university life	63.2%	70.1%	≥65.7%	72.2%

Ensuring that students are satisfied with their university life is an important factor in removing barriers to their success.

- This metric uses the same Learning and Teaching Survey as the previous indicator. The number represents the percentage of respondents who agreed or strongly agreed with the statement, 'Overall, I am satisfied with my experience at Waipapa Taumata Rau, University of Auckland'.
- Much like programme satisfaction, this metric was also affected by Covid-19, and consequently, we recorded a relatively low rating of 63.2% in 2020, which has gradually recovered to end on 72.2% in 2022.
- By gender, overall university satisfaction was similar for male (71.5%) and female students (72.8%). Responses from gender diverse students were too few in number to draw concrete conclusions.

- By ethnic group, the responses to this question were more closely aligned than for the previous (programme-oriented) question. However, they still indicate that Māori and Pacific students were less satisfied than students from other ethnic groups. In 2022, the rate was 66.0% for Pacific students, 69.9% for Māori students, and 73.2% for students from other ethnic groups.
- In terms of faculty, satisfaction with university life ranged from Law (65.2%) to Education & Social Work (78.8%).
- Average satisfaction in 2022 for the three STEM faculties (Science, Medicine, Engineering) was 74.1%, while the non-STEM faculties (Business, Arts, Law, Education, and Creative Arts) had average satisfaction of 71.3%.

Student satisfaction with university life by ethnic group



11 Graduate satisfaction with skills

	2020 Actual	2021 Actual	2022 Target	2022 Actual
Graduate satisfaction with skills	Not surveyed	80.2%	≥84.0%	80.8%

The degrees and qualifications with which our students graduate are the primary output of the learning and teaching service we provide to them. How those qualifications factor into a graduate's professional and personal life is, therefore, an important measure of how successful we have been in delivering that service, and the extent to which we can claim to have made a positive contribution through our graduates to the community at large.

- The University conducts a Graduate Destination Survey (GDS), mostly every second year, to understand where our graduates are in their professional and personal lives one to two years after having completed their qualification.
- The metric shown here is an aggregated summary of responses agreeing with various positive propositions about the respondent's qualification – for example, 'My programme has encouraged me to critically consider ideas'.
- Although the 2022 figure of 80.8% is a small improvement on the 80.2% in 2021, it remains below the target value of ≥84.0%.

- The score improved by a slightly greater margin for Māori and Pacific graduates. For Māori graduates, this measure rose from 80.4% in 2021 to 82.8% in 2022, while for Pacific graduates, the increase was 80.4% to 82.9%. For graduates from all other ethnicities, the change was more muted, with an increase from 80.1% to 80.4%.
- By faculty, satisfaction in the 2022 survey was lowest for the Faculty of Arts (74.3%) and Faculty of Science (76.2%), and highest for the Faculty of Engineering (83.5%) and the Faculty of Medical and Health Sciences (87.2%).
- The Faculty of Creative Arts and Industries showed the most marked improvement in this metric between 2021 and 2022, rising from 72.1% in 2021 to 80.5% in 2022. This should be understood in the context of 211 unique respondents from Creative Arts and Industries in 2021, against only 108 in 2022.
- There is no marked difference by gender for 2022, with values of 78.9% for male graduates (718 respondents), and 81.7% for female graduates (1,492 respondents). As for previous metrics, there are too few gender-diverse respondents to draw a conclusion.



12

Employer satisfaction with graduate skills

	2020 Actual	2021 Actual	2022 Target	2022 Actual
Employer satisfaction with graduate skills	55.9	57.3	≥57.3	48.3

Complementary to the preceding metric, this measure is an external indicator of employer satisfaction. The metric adopted here is from the QS World University Rankings, more specifically the component score that is derived from the results of QS’s Employer Reputation Survey. In brief, this reflects employers from diverse industries and regions who have voted for the University of Auckland as producing a high quality of graduate.

- In the 2021 edition, we rated 139th out of 1,300 competing institutions (89th percentile), with 767 nominations received. In the 2022 edition, although our nominations rose to 1,030, our relative rank slipped to 186th out of 1,421 competitors (87th percentile).

- According to the statistics made available to us by QS, our nominations received (as a proportion of the global share) increased from within New Zealand, as well as from Australia, Singapore, Hong Kong, and Indonesia. We experienced slight declines in global share from Japan, South Korea, Thailand, China, and Malaysia.
- By broad subject area, we received the most nominations for Social Sciences and Management (602), and for Engineering & Technology (452).





13

Graduate employment rate

	2020 Actual	2021 Actual	2022 Target	2022 Actual
Graduate employment rate	Not Surveyed	96.6%	≥96%	96.5%

- Using the same survey tool (the GDS) as we have adopted for KPI 11, it is possible to estimate how many of our graduates are employed.
- This measure is calculated as graduates who are employed, divided by this group plus graduates who are seeking employment. Because graduates can select any number of options for this question, some simple branching logic is applied, as below:
 - A graduate is considered to be employed if they are not in full-time study (as defined below), and are either working, or are engaged in a work-related activity (such as an internship or apprenticeship), and are not seeking additional employment.
 - A graduate is classed as being in full-time study if they either explicitly selected this option, or if they are simultaneously in part-time study and engaging in a work-related activity.
 - A graduate is considered to be seeking employment if they do not meet the criteria for either of the categories above and explicitly stated that they were seeking employment.
- The 2022 rate of 96.5% remains essentially unchanged from 2021's rate of 96.6%.
- Employment rates were similar for all programme levels: 95.2% for doctoral graduates, 96.4% for undergraduates, and 96.9% for postgraduates.
- By faculty, employment rates were lowest for the Faculty of Arts (93.0%) and the Faculty of Science (93.6%), and highest for the Faculty of Medical and Health Sciences (99.1%) and the Faculty of Education and Social Work (98.8%).
- Employment outcomes were similar for male (96.4%) and female (96.6%) graduates. There were not enough gender diverse respondents to draw a conclusion for that group.
- By ethnicity, employment rates were 99.3% for Māori, 97.9% for Pacific graduates, and 96.1% for all other ethnicities.

14

Students enrolled in programmes that have been re/developed for strategic alignment, as a proportion of total EFTS

	2020 Actual	2021 Actual	2022 Actual
EFTS in SDG-aligned courses	All: 24.4% Env: 4.0% SE: 21.0%	All: 26.1% Env: 4.5% SE: 22.5%	All: 26.7% Env: 4.8% SE: 22.9%

The University strives to ensure that the courses we offer align with the needs of the communities that we serve. One way of measuring this is to examine our catalogue within the framework of the Sustainable Development Goals (SDGs), which cover a diverse range of social, environmental, and economic challenges.

- The metric reported here uses the SDG queries developed under the University’s SDG mapping initiative³ to identify courses in our catalogue that touch on one or more of the SDGs and reports the percentage of total equivalent full-time students (EFTS) enrolled in those courses in a given year.
- To provide a degree of depth, we further divide the SDGs into those related primarily to environmental⁴ (Env) concerns, and those related primarily to socio-economic⁵ (SE) challenges. Note that a course can be mapped to both categories, so the sum of environmental + socio-economic will generally add to slightly more than the overall figure.
- Around a quarter of the EFTS load in 2022 is in courses tagged for one or more SDG (26.7%), with a greater emphasis on socio-economic SDGs (22.9%) than environmental (4.8%). This pattern appears to hold for previous years⁶, as well.

- The subjects captured by this mapping are diverse, with the top ten accounting for only around 43% of the total mapped EFTS in 2022. The most prominently featured are life sciences papers, including Biological Sciences, Medicine, Nursing, Population Health, Medical Science, Psychology, and Pharmacy. The remaining three members of the top ten are Economics, Business, and Urban Planning. This reflects the University’s strong traditions in both health sciences and in economic development and innovation.
- By gender in 2022, male students were less likely than female students to be enrolled in SDG-related courses, with a variance compared to total EFTS of around 7% each way. No marked difference was found for gender diverse students.
- Performing the same analysis by ethnicity indicates that students with an Asian background are less likely to enrol in these courses (-5%), while other ethnic groups were all within ±2%. This could be connected to the strong presence of Asian students in our international student cohort, with a variance of -6% for international students.

3. See sdgmapping.auckland.ac.nz for more details.

4. SDG 6 (Water/Sanitation), SDG 7 (Energy), SDG 12 (Consumption/Production), SDG 13 (Climate), SDG 14 (Life Below Water), SDG 15 (Life on Land).

5. SDG 1 (Poverty), SDG 2 (Hunger), SDG 3 (Health), SDG 4 (Education), SDG 5 (Gender Equality), SDG 8 (Employment), SDG 9 (Industry), SDG 10 (Inequality), SDG 16 (Strong Institutions).

6. Note that this project dates to 2021. Values for 2020 are based on courses from 2021 and 2022. It is possible that a very small number of courses offered in 2020 but not in 2021/2022 might have been missed.

15

Course completions by student cohort
(Māori, Pacific, All Other ethnicities, at each qualification segment)

Please note there is a change in the way that this KPI is reported for 2022. Where previously it was based on programme completions (i.e. graduations), it now reflects course completions (i.e. pass rates). There are several reasons for this change, but the primary motivation is that different programmes can represent significantly different student workloads, in terms of both the number and duration of the courses included. The way we calculate pass rates, however, is on a course-by-course basis, and is adjusted according to the points-value (and therefore duration) of each individual course.

For the purposes of this KPI, two categories of enrolment are excluded:

- 1) Doctoral enrolments, because these are overwhelmingly (90% or more) PhD/Doctor of Philosophy degrees, which are simply pass or fail upon completion, and are not graded on a year-by-year basis.
- 2) Enrolments in courses or programmes not belonging to any market segment. This fluctuates year-on-year but is generally at or below 1% of total enrolments, as measured by equivalent full-time student (EFTS) allocation.

Māori course completions

	2020 Actual	2021 Actual	2022 Target	2022 Actual
Foundation	78.4%	80.4%	81%	73%
School leavers	83.8%	80.4%	86%	81.2%
Other undergraduate	87.4%	84.2%	≥88%	81.3%
Working professionals	94.5%	89.8%	≥95%	82.5%
Other postgraduate	92.1%	92.7%	≥92%	89.6%
Total	87.4%	84.6%	≥88%	81.8%

- Overall pass rates for Māori students fell from 84.6% to 81.8% (-2.8%) between 2021 and 2022, with the most significant declines evident for the Foundation segment (-7.4%).
- The one segment that went against this trend was School Leavers, where pass rates improved marginally from 80.4% to 81.2%.

Note regarding Māori and Pacific course completions

Although a downward trend is also evident for non-Māori/non-Pacific learners, it is less pronounced for these students. The University is aware of the need to achieve parity in pass rates between Māori/Pacific students and other groups, and has recently launched a comprehensive Learner Success Plan (LSP) with this goal in mind.

The LSP packages a range of initiatives aimed at Māori/Pacific learners with data-driven targets, which have been developed by identifying particular key undergraduate courses that have the best potential to significantly impact overall pass rates, and where relatively small changes can produce lasting benefits.



Pacific course completions

	2020 Actual	2021 Actual	2022 Target	2022 Actual
Foundation	68.4%	66.7%	68%	59.3%
School leavers	72.0%	73.7%	75%	67.1%
Other undergraduate	82.0%	75.9%	≥75%	73.2%
Working professionals	89.2%	88%	≥90%	78.5%
Other postgraduate	92.7%	90.5%	≥94%	84.2%
Total	80.7%	76.7%	≥88%	72.4%

- As with other ethnic groups, pass rates for Pacific students fell between 2021 and 2022, from 76.7% to 72.4% overall (-4.3%). In the case of these students, the decline is evident in all segments.
- The greatest decline is seen for the Working Professionals segment, which fell by 9.4% between the two years. The only segment for which Pacific learner pass rates remain above 80% is the Other PG group, which includes Career Enhancement and Pathways to Research.

Note: To simplify reporting only one ethnic group can be assigned to any given student. Consequently, students who identified as both Māori and Pacific are assigned as Māori and are not included in the table above.

All other ethnicities

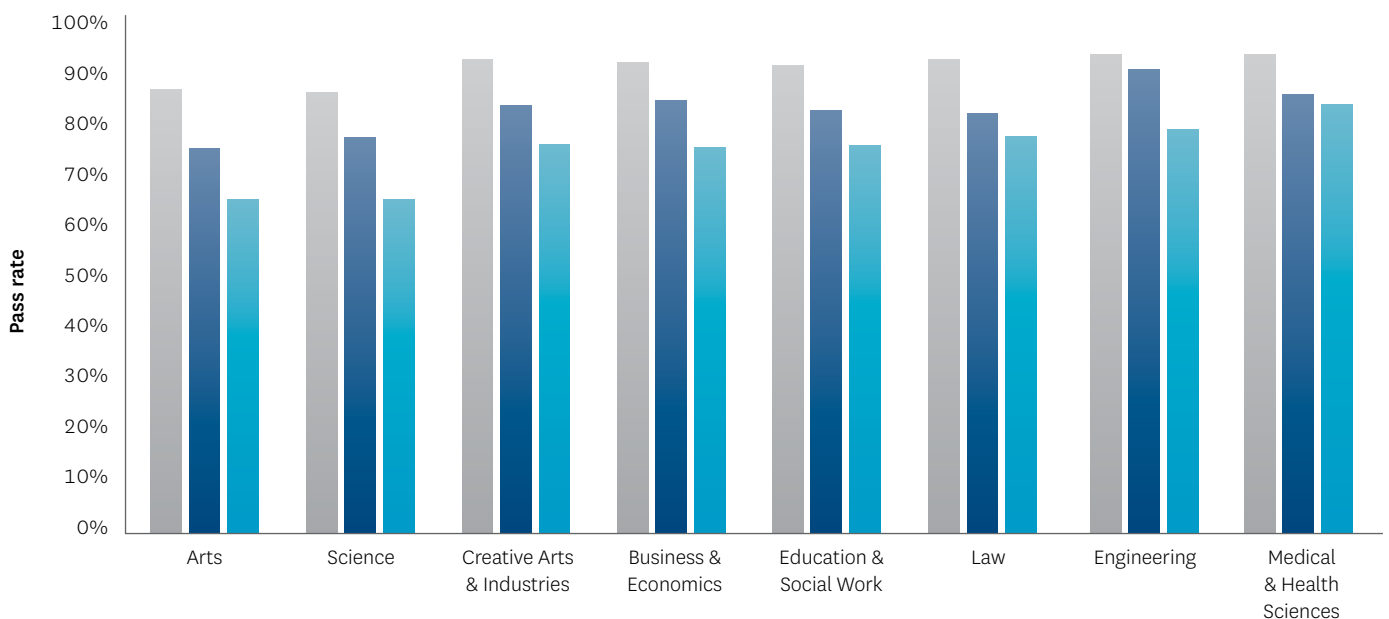
	2020 Actual	2021 Actual	2022 Target	2022 Actual
Foundation	79.6%	76.5%	78%	66.6%
School leavers	91.5%	89.6%	90%	88.7%
Other undergraduate	93.4%	91%	≥90%	90.7%
Working professionals	96.5%	95.8%	96%	91.8%
Other postgraduate	96.9%	95.5%	96%	92.6%
Total	93.5%	91.4%	≥90%	90.1%

- As with Māori and Pacific learners, pass rates for all other ethnicities also fell between 2021 and 2022, dropping from 91.4% to 90.1% (-1.3%).
- Pass rates remain above 90% for Other Undergraduate (covering the Pipeline Undergraduate and UoA New Non-SL segments), Working Professionals, and Other Postgraduate (including Career Enhancement and Pathways to Research). The drop for these segments was relatively muted.
- Pass rates for School Leavers remain slightly under 90%, but the decline was similarly small (89.6% to 88.7%, -0.9%).
- The sharpest decline is seen for the Foundation segment, where the pass rate fell by nearly 10% from 76.5% in 2021 to 66.6% in 2022.
- Breaking this group down into slightly more detailed categories, we have an overall pass rate of 90.8% for Pākehā students, 89.5% for Asian students, 86% for MELAA⁷ students, and 87% for other ethnic groups.

7. Middle Eastern, Latin American, African

2022 Pass rates by ethnic category and faculty

■ Māori ■ Pacific ■ All others

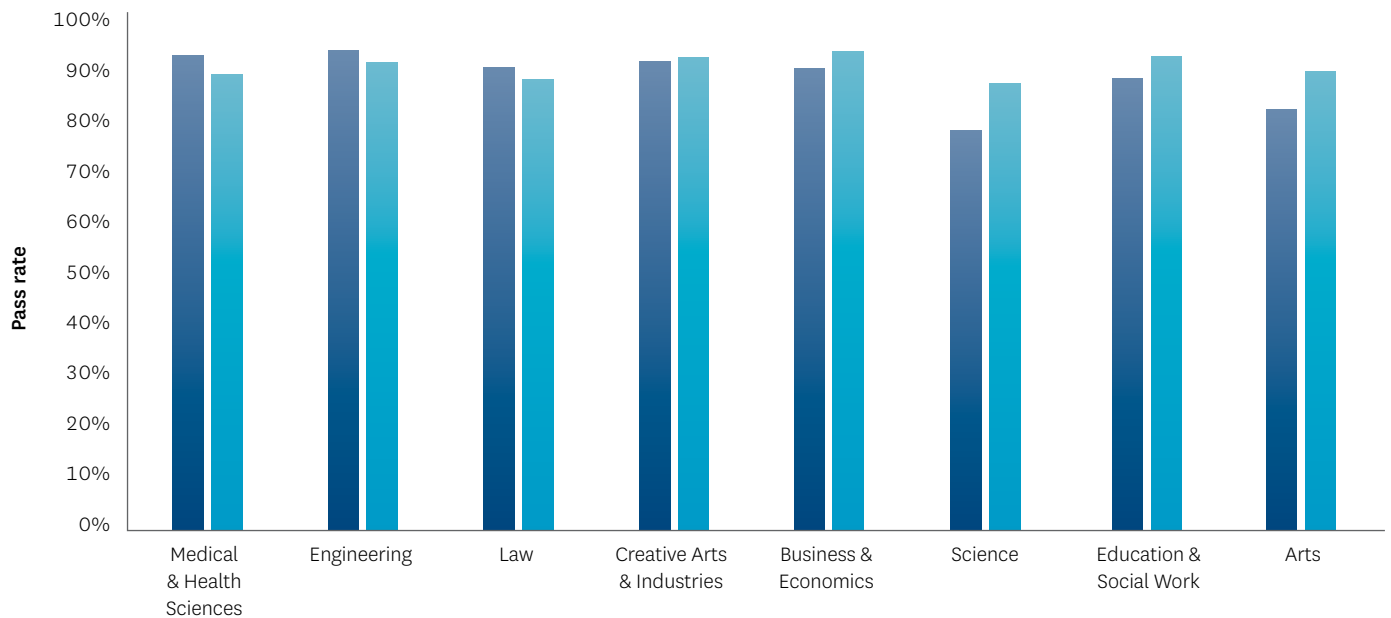


International students

- Pass rates for internationally resident students also declined between 2021 and 2022, falling from 90.5% in 2021 to 88.4% in 2022. The sharpest drop is seen in the Foundation segment which fell from 75.7% in 2021 to 63.4% in 2022.
- Overall pass rates in 2022 were very similar for international (88.4%) and domestic (87.9%) students, although this is not spread evenly across the segments.
- When compared to domestic students, international students had lower pass rates for Foundation (-4.4%), and School Leavers (-0.7%), but higher pass rates for Other Undergraduate (+2.4%), Working Professionals (+2.7%), and Other Postgraduate (+1.2%).
- As in 2021, 2022 pass rates remain above 90% for international students for Other Undergraduate (90.4%, covering new to University of Auckland Non-School Leaver and Pipeline Undergraduate), Working Professionals (92.2%), and Other Postgraduate (93%, covering Pathways to Research and Career Enhancement).

2022 Pass rates by residency and faculty

■ Domestic ■ International





Research and innovation

As well as learning and teaching services, the other key pillar of the University's involvement with its communities is research and scholarship.

As a comprehensive institution, our services in this area cover a diverse range of outputs, including public good research on behalf of charities and government agencies, commercial research in partnership with the private sector, academic consultancy, and a rich array of creative works.

We aim to be recognised as a focal point of research excellence, with outputs that serve the needs of our diverse communities in Aotearoa, the Pacific, and the world. The metrics reported in this section are measures of our progress towards these goals.

During 2022, the University launched Hikina kia Tutuki, Grand Challenges Fund, an internal funding mechanism for existing or prospective research centres that address pressing challenges facing the world today. There are currently seven centres funded through this model:

- The James Hēnare Māori Research Centre was an existing University-level centre whose funding was transferred to this model.

- The Centre for Brain Research and Te Aka Mātauranga Matepukupuku, Centre for Cancer Research were existing faculty-level centres that have been elevated to full university-level status.
- Four new university-level centres have been created:
 - Ngā Ara Whetū, Centre for Climate, Biodiversity & Society
 - Centre for Co-Created Ageing Research (CCREATE-AGE)
 - Centre for Pacific and Global Health
 - Māori and Pacific Housing Research Centre (MĀPIHI).

In total, this fund makes up to \$250,000 per annum available to each centre, over a funding term of five years.

16

Research income from non-NZ government sources

	2020 Actual	2021 Actual	2022 Target	2022 Actual
Research income from non-NZ government sources (million \$)	50.4 (22.3%)	56.4 (22.8%)	59.2 (23%)	57.8 (22.4%)

- The New Zealand government and public sector are important sources of funding for the University’s research activities, particularly with regards to public good research that addresses various social, environmental, and health-related challenges.
- Without seeking to diminish the importance of such funding, this metric is intended to demonstrate the diversity of the University’s research revenue sources, as well as our involvement with a range of other partners including charities, iwi, the private sector, and overseas funders.
- The number given here is calculated from research and contract expenditure, less the value of internal subcontracts and contracts for service. When compared to the total consolidated research and contracts revenue, the total pool of research funding identified by this method varies between +0.8% and +3.4% in all years in the 2019-2022 period.
- Research is grouped according to its PBRF (Performance Based Research Funding) category – a government mechanism of supporting research institutions and universities.
- The dollar amount of non-governmental funding rose slightly from \$56.4 million to \$57.8 million between 2021 and 2022, although this represented marginally less of the total pool of PBRF eligible research, falling by 0.4%.
- This can be understood in terms of a boost in funding from New Zealand government and public sector entities, which rose from approximately \$191 million in 2021 to just under \$200 million in 2022 (around 5%). The increase in non-governmental funding was only around 2-3%, and thus the end effect is the dilution of non-governmental funding in relative terms.
- Major sources within the category of non-New Zealand government funding for 2022 are domestic charities and trusts (\$21 million), overseas governments (\$10 million), and overseas private sector entities (\$9 million).
- Funding from domestic charities is also noteworthy as representing a consistent upward trend, from around \$18 million in 2019 to just over \$21 million in 2022.

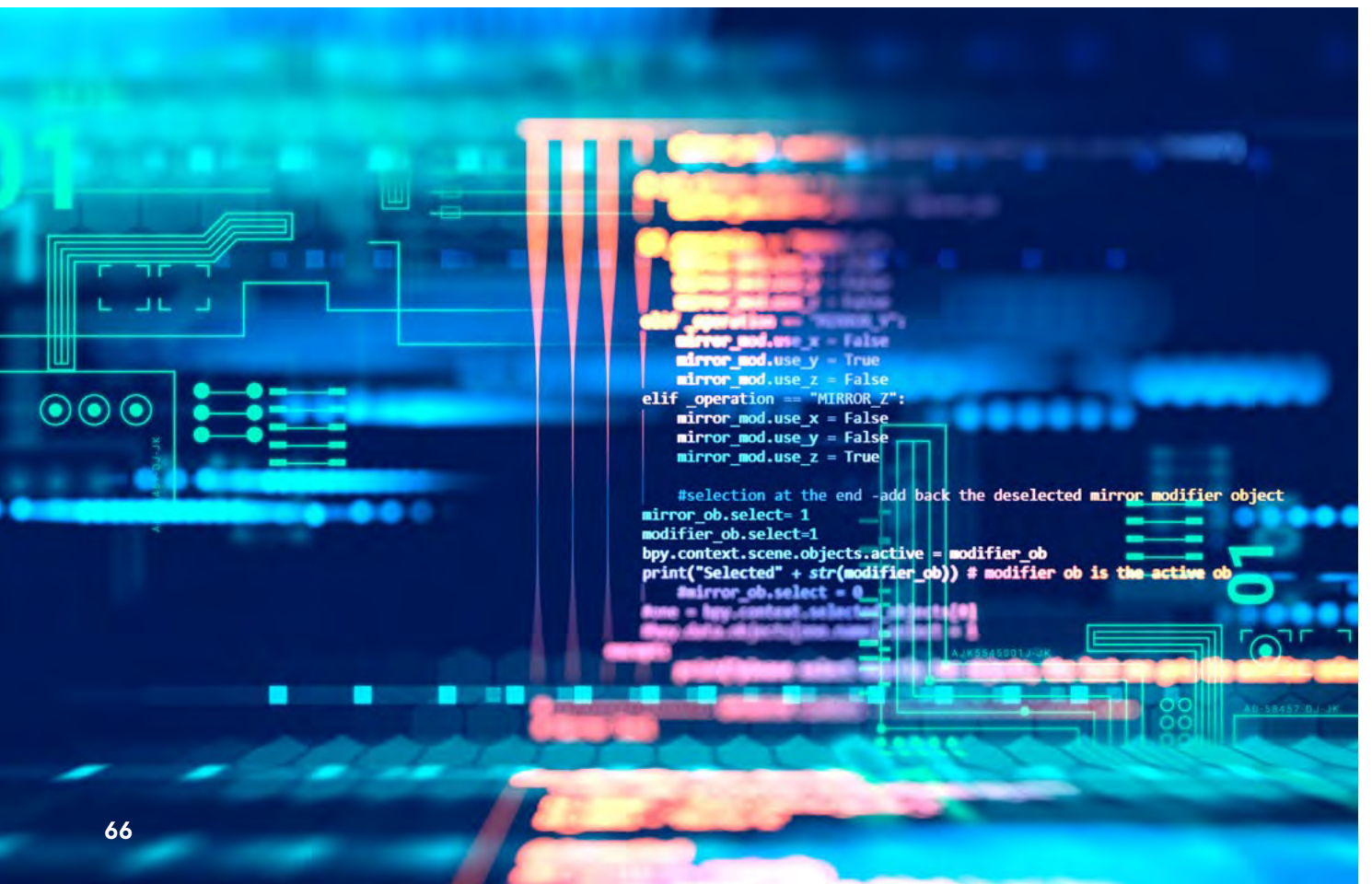


17

Value generated from research commercialisations

	2020 Actual	2021 Actual	2022 Actual
Value for UniServices Research Commercialisation Portfolio (\$ 000 000)	53.0	73.8	66.1

- UniServices is a wholly owned subsidiary of the University of Auckland that specialises in turning research and other academic work into commercially successful ventures. This KPI reports on the size of the research investment portfolio under the management of UniServices.
- Despite market headwinds in 2022, the value of UniServices’ portfolio declined by a modest 10% between 2021 and 2022. This is positive, in light of the particular challenges faced by high-growth ICT-related companies which make up a substantial portion of the overall portfolio.
- Viewed over the entire reporting period (2020-2022), the portfolio has grown by approximately 25%.
- In addition to the portfolio, UniServices also reported royalty earnings of approximately \$1.6 million in 2022 and made just over \$1 million through the sale of shares.



18

The number of completed doctoral and pathways to research qualifications

	2020 Actual	2021 Actual	2022 Target	2022 Actual
Completed research and pathways to research qualifications	Path: 818 Doc: 472	Path: 993 Doc: 456	1,178	Path: 1,106 Doc: 523

- During 2022, two changes were made to the segment system that affect the previously reported figures for this KPI. First, the original “Doctoral and Pathways to Research” segment was split into two distinct groups. These are abbreviated above as ‘Path’ and ‘Doc’. Secondly, the ‘International’ segment was removed and its constituents redistributed among the remaining segments. This means that the figure reported for 2022 is somewhat larger (by approximately 200 completions) than it would have been under the previous methodology.
- Total completions in this group (1,629) for 2022 were well above the target value of 1,178, even allowing for an adjustment to account for the updated methodology.
- Doctoral completions have improved from 2021 to 2022, rising from 456 to 523 (+15%). This is the highest annual number of doctoral completions during the current strategic plan period of 2019-2022.
- Pathways to research completions have also improved, rising from 993 in 2021 to 1,106 in 2022 (+11%). Both of these were a marked improvement on the 818 completions in 2020.
- In 2022, the top five qualifications in these two market segments (accounting for over 70% of all completions) were the Doctor of Philosophy, the Bachelor of Science (Honours), the Master of Science, the Bachelor of Arts (Honours), and the Master of Arts.
- In terms of doctoral completions, there is a strong tendency towards STEM subjects, with the faculties of Science, Engineering, and Medical and Health Sciences representing 65%+ of all doctoral completions both overall between 2020 and 2022, and in 2022 specifically.
- The faculty with the most doctoral completions is Science, where between 142 and 151 students graduated each year across 2020 to 2022, while the faculty with the fewest is Law, where there are typically only one or two completions each year.
- The pattern is markedly different for the non-doctoral Pathways to Research component. Here, the top three faculties are Science, Arts, and Creative Arts and Industries, which represent just over 70% of the completions in the 2020-2022 period.
- The faculty with the most completions in this group is Science, ranging between 281 and 402 in each year, and the faculty with the fewest is Education and Social Work, with fewer than 30 completions each year.

19

Research revenue per research-active academic

	2020 Actual	2021 Actual	2022 Target	2022 Actual
Research revenue per research-active academic (\$ 000)	\$144	\$162	\$148	\$181

- This metric is calculated as revenue from research and contracts (see KPI 1), divided by the number of full-time equivalent (FTE) staff in a Significant Academic Role (SAR).
- Although SAR FTE remained largely unchanged between 2021 and 2022, varying by less than 1%, research revenue improved by around 11%, leading to a similar increase in the metric shown here, with \$ Revenue / SAR FTE rising from roughly \$162,000 to \$181,000.
- In 2022, around 90% of this FTE was contained within the grades of senior lecturer, research fellow, professor, associate professor and lecturer.

20

Highly Cited Researchers

	2020 Actual	2021 Actual	2022 Target	2022 Actual
Highly Cited Researchers	6	9	9	7

- This metric is based on Clarivate's Highly Cited Researcher (HCR) list which represents researchers who are within the top 1% of their field according to citations, or who work in cross-disciplinary areas, but have equivalent impact and reach. Citations are taken from Clarivate's Web of Science academic repository.
- A steady improvement was seen between 2020 and 2021, with our HCR count rising from six to nine during that time, although the count has since dropped by two in 2022 to a total of seven which is below target.
- The change is attributable to the departure of two staff members who were previously on the list, with no new entrants for 2022.
- The seven HCRs for 2022 that were awarded for specific fields were in Plant and Animal Science, Economics and Business, Pharmacology and Toxicology, Agricultural Sciences, and Materials Science. The remaining two were cross-field.
- The individual researchers came from the faculties of Science, Engineering, Business and Economics, and Medical and Health Sciences.

21

Number of high-impact publications in top 20% quality journals

	2020 Actual	2021 Actual	2022 Actual
High Impact Publications	60.6%	63.5%	67.6%

This indicator represents the University's top 20% of publications as measured by the Scopus academic database. While not exhaustive, Scopus is an important source of data for assessing our research output, covering a broad range of academic journals, books, and conferences.

The titles that are indexed by Scopus are ranked into percentile groups based on a set of three international journal rankings: Scopus CiteScore (a simple indication of average citations per paper), Leiden University's Subject Normalised Impact per paper (SNIP), which is a subject-normalised citation indicator, and SciMago Journal Rank (SJR) a network analysis that weights citations based on where they appear, with citations in high-impact journals carrying greater weight. In all cases, the percentiles are subject normalised, even if the base metric itself is not. This means the journal's score is compared to other journals with the same All Science Journal Code (ASJC) classifications. We adopt for this measure a view that being in the top 20% by any of the three international journal rankings makes the title a high-impact publication.

- Note that because this metric was only finalised during 2022, no target was set.

- As a research-intensive institution, the University of Auckland performs well on this measure, with a majority of our publications appearing in high-impact journals in each of the years 2020–2022.
- A steady year-on-year improvement can also be seen, with the proportion rising steadily from 60.6% in 2020 to 67.6% in 2022.
- The high-impact journals in which our staff publish are highly diverse. More than 1,800 journals are included in this group in 2022, with no single publication representing more than 1.1% of the high-impact publications (46 papers in *Scientific Reports*).
- Other significant contributors to this metric were *PLoS ONE* (39 papers), the *Journal of the Royal Society of New Zealand* (37 papers), and *Frontiers in Psychology* (29 papers).
- During 2022, the University's academic staff also published nearly 400 papers in journals that are in the top 1% of their fields by at least one of the three rankings. This includes publications in *The Lancet*, *Science*, and *Nature*.



Partnerships and engagement

An important aspect of the University's Strategic Plan is to build, strengthen and grow relationships with stakeholders in Aotearoa, the Pacific and the world.

We recognise that our success as an institution is intrinsically connected to the service that we provide to our communities. This includes current students as well as staff, alumni, donors, iwi groups, charities, the private sector, and both local and national government.

We aim to be recognised and valued by these diverse stakeholders for our contributions to the social, environmental, economic and educational issues that are important to them.

22

Stakeholder satisfaction with engagement

Our Engagement and Partnership Strategy, endorsed by UEC in 2021, outlines our ambitions in seeking partnerships that purposefully and meaningfully increase the impact and relevance of what we do as an institution. It does so by bringing together specific initiatives focused on environmental sustainability, public policy impact, links with business and industry and wide-ranging public and clinical health initiatives.

In 2022, the University focused on re-engaging with key communities, from local to global, following the easing of pandemic restrictions on in-person events and international travel.

In addition to continuing to develop new virtual engagement opportunities, the Alumni Relations and Development team reconnected nationally and globally in person, hosting Alumni and Friends Receptions in New Zealand, Australia, Singapore, Malaysia, UK and the US, as well as the Golden Graduates lunch and Taumata Distinguished Alumni Awards event in Auckland.

The Mānawa Mai Open Day – our first since the Covid-19 pandemic began – welcomed approximately 10,000 potential students and whānau onto the campus. The Office of the Pro Vice-Chancellor Pacific also hosted the first Tai Tonga Whānau Day, delivering outreach and recruitment activity for Tai Tonga.

The Schools and Community Engagement team established a new Māori Relationship Manager position for 2023 to help strengthen the University's relationship with Māori

across the region's schools and kura. Work also continues to operationalise and embed the pōwhiri model and enhance the University's relationships with prospective students, their whānau, schools and wider community. In addition, STEM Online, UE Success and the Pacific Academy – pathway programmes supporting the transition and retention of students – will now be consolidated under the Schools and Community Engagement team.

International students were also welcomed back onto campus following the re-opening of New Zealand's borders in the second half of 2022. Many had begun their studies remotely offshore, and some were able to relocate to Auckland to complete their degrees, with more arrivals anticipated in 2023. The University's India Support Programme, which was one of the initiatives that enabled students to return, won Marketing Campaign of the Year at the 2022 PIEoneer Awards in London, recognising the positive impact of the support programme.

At the 2022 Times Higher Education Impact and Innovation Summit in Stockholm, the University hosted a pre-summit event focusing on how institutions can meet the goals of the Sustainable Development Goal 4, Quality Education by 2030.

We partnered with Te Matatini as a sponsor for the National Kapa Haka Festival taking place in Auckland in February 2023. As well as contributing to the event financially, the University co-created the Mātauranga Village, showcasing the impact of education.



Enabling environment

The University of Auckland recognises its environment must reflect its community, its place in Tāmaki Makaurau and its staff, student and stakeholder needs.

The University adopts a holistic view of 'environment', recognising that it needs to be understood as encompassing physical spaces, digital environments, management and operational structures, and resource consumption and efficiency.

Maintaining high standards in these areas is necessary to the fulfilment of the University's other strategic goals and initiatives, as well as to service delivery.

We aim to lead by example, demonstrating effective and efficient operations, where we maximise service delivery, while minimising costs and environmental impact.

23 Stakeholder satisfaction with services

The University considers both staff and students to be key stakeholders. The purpose of this KPI is to aggregate a number of measures of service satisfaction for both groups, across the four recognised 'environments' stipulated in our strategic plan, *Taumata Teitei*.

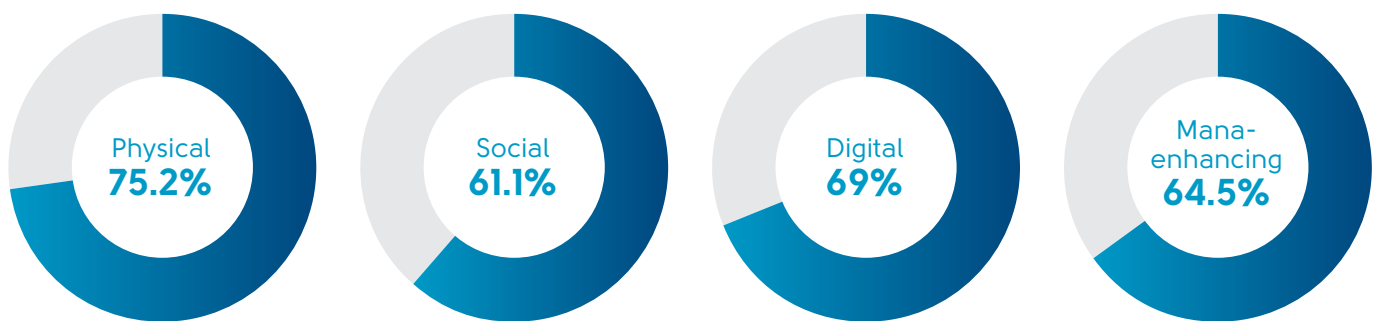
These environments are:

- **Physical:** in terms of the spaces and locations where stakeholders work, study, network, and engage.
- **Social:** in the more abstract sense of opportunities to engage in activities not directly related to work or study.
- **Digital:** reflecting the websites, online services, and applications that stakeholders use.
- **Mana-enhancing:** in the sense of providing an environment to stakeholders where they feel respected, heard and understood.

Students

	2020 Actual	2021 Actual	2022 Target	2022 Actual
Physical	71.8%	72.9%	72.5%	75.2%
Social	54.3%	61.6%	57%	61.1%
Digital	70%	68.9%	70.5%	69%
Mana-enhancing	60.4%	65.1%	63%	64.5%

2022 Student satisfaction with services



- Student satisfaction for this KPI is measured using an aggregate of various questions from the annual Learning and Teaching Survey.
- All measures fell sharply in 2020 (the year with the most significant Covid-19 lockdowns), although all environments except Digital have subsequently recovered some of their lost ground.
- Digital is also the only environment in 2022 that did not fall within the target range (69.0%, against a target of $\geq 70.5\%$). Within the three questions that make up this indicator, the lowest score was associated with the ease of finding information on the University's website (54.8%).
- Satisfaction by gender in 2022 was within $\pm 1\%$ for male and female respondents for the social and mana-enhancing environments, while female respondents were slightly more satisfied with the digital environment (+3.1%) and the physical environment (+2.3%). There were too few gender-diverse respondents to draw conclusions for this group.
- When viewed by broad ethnic category (see chart below), Māori respondents were generally less satisfied in 2022 than Pacific students and students from other ethnic groups for all environments except Social, where both Māori and Pacific respondents were marginally more satisfied than other ethnicities. The most

prominent discrepancy was the digital environment, where Māori student satisfaction was 64.2%, versus 69.0% overall, 70.7% for Pacific respondents, and 69.4% for all other ethnic groups.

According to faculty in 2022:

- Digital environment satisfaction ranges from 62.8% (Faculty of Law) to 75.1% (Faculty of Business and Economics).
- Mana-enhancing environment satisfaction ranges from 54.9% (Faculty of Law) to 70.3% (Faculty of Education and Social Work).
- Physical environment satisfaction ranges from 70.2% (Faculty of Law) to 78.4% (Faculty of Engineering).
- Social environment satisfaction ranges from 46.7% (Faculty of Law) to 70.2% (Faculty of Education and Social Work).

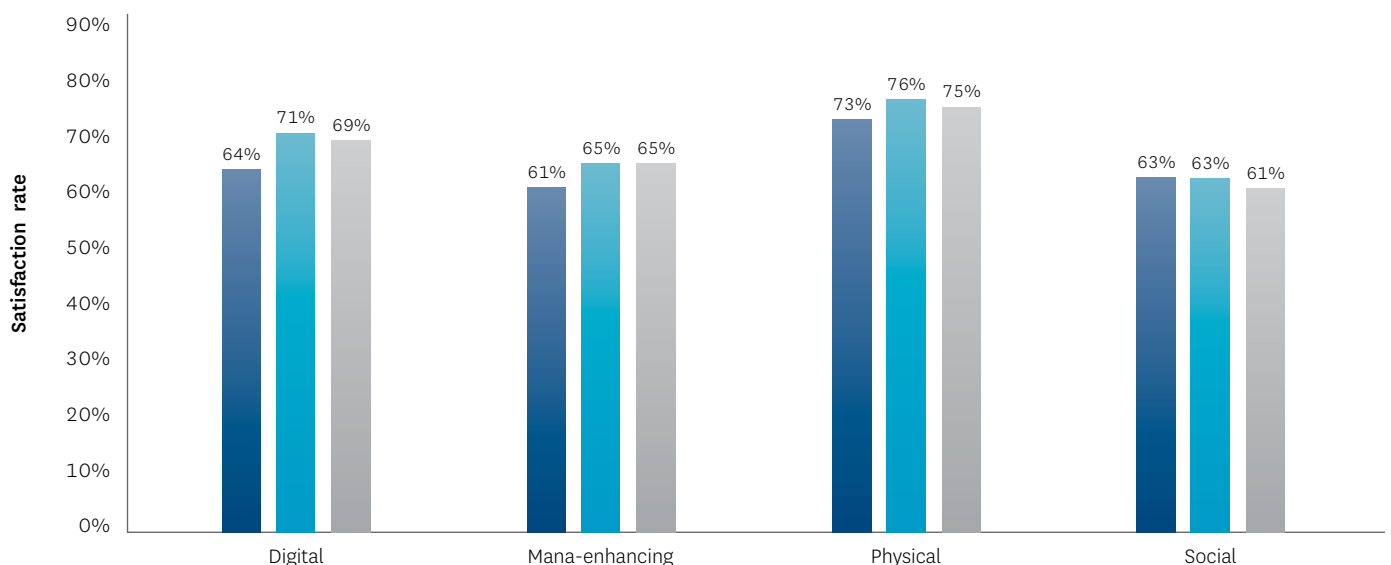
Staff

Measures of staff satisfaction with the Physical, Digital, and Mana-Enhancing environments will be derived from the UniForum benchmark survey that was conducted in 2022. This data is not currently available. Discussions are ongoing with regards to measuring social environment satisfaction for staff.

9. An amendment has been made to the way that questions are flagged for inclusion, in order to capture variations in wording. Instead of identifying individual questions, questions are now matched on their ID, which remains consistent even when the wording is changed. In all cases, the difference from the previously reported figures is $\leq 1\%$.

2022 Environment satisfaction, by ethnic group

■ Māori ■ Pacific ■ All others



24 Professional Staff core services normalised cost position, relative to Australia and New Zealand UniForum members

The measures associated with cost of core services will be developed in 2023. The allocation of staff to core services is based on the UniForum Professional staff activities benchmark survey in which the University has participated since 2011.

25 Net CO₂ emissions

We marked a key milestone for our Net Zero Carbon journey in 2022. Waipapa Taumata Rau published its first Net Zero Carbon Strategy Te Taumata Tukuwaro-kore which set ambitious targets and a progressive pathway to achieve a firm Net Zero trajectory by 2030. The University continues to monitor carbon emissions in alignment with ISO14064-1:2018. The most significant sources of carbon as identified in the 2019 baseline are those from air travel, energy and waste, and these are the focus of most immediate reduction efforts under the new strategy. As well as externally auditing and verifying the 2019 baseline, we have now achieved external certification and verification for the 2020 and 2021 carbon inventories, all of which are publicly available on the University's sustainability webpage. These reports help to understand the 'big picture' of the University's carbon profile and how it is evolving. Planned tasks for 2023 include documenting the carbon reduction initiatives already underway across

the University, incorporating new ones, publishing implementation plans that will help track changes more closely, and improving the understanding of other carbon sources identified as part of the reduction pathway for which data is not yet available.

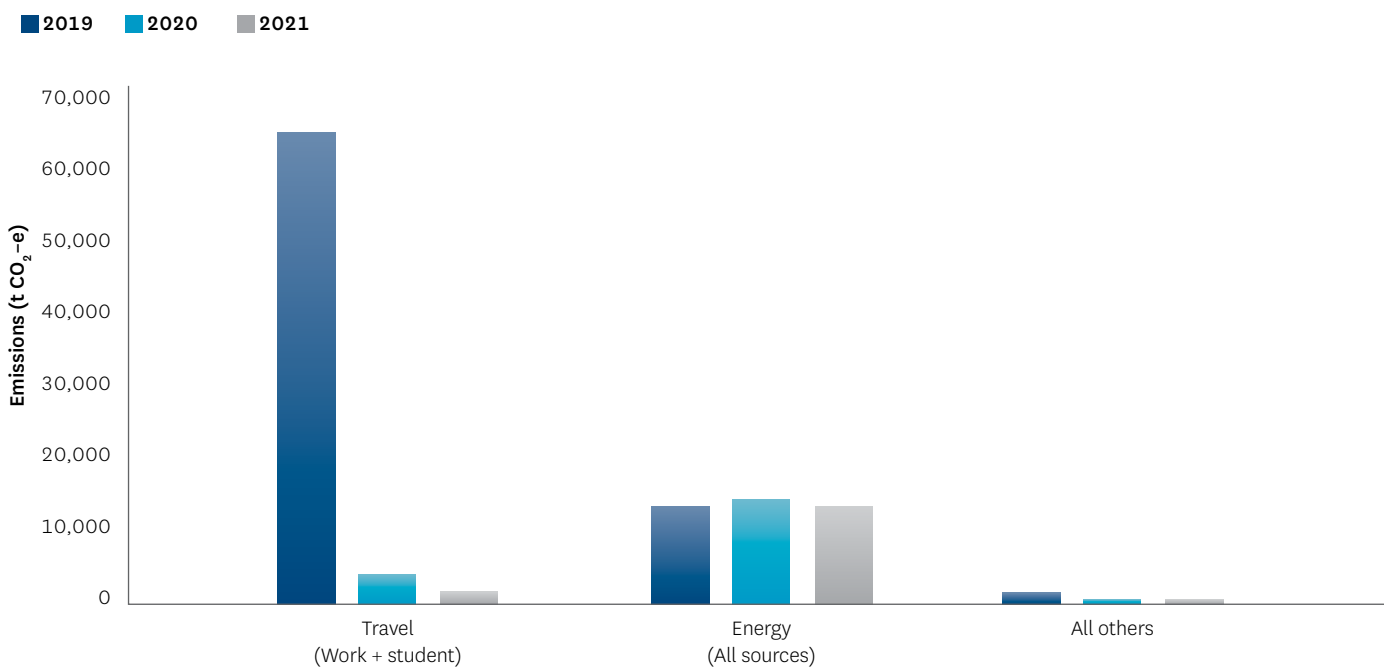
- Note that because external verification takes place in Q1 each year for the previous reporting period (Jan-Dec), the figures published in any given year will be those of the prior year. For example, the figures presented for 2022 are from 2021.

	2020 Actual 2019 calendar year	2021 Actual 2020 calendar year	2022 Target	2022 Actual 2021 calendar year
t CO ₂ -e / Popn	2.0	0.5	N/A	0.4

- The numbers reported here are tonnes of carbon dioxide equivalent (t CO₂-e), per unit of campus population. Campus population is full-time equivalent staff (FTE) plus equivalent full-time students (EFTS) as at 31 December of the calendar/reporting year.
- The total emissions in 2021 were 16,635 t CO₂-e, which is 15% lower than the 2020 total of 19,579 t CO₂-e and 80% lower than the baseline year (2019) total of 81,290 t-CO₂-e.
- As well as absolute reduction, carbon emission intensity has also decreased significantly from 2.0 t-CO₂e/population in 2019 to 0.4 t-CO₂-e/population in 2021.
- As expected, the effects of the pandemic are the key drivers for this decrease, given the border closures and nationwide lockdowns experienced during this period.
- It is expected that the 2022 profile will present an upward trend, although with the publication of Te Taumata Tukuwaro-kore Net Zero Carbon Strategy and the commitments made, it is expected that emissions will still be significantly lower than baseline 2019.
- Note that no targets were set for 2022 because the performance measures described above had not been finalised in December 2021, when the 2022 targets were established. Performance measures for 2023 have been agreed by the University Council.



Emission sources (2019 to 2021)



Travel (Work + student) = Work-related travel, international student travel. Energy (All sources): including fuel, natural gas and electricity. All others = Waste and other measures

26 Environmental sustainability measures

	2020 Actual 2019 calendar year	2021 Actual 2020 calendar year	2022 Actual 2021 calendar year
Air travel (pkm)	3,509	483	131
Electricity and natural gas (kWh)	2,424	2,317	2,114
Diesel and petrol (L)	1.8	1.3	1.7
Waste to landfill (kg)	40	30	26
Water (m ³)	10.9	9.4	8.3

As part of the work described above in relation to carbon emissions, the constituent components of the University's environmental profile were assessed for significance and materiality following the ISO14064-1:2018 standard.

What is reported here is organised by theme and reporting unit, and follows the same pattern as the previous measure, in terms of reporting versus calendar year.

We published *Te Rautaki Aronga Toitū Sustainability Strategy* in 2022, marking the path for the development of further indicators of sustainability for the University and integrated reporting.

- As would be expected, pkm (person kilometres) of work-related air travel dropped off sharply between 2019 and 2020, and in fact fell even further in 2021 rather than recovering. This is not significantly surprising in that 2021 was still characterised by sporadic lockdowns and ongoing travel restrictions.
- Although some increase in air travel was anticipated for 2022, the University made efforts to develop guidelines for rationalising flights, rather than simply allowing this metric to return to 2019 levels. This work will involve understanding who is travelling, why, and where, and looking at auxiliary factors like travel class (first vs business vs economy).
- Electricity and natural gas consumption per population unit dropped off from 2019, but by a significantly smaller margin, falling by around 4% from 2019-2020, and around 9% from 2020 to 2021. Although there was significantly less campus occupancy during 2020 and 2021 than in 2019, these numbers reflect the fact that there is a significant baseline energy consumption associated with the diverse campuses of the University.
- The picture for diesel and petrol consumption is more complex. Although Covid-19 lockdowns would certainly have had an impact, just over 50% of the change from 2019 to 2020 is attributable to the discontinuation of an inter-campus bus service.
- Waste to landfill also dropped sharply from 2019 to 2020, and then again to 2021, falling from 40 kg per population unit to 26 kg over this period.
- Waste sent to landfill represented 76% of all waste in 2019, 78% in 2020, and 73% in 2021, with the remainder being either composted or sent for recycling.
- Per capita water consumption fell with reduced campus occupancy by 13% from 2019 to 2020, and then by 12% from 2020 to 2021. As with electricity, the relatively small drop reflects the fact that a certain level of water is consumed whether or not students and staff are present on campus.
- Note that no targets were set for 2022 because the performance measures described above had not been finalised in December 2021, when the 2022 targets were established. Performance measures for 2023 have been agreed by the University Council.





People and Culture

The University employs a diverse range of academic and professional staff, with skillsets in a wide variety of areas.

Our staff are not only integral to the achievement of our strategic goals, but also represent important stakeholders who form critical links to external communities, including tangata whenua, and a variety of other ethnic, cultural, and commercial communities, both locally and internationally.

We are successfully cultivating a high-performing, diverse staff community, and we seek to maintain this success, while manifesting the values of manaakitanga, whanaungatanga and kaitiakitanga in all our people and culture practices. This includes having a comprehensive range of staff development opportunities.

27 Staff reporting active and positive engagement

We have a long-established policy framework that encourages a flexible, supportive working environment and increasing staff member engagement and productivity through supporting a balance between work, family and personal life. In particular, significant moves have been made to support and streamline the process of remote

working, taking advantage of the adaptations originally created for Covid-19 lockdowns. In the future, our intention is to measure engagement more directly, with a survey tool to be developed by the University's Human Resources division.

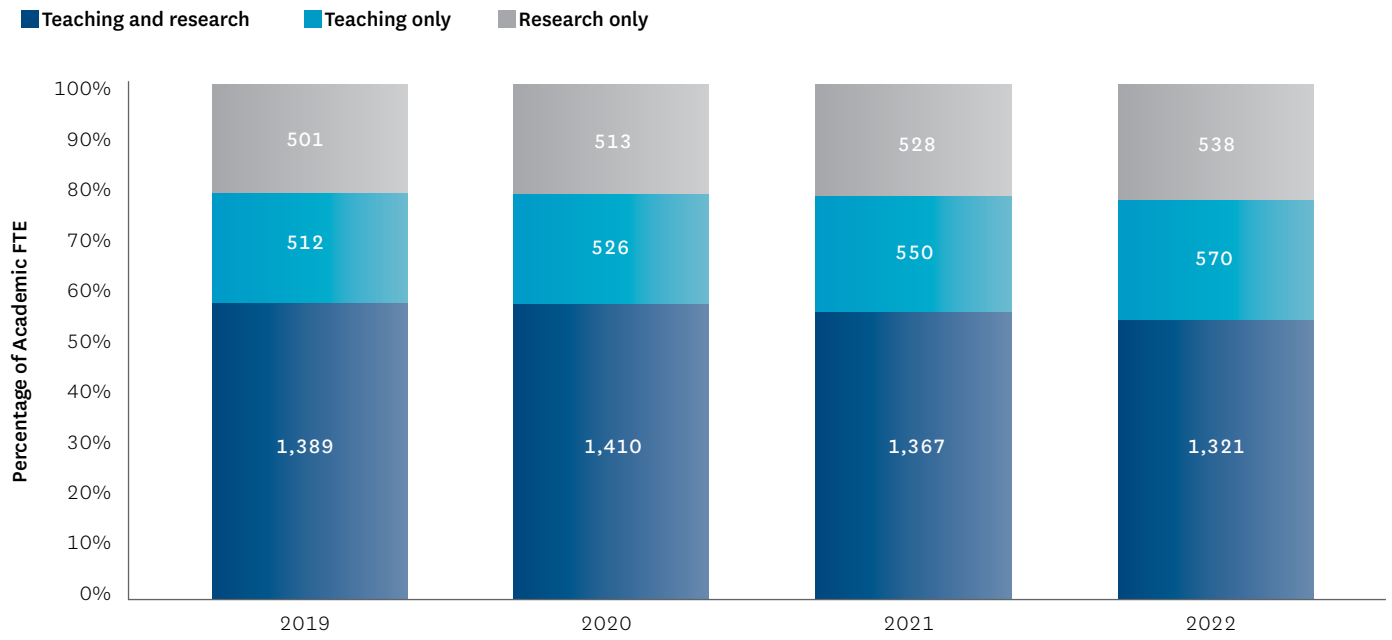
	2020 Actual		2021 Actual		2022 Target	2022 Actual	
Academic (Total)	2,455	41% FTE	2,453	41% FTE	41% FTE	2,439	40% FTE
Senior Academic	650	26% AFTE	630	26% AFTE	26% AFTE	636	26% AFTE
Teaching	526	21% AFTE	550	22% AFTE	22% AFTE	570	23% AFTE
Research	513	21% AFTE	528	22% AFTE	23% AFTE	538	22% AFTE
Teaching and Research	1,410	57% AFTE	1,367	56% AFTE	55% AFTE	1,321	54% AFTE
Other Academic	6	<1% AFTE	7	<1% AFTE		10	<1% AFTE
Professional (Total)	3,530	59% FTE	3,534	59% FTE	59% FTE	3,677	60% FTE
Senior Professional	410	12% PFTE	277	8% PFTE	8% PFTE	298	8% PFTE
Gender Diverse ¹⁰	21	<1% FTE	24	<1% FTE	< 1% FTE	26	<1% FTE
Female	3,447	58% FTE	3,471	58% FTE	58% FTE	3,613	59% FTE
Male	2,516	42% FTE	2,490	42% FTE	42% FTE	2,476	41% FTE
Māori	383	6% FTE	388	6% FTE	8% FTE	419	7% FTE
Pacific	297	5% FTE	334	6% FTE	7% FTE	361	6% FTE
All other ethnicities	5,304	89% FTE	5,264	88% FTE	85% FTE	5,335	87% FTE

Key for percentages: FTE = Full Time Equivalent for all staff; AFTE = Academic Full Time Equivalent, PFTE = Professional Full Time Equivalent

- Between 2021 and 2022, total FTE increased by approximately 2% from 5,986 to 6,116.
- In terms of the overall staff body, most indicators have remained fairly consistent from 2019 to 2022.
 - The Academic to Professional staff ratio has remained within 1% of 40:60 in all years.
 - The proportion of female staff has risen slightly from 57% in 2019 to 59% in 2022.
 - The proportions of Māori and Pacific staff have risen slightly from 6% and 5% respectively in 2019 to 7% and 6% in 2022.
- Academic roles have remained relatively stable, with a slender majority of academic staff in positions that encompass both teaching and research (e.g. lecturer or professorial roles), and the remainder split fairly evenly between teaching-only roles (tutors, teaching assistants, and professional teaching fellows) and research-only roles (postdoctoral fellows, research fellows).
- The proportion of academic staff in senior (professorial) roles has been stable, being 26% for each of the last three years (2020-2022).
- Changes to the professional staff remuneration structure over 2019-2020 mean that the figures are not strictly comparable across all years. The previous system was less nuanced than its replacement which in turn led to a broader definition of 'seniority'. In the older system, 'senior' was defined as the top three levels of seven (5, 6, 6+ on a scale of 1 - 6+), whereas in the new system, it is defined as the top nine out of 17 (Bands I - Q on a scale of A - Q).
- Although most of the changes had occurred by the end of 2019, some contracts persisted into 2020. This explains why the proportion of senior professional staff drops relatively sharply from 2020 (12%) to 2021 (8%), where it has remained into 2022. In brief, 5/6/6+ covered a much wider range of positions than I - Q.

10. Including gender not specified.

Academic roles



29 Talent retention

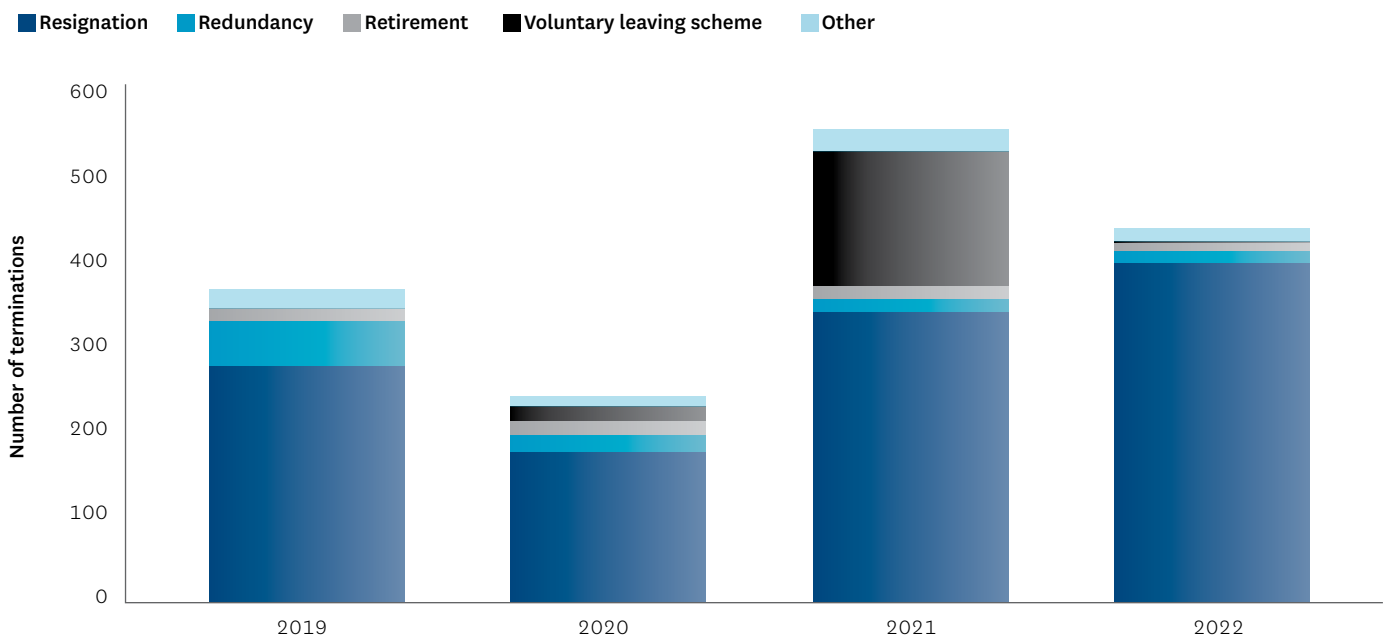
	2020 Actual	2021 Actual	2022 Target	2022 Actual
Total turnover ¹¹	8%	13.1%	8–10%	10%

- Turnover represents the number of terminations recorded in a given year against the number of staff employed in permanent, primary roles during that year. Note that this means it does not report on staff in casual or fixed-term positions.
- The turnover of 10% for 2022 is just within the target range of 8–10%. The leading cause of terminations within this year was resignation (90%). Around half of the remainder were redundancies (3%) and retirement (2%), with the final 5% representing a range of reasons.
- As can be seen in the chart below, the Voluntary Leaving Scheme conducted in 2020/2021 to account for Covid-19-related financial headwinds is largely complete.
- Turnover by gender in 2022 was significantly higher for women (12.0%) than for men (7.8%). This is a persistent pattern that holds throughout 2019-2022.
- Likewise, turnover in 2022 was higher for Māori staff (10.4%) and Pacific staff (16.7%) than for staff from other ethnic groups (9.8%). This pattern also persists throughout 2019-2022.
- Turnover varied widely in different areas¹² of the University, being lowest for Strategic Funds (1.3%) and the Faculty of Law (3%), and highest for Campus Life (26.6%) and UniServices (26%).

11. A more refined definition of a valid termination has been applied for 2022, counting events only from the most recent snapshot for the reporting year. If this method were applied to prior years, turnover would be 12.8% for 2021, and 5.6% for 2020.

12. Only areas with a headcount of at least 50 are included in this part of the analysis

Termination reasons 2019 to 2022



The University has a deep and long-standing relationship with Māori from iwi in both Tāmaki Makaurau Auckland and wider Aotearoa New Zealand. In addition to our many Māori staff and students, we also recognise that as an academic institution, we are uniquely placed to support the preservation and advancement of te reo and tikanga Māori (the language and customs of the Māori people).

Te Taumata Ngaio is the University project that is working towards making te reo learning accessible to all staff. It has led to the creation of a range of learning options to suit many different learning styles (e.g., group online learning, a credit-bearing paper, and self-directed online study).

Since 2019, 726 unique staff have completed either one of the Te Taumata Ngaio courses, and/or have passed an undergraduate Māori Studies paper¹³, with 510 staff completing one or more courses in 2022.

In terms of the individual courses, the most popular have been the self-directed online *Te Reo Māori Pronunciation Online* (301 completions), the online group study option *Te Akoranga Kairangi* (283 completions), and MĀORI131, the flagship credit-bearing course (115 completions).

A total of 45 unique staff have completed other Māori Studies undergraduate courses since 2019.

During 2022, most completions were by staff who were Pākehā (62.9%) or Māori (14.9%). Professional staff were significantly more likely to complete a course (74.1% of all 2022 completions) than Academic staff. Staff from 29 different service divisions or faculties participated, with at least 20 unique completions in each of the Faculty of Medical and Health Sciences, Faculty of Science, UniServices, Human Resources, Campus Life, Libraries and Learning Services, and the Faculty of Arts.

- Note: The original phrasing of this indicator called for reporting a percentage of staff who had engaged in the programme. The decision to report a simple count (as above) was due to the difficulty of defining an appropriate denominator for the calculation. In particular, it is significant to note that during 2022, nearly 5,000 individuals were both students and staff at the University of Auckland during at least some of the year, making it challenging to clearly identify individuals taking Māori Studies courses primarily as students (and therefore not eligible for inclusion here), versus those engaging as staff.

13. To avoid counting students, only staff with a permanent or fixed-term contract during the relevant calendar year are counted for undergraduate Māori studies papers. Because the courses from Te Taumata Ngaio are specifically designed for staff, all completions are counted without further filtering



Statement of the cost of outputs

The University's Mission and Values statement establishes three broad classes of output that result from its activities. The outputs are research-informed teaching, learning and scholarship; fundamental and commercial applications of research and creative works; and contributions to its local, national and international communities.

	2020 Actual (\$000)	2021 Actual (\$000)	2022 Target (\$000)	2022 Actual (\$000)
Teaching and learning	845,655	815,102	851,442	827,291
Research	384,706	391,204	414,670	433,648
Community service	33,262	32,682	60,049	37,961
Total cost of outputs	1,263,623	1,238,988	1,326,161	1,298,900

Compulsory Student Services Fee

The Compulsory Student Services Fee (CSSF) was set at \$979.20 per full-time student in 2022. The administration of the CSSF is integrated within the University's normal operations. All income and expenditure associated with the provision of student services is separately identifiable in the University's accounting system.

Advocacy and legal advice

Advocacy support is provided to students by the Auckland University Students' Association (AUSA). AUSA offers all students access to a free and confidential advocacy service, which is independent from the University. The advocacy team provides professional advice on any issue, whether academic, financial or of a more personal nature. It offers advice about student rights and university procedures.

Career information and support

Career Development and Employment Services (CDES) assists current students and alumni for up to three years after graduation with all aspects of career development. The support provided enables students and graduates to develop the capabilities to successfully self-manage and navigate their world of work, life and learning. CDES also provides opportunities for students to engage with employers through large expos, career events, employer presentations and a job board.

Counselling services and pastoral care

Counsellors are available through the University Health and Counselling Services for in-person, online and phone appointments, to help students overcome barriers to

academic progress arising from personal circumstances. The Te Papa Manaaki Campus Care team provides generalist support for health, well-being and safety matters, as well as the management of complex cases where multiple supports are required.

The University has a broad network of staff based across service divisions and faculties who provide pastoral care to students, including Student Support and Engagement Managers and Student Support Advisers based in the faculties. The University also has specific roles for distinct cohorts of students, such as Māori and Pacific students, international students and equity students. The University's Proctor can address disputes between students and concerns about student behaviour.

Employment information

Part-time employment opportunities for students are promoted on campus in a variety of ways. There is also a job board on the CDES website which is accessible to students and alumni up to three years after graduation. Student Job Search is also promoted to students through AUSA.

Health services

The University Health and Counselling Service (UHCS) provides primary healthcare services to students to help prevent and overcome personal difficulties relating to their physical and mental well-being. Services are delivered by GPs and nurses across three different campuses. Disability Services provides support to students with physical and mental disabilities.

Compulsory Student Services Fee (\$000s)

	Advocacy and legal advice	Careers information, advice and guidance	Counselling services and pastoral care	Employment information	Financial support and advice
Compulsory Student Services Fee	485	1,840	4,254	274	295
Other			23		
Total revenue	485	1,840	4,276	274	295
Total expenses	1,252	2,651	8,350	21	1,086
Surplus/(deficit)	(776)	(810)	(4,074)	253	(790)



Media

The University supports the production and dissemination of information by students to students including website hosting, print-based media and online communities for students across the University. AUSA supports a team to create and deliver the *Craccum* student magazine.

Childcare services

Childcare facilities are available to parents and caregivers across three campuses, including a kohanga reo and Te Puna Kōhungahunga.

Clubs and societies

The University supports more than 280 student clubs and societies through the provision of administrative support, grants, facilities and equipment.

Sports, recreation and cultural activities

The University provides sport and recreation facilities and services to students, along with a range of cultural

activities on campus. The Sport and Recreation team operates gym and fitness facilities, fitness classes and sports facilities as well as delivering student sporting tournaments, events and wellness programmes. It also supports sports club activities. The University runs a High Performance Support Programme to help students who are managing tertiary study while also competing at elite sports or performance activities.

Cultural activities include a social events programme delivered in conjunction with student associations, clubs and societies, as well as a range of recognition events such as the Blues Awards.

Financial support and advice

Through Te Papa Manaaki Campus Care the University provides students with financial advice in the form of individual appointments with trained financial advisers and online resources for financial well-being. It also administers the Student Emergency Fund to provide financial support to students in economic hardship. A number of additional hardship funds are available across various faculties.

Health Services	Media	Childcare Services	Clubs and societies	Sports, recreation and cultural activities	TOTAL
3,284	447	577	2,542	13,640	27,639
1,604		5,767	135	3,330	10,858
4,888	447	6,343	2,677	16,971	38,497
4,465	144	5,959	5,969	8,600	38,497
423	303	385	(3,292)	8,370	(0)

Educational Performance Indicator Commitments

	2020 Actual	2021 Actual	2022 Target	2022 Actual
Māori course completion	87.4%	83.1%	88%	81.2%
Pacific course completion	80.6%	75.1%	81%	71.7%
Non-Māori/non-Pacific course completion	93.5%	90%	91%	90.3%
Māori first-year retention	77.4%	79.1%	83%	73.4%
Pacific first-year retention	78.9%	78.2%	84%	77.6%
Non-Māori/non-Pacific first-year retention	84.6%	84.8%	85%	80.3%
Māori 4-7* (non-degree) participation	13.7%	14.8%	16%	20.1%
Māori 7 (degree) participation	9.1%	9.1%	8.5%	8.8%
Māori 8-10 (postgraduate) participation	5.8%	5.8%	5.4%	6.1%
Pacific 4-7 (non-degree) participation	20.1%	14.8%	33%	40.7%
Pacific 7 (degree) participation	11.4%	11.1%	11.1%	13.1%
Pacific 8-10 (postgraduate) participation	4.7%	5.1%	5.1%	6.3%
Non-Māori/non-Pacific 4-7 (non-degree) participation	66.2%	62.1%	51%	43.4%
Non-Māori/non-Pacific 7 (degree) participation	79.5%	79.7%	80.4%	79.5%
Non-Māori/non-Pacific 8 (postgraduate) participation	89.5%	89%	89.5%	88.3%

* Numbers represent the ten levels on the NZ Qualifications Framework



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Financial summary

Maintaining financial sustainability through uncertain times

Operating context and external environment

The Covid-19 pandemic disrupted the University's underlying operating performance for the third year running. Pandemic impacts included remote teaching and working during the early part of the year, disruption to supply chains, international border control and contraction of the labour market. The resulting limitations on normal activities and constraint on spending patterns – such as inability to travel, difficulty in filling vacancies and reduced overheads during campus closures – temporarily lowered expenses but will not be repeated as these limitations lift.

International borders gradually began to re-open and in the second half of the year most restrictions were lifted. A substantial return of international students to campus in 2023 will depend on Immigration New Zealand's ability to process student visa applications in a timely manner.

The effect of local and global cost of living and inflationary pressures on the University will take some time to appear in the cost base, becoming evident when contracts renew. Material impacts in 2022 came from construction costs (capital expenditure). Operating performance and results will be under greater pressure in 2023, with most of the University's revenue regulated to increase below inflation.

Overview of 2022 financial performance

At a consolidated level, which includes revenue and gains/(losses) within the philanthropic portfolios governed by the University of Auckland Foundation, the reported net surplus before tax was \$98.2 million compared to \$133.0 million in 2021.

The statement of comprehensive revenue and expense breaks the consolidated group result into two classifications. Unrestricted relates to the core operating activity of the university and its wholly owned subsidiary Auckland Uniservices Ltd. Restricted relates to philanthropic activities that are subject to donor-imposed restrictions on use.

The unrestricted result reflecting the University and its wholly owned subsidiary UniServices was an adjusted net surplus before tax of \$85.1 million in 2022, compared to \$77.7 million in the previous year. The statutory net surplus before tax was \$116.7 million in 2022 compared to \$89.7 million in 2021. The adjusted net surplus excludes non-cash reversing fair value gains of \$31.5 million in 2022 and \$12.0 million in 2021, directly attributable to the Crown Infrastructure Partners (CIP) interest-free loan.

	Unrestricted	
	2022	2021
	\$'000	\$'000
Reported net surplus before tax	116,664	89,691
Surplus % Revenue	8.3%	6.8%
Less: Non-Cash Reversing Fair Value Gain	(31,520)	(12,019)
Adjusted net surplus before tax	85,144	77,672
Adjusted surplus % Revenue	6.0%	5.9%

Interest-free loan - accounting fair value gain

In 2020, the University secured a \$200 million interest-free loan facility from CIP to partially fund the refurbishment of the Social Sciences Building. The loan will be repayable in 2033. At 31 December 2022, \$118 million had been drawn down in aggregate under the loan facility. As the loan is interest-free, Accounting Standards require the loan to be assessed at fair value and for any gain or loss to be recorded in other gains/losses in the statement of comprehensive revenue and expense. The gain is an estimate of the value of the interest cost avoided over the entire term of the loan.

The University recognised a fair value gain of \$31.5 million in 2022 compared to \$12.0 million in 2021. Further gains will be recognised in 2023, as the final drawdowns are made. The cumulative gain recognised up to the point the full \$200 million facility has been drawn will be amortised to zero spread over the ten years until full repayment in 2033 through the statement of comprehensive revenue and expense.

The University considers these reversing non-cash fair value gains/losses to be disconnected from underlying operations and, therefore, excludes them from underlying performance measures.

Key drivers of 2022 University operating performance

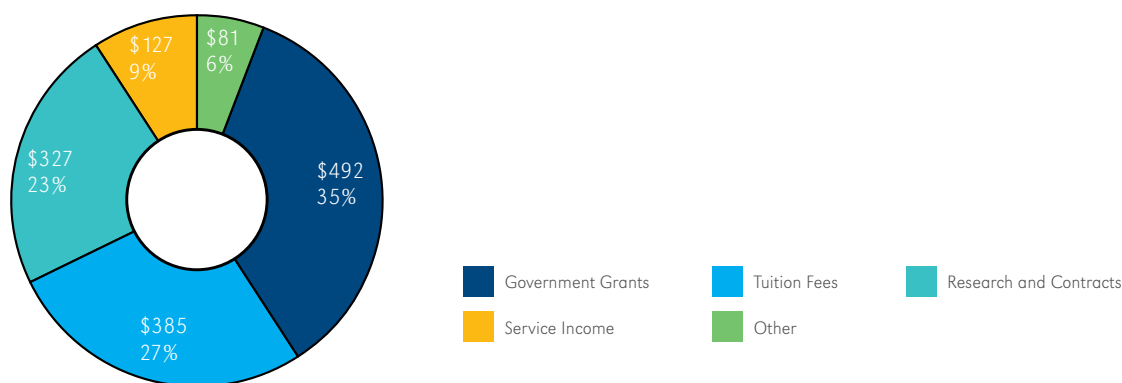
Demand from domestic student enrolments softened slightly compared to the historic highs in 2021, particularly in Education and Arts. Overall, equivalent full-time students (EFTS) decreased by 2.5 percent. Around 40 percent of international students were based off-shore due to international border restrictions.

Financial summary (continued)

Revenue from grants and tuition fees combined accounted for 62 percent of total revenue. Both increased by 0.7 percent from the previous year, reflecting the EFTS decrease and offset by increases in fee and TEC Student Achievement Component grants which were regulated at 1.7 percent and 1.2 percent respectively.

Research and contracts revenue increased by 11 percent from the previous year, assisted by growth in the Medical Health and Science disciplines.

Operating Revenue (\$ millions)



People costs increased by 5.6 percent overall reflecting:

- Increased academic and professional salary costs of 3.8 percent, tempered by
- Sustained high vacancy levels caused by a tight domestic labour market and inability to recruit from overseas.

Operating costs increased by 4.7 percent. Favourable cost effects from operations constrained by Covid-19 were countered by inflationary increases, particularly in contracted and professional services. Information technology costs increased through new systems related expenditure on software as a service (SaaS) solutions which cannot be capitalised under accounting standards.

Five-year financial summary

Five-year financial summary



The pandemic has impacted the surplus results over the last three financial years. We reported a deficit of \$30 million in 2020 which included redundancy cost provisions linked to the Voluntary Leaving Scheme (VLS) introduced as part of the University's business recovery measures in response to the uncertainties caused by the pandemic. Over the three years of the pandemic, the average annual (adjusted) surplus equates to \$44 million or 3.4 percent of the average three year revenues. This compares to 3.8 percent and 4.9 percent in 2019 and 2018, respectively.

Capital expenditure

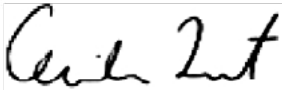
Expenditure capitalised on property, plant and equipment, and intangibles in 2022 amounted to \$288 million. Of this, \$83 million was directly funded by the CIP loan facility referred to above. Major property investments in progress include a new Recreation and Wellness Centre for students and redevelopment of the City Campus to accommodate the relocation of Education and Social Welfare Faculty from the Epsom campus planned for 2024.

Net cash and debt

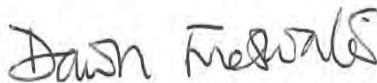
At 31 December 2022 the operating cash balance was \$157.2 million (excluding restricted balances of \$22.4 million in term deposits). Total debt through external funding arrangements amounted to \$102.9 million, of which \$75.0 million relates to the CIP interest-free loan repayable in 2033, resulting in net cash of \$54.3 million.

Statement of responsibility

- The Council and management of the University of Auckland accept responsibility for the preparation of the Financial Statements and the judgments used in them.
- The Council and management of the University of Auckland accept responsibility for establishing and maintaining a system of internal control which has been designed to provide reasonable assurance as to the integrity and reliability of financial reporting.
- In the opinion of the Council and management of the University of Auckland, the Financial Statements for the year ended 31 December 2022 fairly reflect the financial position and operations of the University of Auckland.
- The Council of the University of Auckland has reviewed these Financial Statements at its meeting of 13 March 2023 and formally adopted these Financial Statements for issue on 13 March 2023.



Cecilia Tarrant
CHANCELLOR



Professor Dawn Freshwater
VICE-CHANCELLOR



Mrs Adrienne Cleland
DEPUTY VICE-CHANCELLOR
(OPERATIONS) & REGISTRAR

Statement of comprehensive revenue and expense

For the year ended 31 December 2022

	Note	Consolidated					
		2022 Unrestricted \$'000	2022 Restricted \$'000	2022 Total \$'000	2021 Unrestricted \$'000	2021 Restricted \$'000	2021 Total \$'000
Operating revenue							
Government grants	2	492,006	-	492,006	488,686	-	488,686
Tuition fees		384,805	-	384,805	381,941	-	381,941
Research and contracts	3	327,043	-	327,043	295,055	-	295,055
Service income		127,097	-	127,097	119,812	-	119,812
Donations and legacies		137	35,457	35,594	153	29,878	30,031
Interest received		3,435	3,666	7,101	1,140	728	1,868
Other revenue		15,830	-	15,830	8,935	-	8,935
Other gains/(losses)	4	33,965	(30,305)	3,660	2,848	36,124	38,972
Transfer of funds from restricted to unrestricted	5	27,328	(27,328)	-	23,380	(23,380)	-
Total operating revenue		1,411,646	(18,510)	1,393,136	1,321,950	43,350	1,365,300
Operating expenses							
People costs	6	705,164	-	705,164	667,854	-	667,854
Operating costs	7	427,465	-	427,465	406,477	-	406,477
Finance costs		-	-	-	(183)	-	(183)
Depreciation and amortisation	11,12	162,353	-	162,353	158,111	-	158,111
Total operating expenses		1,294,982	-	1,294,982	1,232,259	-	1,232,259
Net surplus / (deficit) before tax		116,664	(18,510)	98,154	89,691	43,350	133,041
Income tax expense/(benefit)		295	-	295	3,945	-	3,945
Net surplus / (deficit) after tax		116,369	(18,510)	97,859	85,746	43,350	129,096
Other comprehensive revenue and expense							
Gain/(loss) on asset revaluation reserve	20	-	-	-	499,971	-	499,971
Gain/(loss) on cash flow hedges taken to equity	20	(205)	-	(205)	710	-	710
Gain/(loss) in foreign currency translation reserve	20	(246)	-	(246)	238	-	238
Gain/(loss) in fair value through other comprehensive revenue and expense reserve	20	(8,266)	-	(8,266)	26,084	-	26,084
Total comprehensive revenue and expense		107,652	(18,510)	89,142	612,749	43,350	656,099
Surplus / (deficit) is attributable to:							
Members of the parent entity		107,652	(18,510)	89,142	612,749	43,350	656,099

The accompanying Notes to the Financial Statements on pages 98 to 138 form part of and should be read in conjunction with these financial statements.

Statement of comprehensive revenue and expense (continued)

For the year ended 31 December 2022

	Note	University		
		Actual 2022 \$'000	Budget 2022 \$'000	Actual 2021 \$'000
Operating revenue				
Government grants	2	492,006	488,902	488,686
Tuition fees		384,805	365,758	381,941
Research and contracts	3	273,195	270,146	251,511
Service income		129,634	131,953	128,447
Donations and legacies		15,184	12,672	13,335
Interest received		5,336	1,052	894
Other revenue		17,271	9,285	6,630
Other gains/(losses)	4	29,456	539	9,392
Total operating revenue		1,346,887	1,280,307	1,280,836
Operating expenses				
People costs	6	660,451	667,449	630,728
Operating costs	7	407,625	427,117	391,852
Finance costs		668	781	328
Depreciation and amortisation	11,12	161,283	167,084	157,055
Total operating expenses		1,230,027	1,262,431	1,179,963
Net surplus / (deficit) before tax		116,860	17,876	100,873
Income tax expense/(benefit)		-	-	-
Net surplus / (deficit) after tax		116,860	17,876	100,873
Other comprehensive revenue and expense				
Gain/(loss) on asset revaluation reserve	20	-	-	499,971
Gain/(loss) on cash flow hedges taken to equity	20	(200)	-	830
Total comprehensive revenue and expense		116,660	17,876	601,674
Attributable to:				
Surplus / (deficit) is attributable to:				
Members of the parent entity		116,660	17,876	601,674

The accompanying Notes to the Financial Statements on pages 98 to 138 form part of and should be read in conjunction with these financial statements.

Statement of financial position

As at 31 December 2022

	Note	Consolidated		University		
		Actual 2022 \$'000	Actual 2021 \$'000	Actual 2022 \$'000	Budget 2022 \$'000	Actual 2021 \$'000
Current assets						
Cash and cash equivalents	9	37,706	33,079	15,893	1,000	9,116
Short term bank deposits		141,936	72,836	127,434	24,041	54,291
Receivables	10	59,683	65,608	58,948	57,899	59,703
Research work in progress		27,242	27,503	28,646	28,312	27,316
Derivative financial instruments	24.1	3,963	(188)	(129)	-	71
Inventories		2,623	2,681	2,623	2,358	2,681
Prepayments and other current assets		51,671	42,829	50,216	35,037	41,284
Total current assets		324,824	244,348	283,631	148,647	194,462
Non-current assets						
Investment in controlled entities	22.1	-	-	19,873	19,570	19,873
Property, plant and equipment	11	4,236,500	4,112,560	4,234,137	4,153,409	4,110,708
Intangible assets	12	18,563	22,106	17,880	36,701	21,161
Other financial assets	24.1	395,296	418,580	18,360	16,251	22,771
Total non-current assets		4,650,359	4,553,246	4,290,250	4,225,931	4,174,513
Total assets		4,975,183	4,797,594	4,573,881	4,374,578	4,368,975
Current liabilities						
Payables	13	185,211	184,372	167,473	166,944	167,120
Deferred revenue	14	299,374	240,106	275,529	197,668	217,913
Income tax payable		4,525	3,977	-	-	-
Employee entitlements	15	78,870	72,401	74,168	58,610	68,179
Loans and borrowings	16	1,279	444	56,279	52,027	52,471
Provisions	17	2,900	10,373	2,900	538	10,373
Total current liabilities		572,169	511,673	576,349	475,787	516,056
Non-current liabilities						
Employee entitlements	15	55,473	60,004	55,401	74,865	59,932
Loans and borrowings	16	101,598	69,007	101,598	205,506	69,007
Provisions	17	6,147	6,256	6,147	5,840	6,256
Total non-current liabilities		163,218	135,267	163,146	286,211	135,195
Total liabilities		735,387	646,940	739,495	761,998	651,251
Net assets		4,239,796	4,150,654	3,834,386	3,612,580	3,717,724
Equity						
General equity		1,629,265	1,512,814	1,598,164	1,468,845	1,480,775
Reserves	20	2,240,204	2,248,921	2,193,458	2,100,686	2,193,658
Restricted and special funds	21	370,327	388,919	42,764	43,049	43,291
Total equity		4,239,796	4,150,654	3,834,386	3,612,580	3,717,724
Net assets						
Restricted		351,892	370,402	24,327	-	24,775
Unrestricted		3,887,904	3,780,252	3,810,059	3,612,580	3,692,949
Total net assets		4,239,796	4,150,654	3,834,386	3,612,580	3,717,724

The accompanying Notes to the Financial Statements on pages 98 to 138 form part of and should be read in conjunction with these financial statements. Cash flows are classified into three sources:

Statement of cash flows

For the year ended 31 December 2022

	Note	Consolidated		University		
		Actual 2022 \$'000	Actual 2021 \$'000	Actual 2022 \$'000	Budget 2022 \$'000	Actual 2021 \$'000
Cash flows from operating activities						
Government grants		490,543	481,999	490,543	487,038	481,999
Tuition fees		422,415	375,866	422,415	369,886	375,866
Other operating receipts		496,065	425,153	438,369	418,798	400,403
Donations and legacies received		35,144	29,685	15,101	-	13,277
GST (net)		9,019	3,226	8,492	2,276	4,038
Payments to employees		(623,276)	(606,418)	(583,849)	(570,048)	(570,554)
Other operating payments		(523,135)	(477,282)	(499,360)	(521,490)	(472,743)
Net cash flow from operating activities	8	306,775	232,229	291,710	186,460	232,286
Cash flows from investing activities						
Interest received		5,291	1,587	3,504	1,051	649
Proceeds of loan from controlled entities		-	-	2,973	(3)	(2,000)
Acquisition of property, plant and equipment and work in progress		(288,910)	(149,467)	(287,947)	(293,876)	(149,226)
Borrowing costs capitalised		(1,088)	(1,025)	(1,088)	-	(1,025)
(Acquisition)/disposal of financial assets		(84,407)	(59,485)	(68,733)	-	(35,474)
Investment in controlled entities		-	-	-	(770)	(304)
Net cash flow from investing activities		(369,114)	(208,390)	(351,291)	(293,598)	(187,380)
Cash flows from financing activities						
Proceeds from borrowings		196,323	145,279	196,324	146,978	145,279
Interest paid		-	183	(668)	(781)	(328)
Repayment of borrowings		(131,377)	(203,130)	(131,377)	-	(203,130)
Net cash provided by/(used in) financing activities		64,946	(57,668)	64,279	146,197	(58,179)
Net increase/(decrease) in cash and cash equivalents		2,607	(33,829)	4,698	39,059	(13,273)
Cash and cash equivalents at the beginning of the financial year		33,079	66,968	9,116	(38,179)	22,433
Effects of exchange rate changes on cash and cash equivalents		2,020	(60)	2,079	120	(44)
Cash, cash equivalents, and bank overdrafts at the end of the year	9	37,706	33,079	15,893	1,000	9,116
Reconciliation of cash and cash equivalents						
Current accounts at bank		37,706	33,079	15,893	1,000	9,116
Total cash and cash equivalents		37,706	33,079	15,893	1,000	9,116

The accompanying Notes to the Financial Statements on pages 98 to 138 form part of and should be read in conjunction with these financial statements.

Statement of cash flows (continued)

For the year ended 31 December 2022

Cash flows are classified into three sources:

Operating activities

- The principal revenue-producing activities of the Group generally result from the transactions and other events that are integral to the determination of the net surplus. Operating activities include all transactions and other events that are not investing or financing activities.

Investing activities

- Those activities relating to the acquisition, holding and disposal of property, plant and equipment and of investments. Investments include securities not falling within the definition of cash and cash equivalents.

Financing activities

- Those activities that result in changes to the size and composition of the capital structure. This includes both equity and debt not falling within the definition of cash and cash equivalents.

Interest paid is classified as a financing cash flow and interest and dividends received are classified as investing cash flows.

Cash and cash equivalents comprise cash on hand, cash in banks and investments in money market instruments and other short-term, highly liquid investments with original maturities of 90 days or less, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Cash and cash equivalents are stated net of outstanding bank overdrafts when the bank has full right of set-off against accounts which are in funds. Bank overdrafts, for which the bank has no right of set-off, are shown within current liabilities in the statement of financial position.

The carrying value of cash at bank, call deposits, and term deposits with maturities less than three months approximates their fair value.

Statement of changes in equity

For the year ended 31 December 2022

		Asset revaluation reserve	Hedging and statutory reserves	Foreign currency translation reserve	General equity	Restricted and special funds	Fair value reserve of financial assets at FVOCRE*	Total equity
Consolidated	Note	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance as at 1 January 2022		2,193,587	148	(53)	1,512,814	388,919	55,239	4,150,654
Net surplus for the year		-	-	-	97,859	-	-	97,859
Other comprehensive revenue and expense for the year	20	-	(205)	(246)	-	-	(8,266)	(8,717)
Transfer surplus to restricted and special funds	21	-	-	-	18,592	(18,592)	-	-
Balance as at 31 December 2022		2,193,587	(57)	(299)	1,629,265	370,327	46,973	4,239,796
Equity								
Unrestricted		2,193,587	(57)	(299)	1,629,265	18,435	46,973	3,887,904
Restricted		-	-	-	-	351,892	-	351,892
Total equity		2,193,587	(57)	(299)	1,629,265	370,327	46,973	4,239,796
Balance as at 1 January 2021		1,706,905	(562)	(291)	1,413,010	345,698	29,794	3,494,555
Net surplus for the year		-	-	-	129,096	-	-	129,096
Other comprehensive revenue and expense for the year	20	499,971	710	238	-	-	26,084	527,003
Transfer asset revaluation reserve to general equity	20	(13,289)	-	-	13,928	-	(639)	-
Transfer surplus to restricted and special funds	21	-	-	-	(43,221)	43,221	-	-
Balance as at 31 December 2021		2,193,587	148	(53)	1,512,814	388,919	55,239	4,150,654
Equity								
Unrestricted		2,193,587	148	(53)	1,512,814	18,517	55,239	3,780,252
Restricted		-	-	-	-	370,402	-	370,402
Total equity		2,193,587	148	(53)	1,512,814	388,919	55,239	4,150,654

* FVOCRE - Fair value through other comprehensive revenue and expense.

The accompanying Notes to the Financial Statements on pages 98 to 138 form part of and should be read in conjunction with these financial statements.

Statement of changes in equity (continued)

For the year ended 31 December 2022

	Note	Asset revaluation reserve \$'000	Hedging and statutory reserves \$'000	General equity \$'000	Restricted and special funds \$'000	Total equity \$'000
University						
Balance as at 1 January 2022		2,193,587	71	1,480,775	43,291	3,717,724
Net surplus for the year		-	-	116,860	-	116,860
Other comprehensive revenue and expense for the year	20	-	(200)	-	-	(200)
Transfer surplus to restricted and special funds	21	-	-	527	(527)	-
Balance as at 31 December 2022		2,193,587	(129)	1,598,162	42,764	3,834,384
<hr/>						
Balance as at 1 January 2021		1,706,905	(759)	1,366,894	43,009	3,116,050
Net surplus for the year		-	-	100,873	-	100,873
Other comprehensive revenue and expense for the year	20	499,971	830	-	-	500,801
Transfer revaluation reserve on disposed assets	20	(13,289)	-	13,289	-	-
Transfer surplus to restricted and special funds	21	-	-	(282)	282	-
Balance as at 31 December 2021		2,193,587	71	1,480,775	43,291	3,717,724

The accompanying Notes to the Financial Statements on pages 98 to 138 form part of and should be read in conjunction with these financial statements.

Notes to the Financial Statements

For the year ended 31 December 2022

1 Statement of accounting policies

1.1 Reporting entity

The financial statements of the University of Auckland, the ultimate Parent, and its controlled entities (together the Group) for the year ended 31 December 2022 were authorised for issue by the Council on 13 March 2023.

The Group consists of the University of Auckland (the University), Auckland UniServices Limited (AUL), and the University of Auckland Foundation (the Foundation). AUL operates in New Zealand and China and has a branch in the Kingdom of Saudi Arabia. Following completion of all projects in the Kingdom of Saudi Arabia, the branch is currently in a liquidation process and will be deregistered once all regulatory requirements have been met.

The University of Auckland was established by the University of Auckland Act 1961. The principal activities of the University and AUL are the provision of teaching and research services. The principal activities of the Foundation are raising and stewardship of funds for charitable purposes and advancement of education and health care, assistance of students to pursue courses of study at the University of Auckland, and the general advancement of the University.

The central office of the University's management is located at the ClockTower, 22 Princes St, Auckland, New Zealand.

The financial statements have been prepared in accordance with the requirements of the Crown Entities Act 2004 and Section 305 of the Education and Training Act 2020, which include the requirement to comply with generally accepted accounting practice in New Zealand.

The University and Group are designated as public benefit entities (PBE) for financial reporting purposes.

1.2 Basis of preparation

The financial statements have been prepared on a going concern basis, and the accounting policies have been applied consistently throughout the period.

GST is excluded from the financial statements except for Trade Receivables and Trade Payables which are stated inclusive of GST.

The balance of GST payable to the Inland Revenue Department is included in Trade Payables.

The net GST paid to, or received from, including the GST relating to investing and financing activities, is classified as a net operating cash flow in the statement of cash flows.

Statement of compliance

These financial statements comply with PBE IPSAS Standards.

Measurement base

These financial statements have been prepared under the historical cost convention, except the following assets and liabilities which are stated at their fair value: derivative financial instruments, financial assets at fair value through other comprehensive revenue and expense, financial instruments which are designated at fair value through surplus or deficit, land and buildings, library special collections and works of art.

Works of art, library special collections and land and buildings are revalued every three years (unless there is evidence that suggests it should be done sooner in order to carry the assets at fair value) and are stated at revalued amount less impairment, if any, and subsequent accumulated depreciation on buildings.

Functional and presentation currency

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

Restrictions on net assets

Management views the Group's core operating activities as excluding receipts of donor-restricted revenues and gains from contributions and investment income. In order to clearly identify the Group's core operating activities, the Group has voluntarily elected to classify its consolidated net assets as either restricted or unrestricted. Assets are classified as restricted when they are subject to donor-imposed restrictions that prevent the Group from using them either permanently, or temporarily until certain restrictions are met. Assets are classified as unrestricted when

they are not subject to any donor-imposed restrictions. The movement in consolidated net unrestricted assets relates to the Group's core operating activities and as such provides more relevant and reliable information.

Statement of comprehensive revenue and expense

- Revenue and expenses are classified as movements in either unrestricted or restricted net assets.
- The line item 'Transfer of funds from restricted to unrestricted' represents the expiration of donor-imposed restrictions.

Statement of financial position and statement of changes in equity

- Net assets are split into unrestricted and restricted.

Budget figures

The budget figures presented are for the University (the Parent) which form part of the Group budget figures that were approved by Council before the beginning of the 2022 financial year. The Group budget figures approved by Council excluded the Foundation. The budget figures have been prepared using the same accounting policies as those used in the preparation of these financial statements. The budget figures have not been audited.

Standards issued and not yet effective and not early adopted

The External Reporting Board issued PBE IFRS 17: Insurance Contracts in July 2019 that not-for-profits PBEs will need to apply from 1 January 2023. The University and its controlled entities will adopt PBE IFRS 17 from 1 January 2023. The impact of the adoption has been assessed as not material.

Standards issued and adopted

The External Reporting Board issued PBE FRS 48: Service Performance Reporting in November 2017 that PBEs were required to adopt the standard from 1 January 2022. The University and its controlled entities adopted the standard for the December 2022 year end. This adoption had no impact on the presentation of financial statements in the 2022 financial year.

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

1 Statement of accounting policies (continued)

The External Reporting Board issued PBE IPSAS 41: Financial Instruments in March 2019. PBEs were required to adopt the standard from 1 January 2022. The University and its controlled entities adopted PBE IPSAS 41 for the December 2022 year end. This adoption had no material impact on figures presented in the financial statements in the 2022 financial year.

Changes in accounting policies

The Group applied PBE IPSAS 41 with an initial application date of 1 January 2022. The adoption has had no material impact on figures presented in the financial statements for the 2022 financial year. The effect of adopting PBE IPSAS 41 as at 1 January 2022 has had an impact on presentation of the financial statements as follows:

- The category previously called available for sale has been updated to financial assets at fair value through other comprehensive revenue and expense (FVTOCRE) within the statements of comprehensive revenue and expense, statement of changes in equity, and notes 1, 20 and 24.
- The category previously called loans and receivables has been updated to financial assets at amortised cost within note 24.

Impairment

The adoption of PBE IPSAS 41 has changed the Group's accounting for impairment losses for financial assets by replacing PBE IPSAS 29's incurred loss approach with a forward-looking expected credit loss (ECL) approach. PBE IPSAS 41 requires the Group to recognise an allowance for ECLs for all debt instruments not held at fair value through surplus or deficit. Upon adoption of PBE IPSAS 41, the University and its controlled entities did not recognise any additional impairment.

Hedge Accounting

The Group determined that all existing hedge relationships that are currently designated in effective hedge relationships qualified for hedge accounting under PBE IPSAS 41. As PBE IPSAS 41 does not change the general principle of how an entity accounts for effective hedges, applying the hedge requirements of PBE IPSAS 41 did not have

a significant impact on the Group's financial statements.

Critical accounting estimates

In preparing these financial statements, estimates and assumptions have been made concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions 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 following are the estimations and assumptions that management has made in the process of applying the Group's accounting policies and that have the most significant effects on the amounts recognised in these financial statements:

- The estimated useful lives of Property, Plant and Equipment and Intangible Assets.
- The fair value estimation of Property, Plant and Equipment. Land, buildings, library special collections and works of art at the University are revalued at least every three years or when there is a material change between the fair value and the carrying value of the assets.
- The rate of future salary increases and the discount rate used to present value future cash flows, which are used to calculate the employee entitlements liabilities.
- The discount rate used to present value future cash flows of non-interest bearing loans.
- The value of work in progress and expensing of any expenditure that will not contribute to the long term value of the asset being constructed.
- The valuation of investments in associates, convertible notes and financial assets at fair value through other comprehensive revenue and expense.
- The estimation of potential liabilities arising from areas of non-compliance with the Holidays Act. This liability is included

in the annual leave liability within the employee entitlements note 15.

Critical accounting judgments

Management has exercised the following critical judgments in applying accounting policies for the year ended 31 December 2022:

Classification of investments as financial instruments

In the absence of contradictory evidence, a holding of over 20% of equity indicates significant influence and the investment is treated as an associate. For certain entities that AUL holds over 20% of the shareholding, management has assessed that AUL does not have significant influence or control over the entities due to Shareholders' Agreements, Terms Sheets and other key documentation. As AUL does not have significant influence over these entities, the investments are accounted for as financial instruments.

Classification of revenue

The classification of revenue as exchange or non-exchange in nature, and the accounting consequences related to each revenue class, in particular whether the assessment of a return obligation exists in non-exchange transactions.

Comparative Balances

Certain amounts in the financial statements and the accompanying notes have been reclassified to conform to current year's accounting presentation.

1.3 Basis of consolidation

The consolidated financial statements are prepared by combining the financial statements of all the entities that comprise the Group, being the University of Auckland and its controlled entities. Consistent accounting policies are employed in the preparation and presentation of the consolidated financial statements.

Any accounting policies of controlled entities that differ from those of the University are adjusted for where material.

In preparing the consolidated financial statements, all material intercompany balances and transactions, and unrealised profits arising within the Group are eliminated in full.

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

1 Statement of accounting policies (continued)

Controlled entities

Controlled entities are those entities over which the Parent has power, exposure, or rights, to variable benefits from its involvement with these entities, and the ability to use its power over these entities to affect the nature or amount of the benefits from its involvement with these entities.

On acquisition, the assets, liabilities and contingent liabilities of a controlled entity are measured at their fair values at the date of acquisition. Any excess of the cost of acquisition over the fair values of the identifiable net assets acquired is recognised as goodwill. If the fair values of the identifiable net assets acquired exceed the cost of acquisition, the difference is credited to the surplus or deficit in the statement of comprehensive revenue and expense. In the University's financial statements, investment in controlled entities is recognised at cost on initial recognition, and at cost less accumulated impairment (if any) subsequent to initial recognition.

Associates

Associates are measured on initial recognition at cost. After initial measurement, associates are subsequently measured at fair value with changes in fair value being recognised as unrealised gains or losses through surplus or deficit.

Investments

Investments are all entities over which the Group does not have significant influence, joint control, or control and that are neither a controlled entity nor an interest in a joint venture or associate, generally but not always evidenced by holdings of less than 20% of the voting rights.

Where the fair value of investments cannot be reliably measured, they are held on the statement of financial position at \$1. These investments relate to start-up and non-trading entities with limited financial information available and primarily where the intellectual property requires significant additional work to prove the commercial and/or technical viability.

Methodology used to determine nature of relationship with related entities

An entity controls another entity if it has all of the following:

- (a) Power over the other entity;
- (b) Exposure, or rights, to variable benefits from its involvement with the other entity; and
- (c) The ability to use its power over the entity to affect the nature or amount of the benefits from its involvement with the other entity.

Auckland UniServices Limited (AUL)

The University holds 100% of the shares in AUL and as a result has power over AUL, rights to variable benefits from AUL, and the power to affect the nature and amount of those benefits. AUL is accounted for as a controlled entity and consolidated into the Group.

University of Auckland Foundation (the Foundation)

The Foundation is a charitable entity and the majority of the trustees are independently appointed. The factors that led management to conclude that the University has control over the Foundation for financial reporting purposes and as such to consolidate the Foundation as part of the Group are as below:

(a) Power

The University does not have the power to appoint a majority of the board of Trustees. However, the board's decision making powers are limited by the University's involvement in fundraising activities, which are for University specific purposes. The University also funds a significant part of the Foundation's operations and provides key assets and management personnel to the Foundation.

(b) Exposure or rights to variable benefits

The University is exposed to or has rights to financial and non-financial benefits as a result of its involvement with the Foundation.

The University is the beneficiary of the majority of the Foundation's assets, as donations to the Foundation are specified for

this purpose. The activities of the Foundation are congruent with the University's objectives and support the University in achieving its objectives such that the University also receives non-financial benefits from the activities of the Foundation.

(c) The ability to use its power over the entity to affect the nature or amount of the benefits from its involvement with the other entity.

The majority of donations received by the Foundation are for University-specific purposes, which are as a result of fundraising activities driven and funded by the University.

Even though the University does not control the investing activities of the Foundation, under the Trusts Act 2019, the Trustees are required to act in the best interests of all present and future beneficiaries. As the majority of donations are for University-specific purposes, in making investment decisions, the independent board of trustees is acting in the best interests of, or on behalf of and for the benefit of, the University; that is, there is minimal conflict between the objectives of the University and the duties of the Trustees of the Foundation.

1.4 Foreign currency transactions

Transactions in foreign currencies are translated at the foreign exchange rate ruling at the date of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the balance date are translated to New Zealand dollars at the foreign exchange rate ruling at that date.

Non-monetary items carried at fair value that are denominated in foreign currencies are translated to New Zealand dollars at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not re-translated.

Foreign exchange gains and losses resulting from settlement of foreign currency transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the exchange rate ruling at balance date are recognised in the surplus or deficit in the statement of comprehensive revenue and expense, except where cash flow hedge accounting is used and the resulting fair value movements on the

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

1 Statement of accounting policies (continued)

forward exchange contracts are deferred in the hedging reserve.

1.5 Significant accounting policies

Significant accounting policies which are pervasive throughout the financial statements or where there is no dedicated note disclosure are set out below. Other significant accounting policies which are specific to certain transactions or balances are disclosed within the particular note to which they relate.

The accounting policies set out in the financial statements and the accompanying notes have been applied consistently to all periods presented in these consolidated financial statements.

Revenue recognition

Tuition fees

Domestic student tuition fees are subsidised by government funding and are considered non-exchange. Revenue is recognised at the amount received when the course withdrawal date has passed, which is when a student is no longer entitled to a refund for withdrawing from the course. Prior to the course withdrawal date domestic student tuition fees are treated as deferred revenue.

International student tuition fees are accounted for as exchange transactions. Revenue is recognised at the amount received over the length of the course when the course withdrawal date has passed, which is when a student is no longer entitled to a refund for withdrawing from the course. Prior to the course withdrawal date international student tuition fees are treated as revenue in advance.

Fees-free revenue is considered non-exchange and recognised when the course withdrawal date for an eligible student has passed. Funding received for fees-free is presented as part of tuition fees. This is on the basis that receipts from the TEC are for payment on behalf of the student as specified in the relevant funding mechanism.

Service income

Service income is recognised as revenue throughout the period of the service delivery where the transaction is classified as exchange in nature. Where the transaction

is classified as non-exchange in nature and where there are in substance conditions to return the funds to the funder if performance stipulations are not met, service income is recognised as revenue at the time that the conditions are met. For non-exchange transactions where there are no in substance obligations to return the funds service income is recognised as revenue at the point the Group has an enforceable claim to resources.

Donations and legacies

Unrestricted donations are recognised as revenue at the point the Group has an enforceable claim to resources. Where the Group receives a donation with conditions, a liability is recognised. Once the condition is met, the donation is recognised as revenue. Donated assets are recognised at fair value. Donations are considered non-exchange revenue.

Revenue received while acting as an agent

Where the Group collects money from contracts as an agent for a third party, the Group only recognises the commission received from the collections as revenue and it is considered exchange revenue.

Sale of goods

Revenue from the sale of goods is considered exchange revenue and is recognised when the significant risks and rewards of ownership of the goods are transferred to the buyer.

Dividend and interest revenue

Dividend revenue from investments is considered exchange revenue and is recognised when the shareholders' rights to receive payment have been established. Interest revenue is considered exchange and is recognised on a time proportionate basis using the effective interest rate method.

The effective interest rate is the rate that discounts estimated future cash receipts through the expected life of the financial asset, or where appropriate a shorter period, to the net carrying amount of the financial asset.

The effective interest rate is used to calculate the amortised cost of a financial asset and to allocate interest income over the relevant period.

Restrictions on net assets

The Group's net assets are classified as either unrestricted or restricted.

Unrestricted net assets

Unrestricted net assets are not subject to any donor-imposed restrictions. These assets consist primarily of the University's assets with the most significant category being property, plant & equipment.

Restricted net assets

Net assets are considered restricted when they are subject to donor-imposed restrictions, that prevent the assets from being used for general or administrative purposes by the Group. The restrictions may be temporary or permanent. Temporarily restricted net assets have donor-imposed restrictions that will expire after the University performs certain actions (e.g. spends money on research in a particular field) or after a certain amount of time. Permanently restricted net assets are subject to donor-imposed restrictions that they be invested to provide a permanent source of income to the University. The investment income from these endowments is usually subject to temporary restrictions. The majority of these restricted assets are in the Foundation.

Revenues from sources other than donations are generally reported as increases in unrestricted net assets. Gains and losses on investments are reported as increases or decreases in unrestricted net assets, unless their use is restricted by donor stipulations. Expenses are generally reported as decreases in unrestricted net assets, even if they are financed from restricted sources.

Expenses cause any restrictions related to them to expire. Expirations of temporary restrictions on net assets are reported as reclassifications from restricted to unrestricted net assets and appear as "Transfer of funds from restricted to unrestricted" in the statement of comprehensive revenue and expense. The aggregate carrying amount of unrestricted and restricted net assets is presented on the face of the statement of financial position and statement of changes in equity. The statement of cash flows is unaffected.

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

1 Statement of accounting policies (continued)

Inventories

Inventories are valued at the lower of cost and net realisable value. The weighted average method is used to determine cost. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

Prepayments

Prepayments are originally recognised at cost and are evenly recognised as expense over the expected period of the benefit.

Onerous Contracts

A provision for onerous contracts is recognised when the expected benefits or service potential to be derived from a contract is lower than the unavoidable cost of meeting the obligations under the contract. The provision is measured at the present value of the lower of the expected costs of terminating the contract and the expected net cost of continuing with the contract.

Income tax

The University and its controlled entities are exempt from the payment of income tax in New Zealand as they are treated as charitable organisations by the Inland Revenue Department.

Income tax payable by the Group relates to net profits derived from Auckland UniServices Limited operating in China and a branch in the Kingdom of Saudi Arabia being taxed at the applicable rates under the laws of those countries.

Current tax liabilities for the current period are measured at the amount expected to be paid to the taxation authorities of that country based on the current period's taxable income of the branch.

Deferred income tax is provided on all temporary differences, if any and except where the initial recognition exemption applied, at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

2 Government grants

Student Achievement Component (SAC) funding is the University's main source of operational funding from the Tertiary Education Commission (TEC). The University considers SAC funding to be non-exchange and recognises SAC funding as revenue when the course withdrawal date has passed, based on the number of eligible students enrolled in the course at that date and the value of the course. Prior to the course withdrawal date SAC funding is treated as revenue in advance.

The University considers Performance-Based Research Fund (PBRF) funding to be non-exchange in nature. PBRF funding is specifically identified by the TEC as being for a funding period as required by Section 425 of the Education and Training Act 2020. The University recognises its confirmed allocation of PBRF funding at the commencement of the specified funding period, which is the same as the University's financial year. PBRF revenue is measured based on the University's funding entitlement adjusted for any expected adjustments as part of the final wash-up process. Indicative funding for future periods is not recognised until confirmed for that future period.

Other grants are recognised as revenue when they become receivable unless there is an obligation in substance to return the funds if conditions of the grant are not met. If there is such an obligation, the grants are initially recorded as deferred revenue when received and recognised as revenue when the conditions of the grant are satisfied.

	Consolidated		University	
	Actual 2022 \$'000	Actual 2021 \$'000	Actual 2022 \$'000	Actual 2021 \$'000
Student Achievement Component funding	380,834	377,845	380,834	377,845
Clinical Training Agency grants	5,704	5,532	5,704	5,532
Other Government grants	10,256	8,628	10,256	8,628
Performance-Based Research Fund funding	93,589	95,357	93,589	95,357
Hardship Fund for Learners	1,623	1,324	1,623	1,324
Total Government grants	492,006	488,686	492,006	488,686

3 Research and contracts revenue

The Group exercises judgment in determining whether funding received under a research contract is received in an exchange or non-exchange transaction. In determining whether a research contract is exchange or non-exchange, the Group considers factors such as the following:

- Whether the funder has substantive rights to the research output. This is a persuasive indicator of exchange or non-exchange.
- How the research funds were obtained. For example, whether through a commercial tender process for specified work or from applying to a more general research funding pool.
- Nature of the funder.
- Specificity of the research brief or contract.

For an exchange research contract, revenue is recognised on a percentage completion basis. The percentage of completion is measured by reference to the actual research expenditure incurred as a proportion to total expenditure expected to be incurred.

For a non-exchange research contract, the total funding receivable under the contract is recognised as revenue immediately when the funds become receivable, unless there are substantive conditions in the contract. If there are substantive conditions, a research contract obligation is initially recognised and revenue is subsequently recognised when the conditions are satisfied. A condition could include the requirement to complete research to the satisfaction of the funder to retain funding or return unspent funds. Revenue for future periods is not recognised where the contract contains substantive termination provisions for failure to comply with the requirements of the contract. Conditions and termination provisions need to be substantive, which is assessed by considering factors such as contract monitoring mechanisms of the funder and the past practice of the funder.

Judgment is often required in determining the timing of revenue recognition for contracts that span a balance date and multi-year research contracts.

Research contract obligations are identified in note 14.

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

3 Research and contracts revenue (continued)

	Consolidated		University	
	Actual 2022 \$'000	Actual 2021 \$'000	Actual 2022 \$'000	Actual 2021 \$'000
External research income	228,597	223,758	223,684	217,420
Other research and contract income	98,446	71,297	49,511	34,091
Total research and contracts revenue	327,043	295,055	273,195	251,511

4 Other gains/(losses)

	Consolidated		University	
	Actual 2022 \$'000	Actual 2021 \$'000	Actual 2022 \$'000	Actual 2021 \$'000
Non-financial instruments				
Gain/(loss) on disposal of property, plant and equipment	(4,155)	(2,579)	(4,143)	(2,583)
Foreign exchange gains/(losses)	2,020	(60)	2,079	(44)
Financial instruments				
Fair value gain/(loss) on financial assets at fair value through surplus or deficit held at year end	(26,935)	36,111	-	-
Fair value gain/(loss) on financial assets at fair value through surplus or deficit derecognised during the year	1,210	(6,519)	-	-
Fair value gain/(loss) on financial liabilities at amortised cost	31,520	12,019	31,520	12,019
Total other gains/(losses)	3,660	38,972	29,456	9,392

Gains/(losses) on financial assets at fair value through surplus or deficit comprise realised and unrealised gains/(losses) in the fair value of assets held in managed funds, foreign currency forward exchange contracts, investment in associates and convertible notes.

Gains/(losses) on financial liabilities includes a fair value adjustment on initial recognition and interest expense on the non-interest bearing CIP loan. Refer also notes 16 and 24.

5 Transfer of funds from restricted to unrestricted

The transfer of funds from restricted to unrestricted represents external restrictions on funds being extinguished due to the restrictions being met (generally expenditure on specified activities). The transfer is shown by major categories of restrictions on funds expiring below.

	Consolidated	
	Actual 2022 \$'000	Actual 2021 \$'000
Research	13,835	11,513
Donations	11,277	10,852
Other	2,216	1,015
Total transfer of funds from restricted to unrestricted	27,328	23,380

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

6 People costs

	Consolidated		University	
	Actual 2022 \$'000	Actual 2021 \$'000	Actual 2022 \$'000	Actual 2021 \$'000
Academic salaries	328,219	322,572	327,421	321,853
Professional salaries	292,795	275,450	254,023	240,967
Defined contribution expenses	27,238	26,584	25,704	25,247
Contracts for service	44,515	37,852	33,001	30,497
Other people costs	12,397	5,396	20,302	12,164
Total people costs	705,164	667,854	660,451	630,728

The Group and the University have termination payments of \$ nil included in other people costs in the current year (2021: \$0.6m).

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

7 Operating costs

	Consolidated		University	
	Actual 2022 \$'000	Actual 2021 \$'000	Actual 2022 \$'000	Actual 2021 \$'000
Breakdown of operating costs				
Auditor remuneration				
Audit fees for audit of financial statements	778	640	471	355
Other assurance services	28	26	28	26
Other non-assurance services*	53	17	-	-
Total auditors' remuneration	859	683	499	381
Operating leases				
Properties	33,825	45,723	31,942	43,704
Equipment	14	95	12	93
Motor vehicles	359	257	20	17
Total operating lease costs	34,198	46,075	31,974	43,814
Other operating costs				
Consumable supplies	27,938	28,038	26,740	26,167
Prizes and scholarships	53,561	53,226	53,561	53,308
Conferences, travel and accommodation	20,015	6,611	18,022	5,561
Repairs and maintenance	39,604	43,763	38,214	41,876
Student related	23,747	22,495	23,747	22,532
Contracted and professional services	86,920	80,710	88,462	82,633
Other information technology	21,784	18,293	21,784	18,293
Utilities	16,216	13,403	16,168	13,333
Advertising, marketing and printing	23,555	20,559	21,154	19,167
Books and library	7,572	7,492	7,572	7,492
Other operating expenses	71,496	65,128	59,728	57,295
Total other operating costs	392,408	359,719	375,152	347,657
Total operating costs	427,465	406,477	407,625	391,852

*Relates to taxation fees paid to EY for Kingdom of Saudi Arabia taxation returns.

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

8 Reconciliation of operating surplus and net cash flow from operating activities

	Consolidated		University		
	Actual 2022 \$'000	Actual 2021 \$'000	Actual 2022 \$'000	Budget 2022 \$'000	Actual 2021 \$'000
Net surplus/(deficit) for the year	97,859	129,096	116,860	17,876	100,873
Add/(less) non-cash items:					
Depreciation and amortisation	162,353	158,111	161,283	167,084	157,055
Donated assets	(450)	(345)	(84)	-	(58)
Foreign exchange fluctuations	(2,020)	60	(2,079)	(120)	44
Non-cash fair value of non-interest bearing loan*	(31,520)	(12,019)	(31,520)	-	(12,019)
Unrealised gain on investments	25,722	(30,520)	-	-	-
	154,085	115,287	127,600	166,964	145,022
Add/(less) items classified as investing or financing activities					
Interest income	(7,101)	(1,868)	(5,336)	(1,051)	(894)
(Gain)/loss on disposal of property, plant, and equipment	4,155	2,579	4,143	(419)	2,583
Movements relating to capital expenditure	5,354	(16,682)	5,376	-	(16,717)
Finance costs	-	(183)	668	781	328
Total items classified as investing or financing activities	2,408	(16,154)	4,851	(689)	(14,700)
Add/(less) changes in net assets and liabilities:					
Decrease/(Increase) in receivables	5,923	(1,952)	759	(55)	3,569
Decrease/(Increase) in prepayments and other current assets	(8,842)	(10,536)	(8,933)	(5,232)	(11,941)
Decrease/(Increase) in inventories	59	(381)	59	(23)	(381)
Decrease/(Increase) in research work in progress	261	(8,635)	(1,330)	(1,177)	6
Increase /(Decrease) in payables and provisions	(6,183)	20,202	(7,230)	1,893	5,437
Increase /(Decrease) in deferred revenue	59,267	7,786	57,616	(338)	6,772
Increase /(Decrease) in employee entitlements	1,938	(2,484)	1,458	7,241	(2,371)
Net movement in working capital items	52,423	4,000	42,399	2,309	1,091
Net cash flow from operating activities	306,775	232,229	291,710	186,460	232,286

*Refer also notes 16 and 24.

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

9 Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

Breakdown of cash and cash equivalents

	Consolidated		University	
	Actual 2022 \$'000	Actual 2021 \$'000	Actual 2022 \$'000	Actual 2021 \$'000
Cash at bank and in hand	28,575	18,522	15,893	9,116
Call deposits	3,994	9,524	-	-
Short-term deposits less than 90 days to maturity	5,137	5,033	-	-
Total cash and cash equivalents	37,706	33,079	15,893	9,116

10 Receivables

Receivables are recognised initially at fair value, and subsequently at amortised cost less impairment. Due to the short-term nature of receivables they are not discounted.

Receivables that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables includes past experience of collecting amounts due, an increase in the number of delayed payments in the portfolio past the average credit period, as well as observed changes in economic conditions that correlate with default on receivables.

The carrying amount of trade receivables is reduced through the use of an allowance account. Changes in the carrying amount of the allowance account are recognised in the statement of comprehensive revenue and expense.

	Consolidated		University	
	Actual 2022 \$'000	Actual 2021 \$'000	Actual 2022 \$'000	Actual 2021 \$'000
Trade receivables	60,820	66,734	46,798	48,098
Provision for receivables impairment	(1,137)	(1,126)	(1,123)	(866)
Net receivables	59,683	65,608	45,675	47,232
Related company receivables	-	-	13,273	12,471
Total receivables	59,683	65,608	58,948	59,703

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

10 Receivables (continued)

The ageing profile of trade receivables at year end is as follows:

	2022			2021		
	Gross \$'000	Impairment \$'000	Net \$'000	Gross \$'000	Impairment \$'000	Net \$'000
Consolidated						
Current	48,948	-	48,948	53,838	-	53,838
Past due 31-60 days	9,448	-	9,448	2,589	-	2,589
Past due 61-90 days	821	-	821	1,462	-	1,462
Past due > 90 days	1,603	(1,137)	466	8,845	(1,126)	7,719
Total	60,820	(1,137)	59,683	66,734	(1,126)	65,608
University						
Current	49,131	-	49,131	44,090	-	44,090
Past due 31-60 days	6,916	-	6,916	3,978	-	3,978
Past due 61-90 days	368	-	368	2,996	-	2,996
Past due > 90 days	3,656	(1,123)	2,533	9,505	(866)	8,639
Total	60,071	(1,123)	58,948	60,569	(866)	59,703

All receivables greater than 30 days in age are considered to be past due.

Receivables past due but not considered impaired are \$10.7m (2021: \$11.8m) for the Group, and \$9.8m (2021: \$15.6m) for the University.

Payment terms on receivables past due but not considered impaired have not been re-negotiated. Each operating unit has been in direct contact with the relevant debtor and is satisfied that payment will be received in full.

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

Movements in the provision for receivables impairment are as follows:

	Consolidated		University	
	Actual 2022 \$'000	Actual 2021 \$'000	Actual 2022 \$'000	Actual 2021 \$'000
Balance at beginning of financial year	1,126	1,088	866	816
Additional provisions made during the year	449	695	449	695
Provisions reversed during the year	(438)	(12)	(192)	-
Receivables written-off during the period	-	(645)	-	(645)
Balance at the end of the financial year	1,137	1,126	1,123	866

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

11 Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost, with the exception of donated assets, which are initially recorded at fair value.

Library collection held as at 31 December 1991 was valued internally, based on the estimated volume of the collection and weighted average cost as at that date. This valuation is taken as deemed cost. The library collections are made up of two distinct asset classes (i.e. the general library collection, and library special collections which includes a range of historical and rare books). Except for library special collections all subsequent acquisitions are recorded at cost less accumulated depreciation and impairment, if any. At balance date the library collection is carried at deemed cost less accumulated depreciation and impairment, if any. Library special collections are carried at assessed market value. All permanent withdrawals from the collection are recorded at average cost less accumulated depreciation and impairment, if any.

Plant and Equipment are carried at cost less accumulated depreciation and impairment, if any.

Leasehold Improvements are carried at cost less accumulated depreciation and impairment, if any.

Assets under construction are carried at cost comprising expenditure incurred and certified Gross Progress Claim Certificates up to balance date less impairment, if any. Capital work in progress is not depreciated.

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the surplus or deficit in the statement of comprehensive revenue and expense.

Land and Buildings, Library Special Collections and Works of Art are revalued to fair value at least every three years by an independent valuer.

The carrying values of revalued assets are assessed annually to ensure that they do not differ materially from fair value. If there is evidence supporting a material difference, then the off-cycle asset classes are revalued.

Any revaluation increase is credited to the asset revaluation reserve, except to the extent that it reverses a revaluation decrement for the same asset class previously recognised as an expense in the statement of comprehensive revenue and expense, in which case the increase is credited to the surplus or deficit to the extent of the decrease previously charged. A decrease in carrying amount arising on the revaluation of land and buildings or works of art is charged as an expense in the statement of comprehensive revenue and expense to the extent that it exceeds the balance, if any, held in the asset revaluation reserve relating to a previous revaluation of that asset class.

Depreciation on revalued buildings is charged as an expense to the statement of comprehensive revenue and expense. On a sale or retirement of a revalued property, the revaluation surplus attributable remaining in the property's revaluation reserve is transferred directly to general equity. No transfer is made from the revaluation reserve to general equity except when an asset is derecognised.

All items of property, plant and equipment other than freehold land, works of art, library special collections and work in progress are depreciated using the straight-line method at rates that will write off the cost or revalued amount of assets less their residual values, over their estimated remaining useful life.

The depreciation rates used for each class of asset are:

Buildings	1 - 10%
Library collection	33%
Plant and equipment	5 - 50%
Leasehold improvements	9 - 21%

Property, plant, and equipment subsequently measured at cost are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

If an asset's carrying amount exceeds its recoverable amount, the asset is regarded as impaired and the carrying amount is written-down to the recoverable amount. The total impairment loss is recognised in the surplus or deficit. The reversal of an impairment loss is recognised in the surplus or deficit. For assets carried at revalued amounts, an impairment loss is recognised in other comprehensive revenue and expense to the extent it reverses previous recognised revaluation gains for that class of asset.

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

11 Property, plant and equipment (continued)

Value in use for non-cash-generating assets

Non-cash-generating assets are those assets that are not held with the primary objective of generating a commercial return.

For non-cash-generating assets, value in use is determined using an approach based on either a depreciated replacement cost approach, restoration cost approach, or a service units approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

Value in use for cash-generating assets

Cash-generating assets are those assets that are held with the primary objective of generating a commercial return.

The value in use for cash-generating assets and cash-generating units is the present value of expected future cash flows.

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

11 Property, plant and equipment (continued)

	Consolidated							Total
	Land	Buildings	Leasehold improvements	Plant and equipment	Works of art	Library collections	Capital work in progress	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
Gross carrying amount								
Cost	-	-	37,390	571,441	-	364,810	71,226	1,044,867
Valuation	1,083,709	2,437,309	-	-	26,306	9,553	-	3,556,877
Balance as at 1 January 2021	1,083,709	2,437,309	37,390	571,441	26,306	374,363	71,226	4,601,744
Additions	-	298	147	21,694	83	12,667	135,435	170,324
Disposals	(2,375)	(24,560)	-	(7,771)	(224)	(10,483)	(533)	(45,945)
Transfers	-	15,922	473	7,854	-	-	(24,248)	-
Net revaluation increments	338,330	(77,494)	-	-	-	-	-	260,836
Balance as at 1 January 2022	1,419,664	2,351,475	38,010	593,218	26,165	376,547	181,880	4,986,959
Additions	-	181	-	33,547	77	12,373	231,598	277,776
Disposals	-	(1,528)	(1,241)	(10,628)	7	(3,295)	-	(16,685)
Transfers	-	15,138	-	7,062	54	-	(22,253)	-
Balance as at 31 December 2022	1,419,664	2,365,266	36,769	623,200	26,303	385,625	391,224	5,248,051
Accumulated depreciation								
Cost	-	-	27,633	436,729	-	349,617	-	813,979
Valuation	-	188,537	-	-	-	-	-	188,537
Balance as at 1 January 2021	-	188,537	27,633	436,729	-	349,617	-	1,002,516
Disposals	-	(16,866)	-	(5,899)	-	(10,483)	-	(33,248)
Depreciation expense	-	89,953	1,813	38,530	-	13,969	-	144,265
Net revaluation increments	-	(239,134)	-	-	-	-	-	(239,134)
Balance as at 1 January 2022	-	22,490	29,446	469,360	-	353,103	-	874,399
Disposals	-	(146)	(1,241)	(9,577)	-	(3,295)	-	(14,259)
Depreciation expense	-	100,410	1,601	36,456	-	12,944	-	151,411
Balance as at 31 December 2022	-	122,754	29,806	496,239	-	362,752	-	1,011,551
Net book value								
As at 1 January 2021	1,083,709	2,248,772	9,757	134,712	26,306	24,746	71,226	3,599,228
As at 1 January 2022	1,419,664	2,328,985	8,564	123,858	26,165	23,444	181,880	4,112,560
As at 31 December 2022	1,419,664	2,242,512	6,963	126,961	26,303	22,873	391,224	4,236,500

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

11 Property, plant and equipment (continued)

	University							Total
	Land	Buildings	Leasehold improvements	Plant and equipment	Works of art	Library collections	Capital work in progress	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
Gross carrying amount								
Cost	-	-	33,729	558,284	-	364,810	70,884	1,027,707
Valuation	1,083,709	2,437,309	-	-	26,306	9,553	-	3,556,877
Balance as at 1 January 2021	1,083,709	2,437,309	33,729	558,284	26,306	374,363	70,884	4,584,584
Additions	-	298	147	21,078	79	12,667	134,992	169,261
Disposals	(2,375)	(24,561)	-	(7,747)	(224)	(10,483)	-	(45,390)
Transfers	-	15,922	473	7,854	-	-	(24,249)	-
Net revaluation increments	338,330	(77,493)	-	-	-	-	-	260,837
Balance as at 1 January 2022	1,419,664	2,351,475	34,349	579,469	26,161	376,547	181,627	4,969,292
Additions	-	181	-	32,234	77	12,373	231,574	276,440
Disposals	-	(1,528)	(9)	(9,557)	7	(3,295)	-	(14,382)
Transfers	-	15,138	-	6,809	54	-	(22,000)	-
Balance as at 31 December 2022	1,419,664	2,365,266	34,340	608,955	26,299	385,625	391,201	5,231,350
Accumulated depreciation								
Cost	-	-	24,230	425,044	-	349,617	-	798,891
Valuation	-	188,537	-	-	-	-	-	188,537
Balance as at 1 January 2021	-	188,537	24,230	425,044	-	349,617	-	987,428
Disposals	-	(16,867)	-	(5,873)	-	(10,483)	-	(33,223)
Depreciation expense	-	89,954	1,697	37,893	-	13,969	-	143,513
Net revaluation increments	-	(239,134)	-	-	-	-	-	(239,134)
Balance as at 1 January 2022	-	22,490	25,927	457,064	-	353,103	-	858,584
Disposals	-	(146)	(9)	(8,536)	-	(3,295)	-	(11,986)
Depreciation expense	-	100,410	1,491	35,769	-	12,944	-	150,614
Balance as at 31 December 2022	-	122,754	27,409	484,297	-	362,752	-	997,212
Net book value								
As at 1 January 2021	1,083,709	2,248,772	9,499	133,240	26,306	24,746	70,884	3,597,156
As at 1 January 2022	1,419,664	2,328,985	8,422	122,405	26,161	23,444	181,627	4,110,708
As at 31 December 2022	1,419,664	2,242,512	6,930	124,658	26,299	22,873	391,201	4,234,137

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

11 Property, plant and equipment (continued)

Valuation

Fair value is the amount for which the assets could be exchanged between a knowledgeable willing buyer and a knowledgeable willing seller in an arm's length transaction as at the valuation date.

Land and buildings

The Group engage Beca Projects NZ Limited, an accredited independent valuer that uses the International Valuation Standards Committee, and International Valuation Standards as a reference, to determine the fair value of its land and buildings.

Fair value for land is determined on its highest and best use taking into consideration restrictions over the use of the land and the likelihood of re-zoning.

For buildings that are not specialised in nature, fair value is determined by direct reference to recent market transactions on arm's length terms for land and buildings comparable in size and location to those held by the Group, and to market based yields for comparable properties.

Where buildings are specialised in nature, their value is determined on an optimised depreciated replacement cost basis, as limited market data is available for buildings designed for educational delivery purposes.

Depreciated replacement cost is determined using a number of significant assumptions. Significant assumptions include:

The replacement asset is based on the replacement with modern equivalent assets with adjustments where appropriate for obsolescence due to over-design or surplus capacity.

The replacement cost is derived from recent construction contracts of similar assets and Property Institute of New Zealand cost information.

For the Group's earthquake-prone buildings that are expected to be strengthened, the estimated earthquake-strengthening costs have been deducted off the depreciated replacement cost.

The remaining useful life of assets is estimated.

Straight-line depreciation has been applied in determining the depreciated replacement cost value of the asset.

The most recent valuation of land and buildings was effective 31 December 2021.

Library special collections

Library special collections held by the University are independently valued by Rowan Gibbs of Smith's Bookshop Limited. The valuation basis is assessed at market value. Guidance for the valuation is taken from the New Zealand Government Treasury Valuation Guidance for Cultural and Heritage Assets (November 2002), and that valuation is designed to be consistent with the methodology and outcome of other comparable major heritage collections with established valuations held elsewhere in New Zealand, in particular those of the Alexander Turnbull Library, the Auckland City Libraries, Dunedin Public Library, and the University of Otago Hocken Collections.

Values are based on prices realised at auction for copies in similar condition and on prices asked by reputable dealers for similar copies, catalogue prices of rare books still available for sale, or in the absence of any current or recent sale records a 'best estimate' value is assigned, based on the valuer's experience in the book trade, taking into account the scarcity of the book and likely demand for it, and market prices for similar items.

The most recent valuation of Library special collections was effective 31 December 2020.

Works of art

Works of art held by the University are independently valued by ART+OBJECT. The valuation basis is assessed at market value. Guidance for the valuation is taken from the New Zealand Government Treasury Valuation Guidance for Cultural and Heritage Assets (November 2002), Te Papa National Services Valuing Collections Resource Guide and the New Zealand Property Institute Trans-Tasman and International Valuation Standards.

Fair value is determined by where an active market exists for the same or similar asset the market prices are deemed to be fair value, or where there is no active market fair value is determined by other market based evidence adjudged by the valuer as active and knowledgeable participants in the market.

The most recent valuation of Works of art was effective 31 December 2020.

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

12 Intangible assets

An intangible asset arising from development expenditure on an internal project is recognised only when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits and service potential, the availability of resources to complete the development and the ability to measure reliably the expenditure attributable to the intangible asset during its development.

Following the initial recognition of the development expenditure, the cost model is applied requiring the asset to be carried at cost less any accumulated amortisation and accumulated impairment losses. Any expenditure so capitalised is amortised over the period of expected benefit from the related project.

Capital work in progress is not amortised (until it is reclassified to software), whereas completed/purchased software has a finite life and is amortised on a straight line basis. Amortisation expenses are included in the depreciation and amortisation expense line in the statement of comprehensive revenue and expense.

Computer software that is not integral to the operation of hardware is capitalised as an intangible asset on the basis of costs incurred to acquire and bring to use the specific software. All ongoing fees for use of software/infrastructure and running costs for cloud computing arrangements have been expensed at the time of incurring. This includes all Software-as-a-service ("SAAS"), Infrastructure-as-a-service ("IAAS") or any hardware/software hosting arrangements.

The straight line amortisation rates used are:

Software 20 - 33%

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

12 Intangible assets (continued)

	Consolidated		
	Software	Capital work in progress	Total
	\$'000	\$'000	\$'000
Gross carrying amount			
Balance as at 1 January 2021	147,055	9,163	156,218
Additions	422	7,233	7,655
Disposals	(107)	-	(107)
Transfers	13,188	(13,188)	-
Balance as at 31 December 2021	160,558	3,208	163,766
Balance as at 1 January 2022	160,558	3,208	163,766
Additions	299	9,561	9,860
Disposals	(6,812)	-	(6,812)
Transfers	8,290	(8,290)	-
Balance as at 31 December 2022	162,335	4,479	166,814
Accumulated amortisation and impairment			
Balance as at 1 January 2021	127,859	-	127,859
Disposals	(45)	-	(45)
Amortisation expense	13,846	-	13,846
Balance as at 31 December 2021	141,660	-	141,660
Balance as at 1 January 2022	141,660	-	141,660
Disposals	(4,351)	-	(4,351)
Amortisation expense	10,942	-	10,942
Balance as at 31 December 2022	148,251	-	148,251
Net book value			
As at 1 January 2021	19,196	9,163	28,359
As at 1 January 2022	18,898	3,208	22,106
As at 31 December 2022	14,084	4,479	18,563

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

12 Intangible assets (continued)

	University		
	Software	Capital work in progress	Total
	\$'000	\$'000	\$'000
Gross carrying amount			
Balance as at 1 January 2021	142,523	9,163	151,686
Additions	422	7,233	7,655
Disposals	(107)	-	(107)
Transfers	13,188	(13,188)	-
Balance as at 31 December 2021	156,026	3,208	159,234
Balance as at 1 January 2022	156,026	3,208	159,234
Additions	299	9,561	9,860
Disposals	(6,813)	-	(6,813)
Transfers	8,290	(8,290)	-
Balance as at 31 December 2022	157,802	4,479	162,281
Accumulated amortisation and impairment			
Balance as at 1 January 2021	124,576	-	124,576
Disposals	(45)	-	(45)
Amortisation expense	13,542	-	13,542
Balance as at 31 December 2021	138,073	-	138,073
Balance as at 1 January 2022	138,073	-	138,073
Disposals	(4,341)	-	(4,341)
Amortisation expense	10,669	-	10,669
Balance as at 31 December 2022	144,401	-	144,401
Net book value			
As at 1 January 2021	17,947	9,163	27,110
As at 1 January 2022	17,953	3,208	21,161
As at 31 December 2022	13,401	4,479	17,880

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

13 Payables

Payables are recognised at fair value on initial recognition.

Trade payables and other accounts payable are recognised when the Group becomes obliged to make future payments resulting from the purchase of goods and services. They are carried at amortised cost, are non-interest bearing and due to their short term nature they are not discounted.

	Consolidated		University	
	Actual 2022 \$'000	Actual 2021 \$'000	Actual 2022 \$'000	Actual 2021 \$'000
Trade payables	185,221	184,372	163,198	159,812
Related company payables	-	-	4,275	7,308
Total payables	185,221	184,372	167,473	167,120

14 Deferred Revenue

	Consolidated		University	
	Actual 2022 \$'000	Actual 2021 \$'000	Actual 2022 \$'000	Actual 2021 \$'000
Deferred revenue	128,216	82,522	128,216	82,522
Research contract obligations	171,158	157,584	147,313	135,391
Deferred revenue - current	299,374	240,106	275,529	217,913

This note should be read in conjunction with note 3.

Included in deferred revenue for FY22 was \$nil of externally funded revenue (2021: \$10.9m). This recognised the proportionate progress of research activity for those projects impacted by the Covid-19 pandemic.

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

15 Employee entitlements

Provision is made for the University's liability for professional and academic staff annual leave, long service leave, retirement gratuities and sick leave when it is probable that settlement will be required and the liabilities are capable of being measured reliably.

- Annual leave is calculated on an actual entitlement basis at the rates expected to apply at time of settlement.
- Sick leave, long service leave and retirement gratuities have been calculated on an actuarial basis which estimates the present value of amounts payable in respect of existing employees based on assumed rates of sickness, death, disablement, resignation, retirement and salary progression.

	Consolidated		University	
	Actual 2022 \$'000	Actual 2021 \$'000	Actual 2022 \$'000	Actual 2021 \$'000
Current liabilities				
Accumulated annual leave	60,049	54,553	55,347	50,331
Retirement allowance	18,038	17,134	18,038	17,134
Long service leave	783	714	783	714
Total employee entitlements - current	78,870	72,401	74,168	68,179
Non-current liabilities				
Sick leave	912	902	840	830
Retirement allowance	52,378	56,636	52,378	56,636
Long service leave	2,183	2,466	2,183	2,466
Total employee entitlements - non-current	55,473	60,004	55,401	59,932

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

16 Loans and borrowings

Borrowings are initially recognised at their fair value less directly attributable transaction costs. After initial recognition, all borrowings are measured at amortised cost using the effective interest method. Fees paid on the establishment of loan facilities are deducted from the fair value of the loan to determine the carrying amount on initial recognition, and are then accredited to the carrying amount of the loan under the effective interest rate method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset (i.e. an asset that necessarily takes a substantial period of time to get ready for its intended use or sale) are capitalised as part of the cost of that asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

	Consolidated		University	
	Actual 2022 \$'000	Actual 2021 \$'000	Actual 2022 \$'000	Actual 2021 \$'000
Current liabilities				
Non-interest bearing loan	1,279	444	1,279	444
Interest bearing loan from controlled entity	-	-	55,000	52,027
Total loans and borrowings - current	1,279	444	56,279	52,471
Non-current liabilities				
Unsecured				
Non-interest bearing loan	76,598	24,007	76,598	24,007
Interest bearing loan facility	25,000	45,000	25,000	45,000
Total loans and borrowings - non-current	101,598	69,007	101,598	69,007

Reconciliation of the opening and closing balance of the financial liabilities

	1 January 2022 \$'000	Cash flows \$'000	Changes in fair values adjustment on initial recognition \$'000	31 December 2022 \$'000
Consolidated/University				
Current non-interest-bearing loans and borrowings	444	835	-	1,279
Non-current non-interest-bearing loans and borrowings	24,007	84,111	(31,520)	76,598
Non-current interest-bearing loans and borrowings	45,000	(20,000)	-	25,000
Total liabilities from financing activities	69,451	64,946	(31,520)	102,877

Non-interest bearing loan

In 2020, the University secured a \$200m NZD loan from Crown Infrastructure Partners (CIP). This loan will partially fund the refurbishment of the Social Sciences Building. As at 31 December 2022 \$118m (2021: \$35m) of the facility had been drawn down. The loan is payable at the earlier of 10 years from project completion or 30 June 2034 and has a concessionary interest rate of 0.00%. The effective interest rates used range from 3.67% to 5.85% (2021: 3.46%), which are the government bond yield rates for bonds of similar terms, adjusted for the University's risk margin as at the dates of drawdowns on the loan. The loan is recognised at fair value of \$75m (2021: \$23m). The movement of \$32m (2021: \$12m) is comprised of an unrealised gain of \$34m and interest expense of \$2m, which was recognised as non-exchange revenue (refer note 4).

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

16 Loans and borrowings (continued)

Interest bearing loan from controlled entity

The loan from controlled entity represents advances by Auckland UniServices Limited to the University. The loan is on demand and the University pays a rate of interest equivalent to an investment portfolio of 18% on call, 52% 1 year and 30% over 1 year as at July 2022 (2021: 10% on call, 60% 1 year and 30% over 1 year as at July 2021).

Interest-bearing loan facility

The University has a total interest bearing loan facility of \$300m, with \$100m maturing 20 June 2023, \$100m maturing 20 June 2024 and \$100m maturing 20 June 2025. As at 31 December 2022 four separate loans repayable within 12 months have been drawn down on the portion of this facility maturing 20 June 2023. The loan is classified as long term as the Group expects and has the discretion to exercise its rights under the facility to refinance the funding.

Borrowing costs capitalised

Borrowing costs of \$1.0m were capitalised during 2022 (2021: \$1.0m).

Assets pledged as security

All loans and borrowings are unsecured so there are no assets pledged as security.

Defaults and breaches

During the current and prior years there were no defaults or breaches on any of the external loans or borrowings.

Interest rate and liquidity risk

Details regarding interest rate and liquidity risk are disclosed in note 24.

17 Provisions

Restructuring

The Voluntary Leave Scheme ("VLS") arose from the 2020 University's Business Recovery Programme. All employees impacted by the VLS scheme have left the University by the end of 2022.

The Student Service Function Review ("SSFR") was tasked with designing an innovative service delivery model for the student services function. The SSFR was confirmed to staff in September 2021. Staff impacted by the function review have left the University during 2022. The provision represents the obligation to pay employee exit costs.

Onerous Contracts

The Group has a non-cancellable lease for student accommodation space that is no longer required under our revised view of accommodation. The lease does not expire until 31 March 2026. A provision has been recognised for the obligation of the future discounted rental payments net of estimated rental revenue.

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

17 Provisions (continued)

	Consolidated		University	
	Actual 2022 \$'000	Actual 2021 \$'000	Actual 2022 \$'000	Actual 2022 \$'000
Termination benefits - SSFR	-	616	-	616
Termination benefits - VLS	118	6,805	118	6,805
Onerous Contracts	2,782	2,952	2,782	2,952
Total current portion	2,900	10,373	2,900	10,373
Non-current portion				
Onerous Contracts	6,147	6,256	6,147	6,256
Total non-current portion	6,147	6,256	6,147	6,256

Movements for each class of provision are as follows:

	Student Service Function Review \$'000	Voluntary Leaving Scheme \$'000	Onerous Contracts \$'000	Total \$'000
Consolidated/University				
Balance as at 1 January 2022	616	6,805	9,208	16,629
Amounts used	(616)	(6,687)	(279)	(7,582)
Balance as at 31 December 2022	-	118	8,929	9,047

18 Operating leases and capital commitments

Operating leases as lessee

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset.

Lease payments under an operating lease are recognised as expense on a straight-line basis over the lease term.

Operating lease commitments

The Group leases various offices and premises under non-cancellable operating leases. The leases have various terms, escalation clauses and renewal rights. On renewal, the terms of the leases are renegotiated.

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

18 Operating leases and capital commitments (continued)

	Consolidated		University	
	Actual 2022 \$'000	Actual 2021 \$'000	Actual 2022 \$'000	Actual 2021 \$'000
Not later than one year	39,946	33,016	39,946	33,016
Later than one year and not later than five years	148,164	143,170	148,164	143,170
Later than five years	553,511	517,322	553,511	517,322
Total operating lease commitments	741,621	693,508	741,621	693,508
Operating lease commitments by type				
Properties	741,621	693,508	741,621	693,508
Total operating lease commitments by type	741,621	693,508	741,621	693,508

Operating leases as lessor

Where the Group are the lessor, assets leased to third parties under operating leases are included in property, plant and equipment in the statement of financial position. They are depreciated over their expected useful lives on a basis consistent with similar owned property, plant and equipment.

Operating lease receivables

Operating leases relate to property held by the Group that is leased to external parties to provide additional services to students. The properties are not investment properties because they are held by the University, as a public-benefit entity, for strategic purposes or to meet its service delivery objectives where rental revenue derived is incidental to the purpose of holding the property. The lease terms range from 1 to 20 years. All operating lease contracts contain market review clauses in the event the entity exercises its option to renew. There is no option to purchase the property at the expiry of the lease period.

	Consolidated		University	
	Actual 2022 \$'000	Actual 2021 \$'000	Actual 2022 \$'000	Actual 2021 \$'000
Not later than one year	3,613	3,741	3,613	3,741
Later than one year and not later than five years	8,563	4,286	8,563	4,286
Later than five years	5,358	-	5,358	-
Total non-cancellable operating leases	17,534	8,027	17,534	8,027

Capital commitments

Capital expenditures contracted for at reporting date but not recognised as liabilities are as follows:

	Consolidated		University	
	Actual 2022 \$'000	Actual 2021 \$'000	Actual 2022 \$'000	Actual 2021 \$'000
Property Services projects	235,217	302,679	235,217	302,679
Other capital expenditure	6,127	7,353	6,127	7,353
Total capital commitments	241,344	310,032	241,344	310,032

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

19 Contingencies

As at 31 December 2022 the Group had no material contingent liabilities or assets (2021: \$nil).

20 Reserves

Land, Buildings, Works of Art and Library Special Collections are re-valued to fair value every three years, as determined by an independent valuer. Revaluations for Land and Buildings were carried out in 2021, revaluations for Library Special Collections and Works of Art were carried out in 2020.

The asset revaluation reserve arises on the revaluation of land, buildings, works of art and special library collections. Where a revalued land, building, work of art or an item from the special library collections is sold or disposed of, the portion of the asset revaluation reserve which relates to that asset is transferred directly to general equity.

The hedging reserve represents hedging gains and losses recognised on the effective portion of cash flow hedges in relation to forward exchange contracts. The cumulative deferred gain or loss on the hedge is recognised in the surplus or deficit when the hedged transaction impacts the statement of comprehensive revenue and expense, or is included as a basis adjustment to the non-financial hedged item, as per the University's hedging policy.

The fair value through other comprehensive revenue and expense reserve comprises the cumulative net change in the fair value of fair value through other comprehensive revenue and expense assets.

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

20 Reserves (continued)

	Consolidated		University	
	Actual 2022 \$'000	Actual 2021 \$'000	Actual 2022 \$'000	Actual 2021 \$'000
Reserves includes				
Land and buildings	2,169,856	2,169,856	2,169,856	2,169,856
Works of art and special library collections	23,731	23,731	23,731	23,731
Cash flow hedge reserve	(151)	54	(129)	71
Foreign currency translation reserve	(299)	(53)	-	-
Statutory reserve - international entities	94	94	-	-
Fair value through other comprehensive revenue and expense	46,973	55,239	-	-
Total reserves	2,240,204	2,248,921	2,193,458	2,193,658
Land and buildings				
Balance at beginning of financial year	2,169,856	1,683,174	2,169,856	1,683,174
Transferred to general equity	-	(13,289)	-	(13,289)
Revaluation increments/(decrements)	-	499,971	-	499,971
Balance at end of financial year	2,169,856	2,169,856	2,169,856	2,169,856
Works of art and special library collections				
Balance at beginning of financial year	23,731	23,731	23,731	23,731
Balance at end of financial year	23,731	23,731	23,731	23,731
Cash flow hedge reserve				
Balance at beginning of financial year	54	(656)	71	(759)
Gain/(loss) recognised	(731)	936	(667)	1,081
Transfers to initial carrying amount of hedged item	526	(226)	467	(251)
Balance at end of financial year	(151)	54	(129)	71
Fair value through other comprehensive revenue and expense				
Balance at beginning of financial year	55,239	29,794	-	-
Revaluation increments/(decrements)	(8,266)	26,084	-	-
Transfer to general equity	-	(639)	-	-
Balance at end of financial year	46,973	55,239	-	-

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

21 Restricted and special funds

The University has established Special Funds for specific purposes. Special purpose funds are not classified as restricted in the statement of financial position, as they are not subject to donor-imposed restrictions. They do however have internal restrictions on their use and as such are disclosed separately from general equity. The balance of a special purpose fund is transferred to general equity when it is no longer required for a specific purpose.

Restricted purpose funds are subject to donor-imposed restrictions that prevent the Group from using those funds until certain restrictions are met. Funds are classified as restricted if externally imposed restrictions prevent the assets from being used for general or administrative purposes by the Group. Restricted purpose funds are recognised in the unrestricted statement of comprehensive revenue and expense at the time restrictions have been extinguished.

Restricted purpose funds consist of endowments and current use funds.

	2022 Special purpose funds \$'000	2022 Restricted purpose funds \$'000	2022 Total \$'000	2021 Special purpose funds \$'000	2021 Restricted purpose funds \$'000	2021 Total \$'000
Consolidated						
Balance at beginning of financial year	18,517	370,402	388,919	18,646	327,052	345,698
Income	66	8,818	8,884	-	66,730	66,730
Less funds released from restrictions	149	27,328	27,476	129	23,380	23,509
Net surplus (deficit)	(82)	(18,510)	(18,592)	(129)	43,350	43,221
Balance at end of financial year	18,435	351,892	370,327	18,517	370,402	388,919
University						
Balance at beginning of financial year	18,516	24,775	43,291	18,645	24,364	43,009
Income	69	6,057	6,126	-	5,470	5,470
Less funds released from restrictions	148	6,505	6,653	129	5,059	5,188
Net surplus (deficit)	(79)	(448)	(527)	(129)	411	282
Balance at end of financial year	18,437	24,327	42,764	18,516	24,775	43,291

The income and expenditure items presented above are included in the surplus or deficit in the statement of comprehensive revenue and expense and are presented above for information purposes.

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

22 Investments

22.1 Investment in controlled entities

The consolidated financial statements include the financial statements of the University of Auckland, the ultimate parent of the Group, and its controlled entities being Auckland UniServices Limited, and the University of Auckland Foundation.

The University's interest in controlled entities is measured at cost.

Investment in controlled entities of \$1m (2021: \$1m) relates to shares held in Auckland UniServices Limited, which represents a 100% interest in the Company (2021:100%). The principal activity of Auckland UniServices Limited is commercial research, it is incorporated in New Zealand, and it has a 31 December balance date.

Auckland UniServices Limited has a 100% interest in one subsidiary at 31 December 2022, the University of Auckland (Hangzhou) Innovation Institute Company. The value of the shareholding is \$1.00 (2021: \$1.00).

Investment in controlled entities of \$18.9m (2021: \$18.9m) relates to the University's investment in the Foundation, which represents funds transferred to the Foundation (previously held as restricted purpose funds by the University) in 2016.

The Foundation holds net assets of \$303.5m (2021: \$321.2m). Of these \$3.2m (2021: \$5.3m) are available to the University for general expenditure and \$300.3m (2021: \$315.9m) are restricted to the University until they meet the specific restrictions imposed by the donor when the funds were gifted. The Foundation's trustees must approve applications from the University for funding prior to funds being transferred.

22.2 Investment in associates

Investments in associates are accounted for in the financial statements at fair value utilising the exemption for "Venture Capital Organisations" under paragraph 24 of PBE IPSAS 36 Investments in Associates and Joint Ventures.

The primary source of fair value for associates is the arm's length sale of equity in those investments to third parties involving transfer of cash or cash equivalents. If the transaction involves only existing shareholders, this will not normally result in a change in fair value. When available, fair value is determined using other valuation techniques (discounting cash flows, earnings multiple, net assets). Management also takes into consideration other qualitative information in determination of fair value.

The Group has the following investments in associates through ordinary shares held by Auckland UniServices Limited:

	2022 \$'000	2021 \$'000
Investments in associates	4,944	4,910
Investments in associates	4,944	4,910

Fair values of investments in associates are based on non-market observable inputs (Level 3).

The balance above includes investments in the following entities: Cirrus Materials Science Ltd. Codify Asset Solutions Ltd (formerly Compliance Audit Systems Ltd), Junofem Ltd and TamoRX Ltd.

22.3 Other investments

Auckland UniServices Limited has acquired shares in Actigaze Ltd, Mote Ltd, Alimetry Ltd, Apercure Ltd, Apimatic Ltd, Avasa Ltd, Opo Bio Ltd, Ceryx Medical Ltd, CoDa Therapeutics, Ddrx Pharmaceuticals Ltd, Dotterel Technologies Ltd, Double Helix Analysis Ltd, Energia Potior Ltd, eVoucher Ltd, Exss Ltd, Formus Holdings Ltd, Heartlab Ltd, Kara Technologies, Mohio Intl Inc., Objective Acuity Ltd, Occunexus, Opum Technologies Ltd, Orbis Diagnostics Ltd, Poweron Ltd, Quantifi Photonics Ltd, Rain Therapeutics Inc, Rosterlab Ltd, SapVax LLC, Sensor Holdings Ltd, Soul Machines Limited, Southern Photonics Ltd, Strutfit Ltd, Tectonus Ltd, The Insides Company Ltd, Theianova Ltd, Tinnitus Tunes Ltd, Toku Eyes Ltd, TrueSilence Therapeutics Inc., Vortex Power Systems Ltd, VReady Ltd and Zenno Astronautics Ltd.

These entities are neither controlled entities nor associates and are treated as financial assets in note 24.

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

23 Related party transactions

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship on terms and condition no more or less favourable than those that it is reasonable to expect the University would have adopted in dealing with the party at arm's length in the same circumstances.

The University transacts with other Government owned or related entities independently and on an arm's length basis. Transactions cover a variety of services, including funding and grants for education and research services and purchases of postage, travel and tax. Therefore, transactions with Government owned and related entities are not disclosed as related party transactions when they are consistent with the normal operating arrangements with TEIs and undertaken on the normal terms and conditions for such transactions.

The University Council and University Executive Team may be directors or officers of other companies or organisations with whom the University may transact. Such transactions are carried out independently on an arm's length basis.

Auckland UniServices Limited

The University pays the salaries of Auckland UniServices Limited's administrative staff and other administration costs which it recharges to the company. The University also charges Auckland UniServices Limited for costs incurred by departments and student scholarship costs against the company's projects and for rental on premises subleased from the University.

Auckland UniServices Limited pays some salary costs and sundry expenses on behalf of the University and recharges these to the University.

These transactions are consistent with the normal operating relationship between the University and Auckland UniServices Limited, and are carried out on an arm's length basis.

University of Auckland Foundation

The University pays the salaries of the Foundation. The University also pays administrative and associated services expenses for the Foundation, to enable the Foundation to operate, and this is treated as a donation. The University intends to continue to provide this support in the future. In 2022 the University donated \$367.0k (2021: \$287.0k) to the Foundation.

The Foundation pays grants and donations to the University on non arms length terms, for \$ nil consideration. During 2022, the trustees approved grants to the University amounting to \$20.4m (2021: \$31.9m), and at reporting date grants payable to the University amounted to \$56.8m (2021: \$59.0m).

Key management personnel compensation

	Consolidated/University	
	Actual 2022 \$'000	Actual 2021 \$'000
Council members*	707	429
University Executive Team	3,210	2,981
Total key management personnel compensation	3,917	3,410
Full-time equivalent members**		
Council members*	2	2
University Executive Team	7.50	7.40
Total full-time equivalent personnel	9.50	9.40

* Excludes the Vice-Chancellor, who is a member of Council, but also included in the University Executive Team. Non Executive Council members have been paid \$241k for their services (2021: \$95k). Council members who are also employed by the University in other roles were paid \$465k (2021: \$334k) in their capacity as employees.

** Due to the difficulty in determining the full-time equivalent for Council Members, the full-time equivalent figure is taken as the total head count of Council Members who received compensation in their capacity as employees.

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

24 Financial instruments

The University and Group's activities expose it to a variety of financial risks (market risk, liquidity risk, credit risk and other price risk). The University and Group's risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group is able to use derivative financial instruments such as interest rate swaps and forward foreign exchange contracts to hedge certain risk exposures.

The University's treasury management is carried out under the Treasury Management Policy, which is approved by the Council. The policy does not allow any transactions that are speculative in nature to be entered into.

The Foundation's treasury management is carried out in accordance with its Strategic Asset Allocation policy, which consists of two diversified portfolios, the Current Use Investment Pool (CUIP) and the Endowment Investment Pool (EIP). The CUIP is utilised for funds required in the short term and includes highly liquid assets such as bank term deposits. The EIP is utilised for funds required for long term growth and income assets. The risks associated with the Foundation's investments are managed through the Statement of Investment Policy and Objectives (SIPO) for each pool.

24.1 Financial instrument categories

Derivative Financial Instruments

The Group enters into foreign currency forward exchange contracts to manage foreign exchange risk on committed expenditure, highly probable forecast transactions denominated in foreign currencies and long term investments. These are either designated as cash flow hedges or fair value hedges at inception.

Cash flow hedge

A cash flow hedge is a hedge designed to limit the risks associated with the change in cash flows of a recognised asset, liability or a highly probable forecast transaction that could affect surplus or deficit.

All derivatives are initially recognised at fair value on the date a derivative contract is entered into. Subsequent to initial recognition, derivative financial instruments are remeasured to their fair value at each reporting date.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges are deferred in equity. The gain or loss relating to the ineffective portion or any derivative which is not designated as a hedge instrument, is recognised immediately in the surplus or deficit in the statement of comprehensive revenue and expense.

Amounts deferred in equity are recycled into the surplus or deficit in the periods when the hedged item is recognised in the statement of comprehensive revenue and expense. However, when the forecast transaction that is hedged results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously deferred in equity are transferred from equity and included in the initial measurement of the cost of the asset or liability.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, exercised, or no longer qualifies for hedge accounting. Any cumulative gains or losses deferred in equity at that time remains in equity until the forecast transaction occurs.

When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was deferred in equity is recognised immediately in the surplus or deficit in the statement of comprehensive revenue and expense.

Fair value hedge

A fair value hedge is a hedge designed to limit the risks associated with changes in fair value of a recognised asset or liability or an unrecognised firm commitment that could affect surplus or deficit. A gain or loss from re-measuring the derivative at fair value is recognised immediately in surplus or deficit.

The gain or loss on the hedged item is recognised as an increase/decrease in the carrying value of that item and immediately in surplus or deficit.

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

24 Financial instruments (continued)

24.1 Financial instrument categories (continued)

Financial assets/liabilities

The Group holds financial assets/liabilities in the following specified categories:

- financial assets at fair value through surplus or deficit;
- financial assets at amortised cost;
- financial liabilities at amortised cost; and
- financial assets at fair value through other comprehensive revenue and expense.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of short-term receivables and payables that do not contain a significant financing component, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through surplus or deficit, transaction costs.

In order for a financial asset to be classified and measured at amortised cost or FVOCRE, it needs to give rise to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through surplus or deficit, irrespective of the business model. The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows. Financial assets classified and measured at FVOCRE are held within a business model with the objective of both holding to collect contractual cash flows and selling. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e. the date that the Group commits to purchase or sell that asset.

Financial assets at fair value through surplus or deficit

The Group holds investments which have been classified as financial assets at fair value through surplus or deficit and are stated at fair value. Fair value is determined in the manner described in note 24.2. Any resultant gain or loss is recognised in the surplus or deficit in the statement of comprehensive revenue and expense and incorporates any interest earned on the financial asset.

The policy of the Group is to treat an asset as a financial asset at fair value through surplus or deficit if the asset is subject to frequent changes in fair value and the performance of the asset is evaluated by management on a fair value basis in accordance with investment policies.

Financial assets at amortised cost

Financial assets at amortised cost include cash and cash equivalents, bank term deposits, trade receivables, loans, and other receivables that have fixed or determinable payments that are not quoted in an active market. Financial assets at amortised costs are measured using the effective interest rate method and are subject to impairment. Interest income is recognised by applying the effective interest rate.

Financial liabilities at amortised cost

Financial liabilities measured at amortised cost include trade payables, loans and borrowings. After initial recognition, these liabilities are subsequently measured at amortised cost using the effective interest rate method.

Financial liabilities initially measured at fair value relate to a non-interest bearing loan from Crown Infrastructure Partners. The loan is initially measured at fair value, with changes in fair value upon recognition being taken through surplus or deficit, and is subsequently measured at amortised cost.

Financial assets at fair value through other comprehensive revenue and expense

Financial assets at fair value through other comprehensive revenue and expense are those non-derivative financial assets that are not classified as financial assets at amortised cost, or financial assets at fair value through surplus or deficit. Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at FVOCRE when they meet the definition of equity under PBE IPSAS 28 Financial instruments: Presentation, and are not held for trading. The classification is made on an instrument-by-instrument basis. They are initially measured at fair value and subsequent changes to fair value are taken through other comprehensive revenue and expense. On derecognition any cumulative gain or loss is not recycled to the surplus or deficit.

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

24 Financial instruments (continued)

24.1 Financial instrument categories (continued)

	Consolidated		University	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Financial Assets				
Derivatives that are hedge accounted				
Derivative financial instrument assets	3,963	(188)	(129)	71
Total derivatives that are hedge accounted	3,963	(188)	(129)	71
Financial assets at fair value through surplus or deficit				
New Zealand fixed interests*	48,425	51,868	-	-
International fixed interests*	31,192	35,467	-	-
Australasian equities*	34,701	38,029	-	-
International equities*	90,830	117,114	-	-
Emerging markets*	14,973	20,245	-	-
New Zealand property*	29,357	32,301	-	-
Private equity*	30,297	22,670	-	-
Private credit*	18,124	12,711	-	-
Infrastructure*	5,042	1,982	-	-
Investment in associates*	4,944	4,910	-	-
University's share of investments held by UniServices*	-	-	18,360	22,771
Convertible notes	1,551	1,619	-	-
Total financial assets at fair value through surplus or deficit	309,436	338,916	18,360	22,771
Financial assets at amortised cost				
Cash and cash equivalents	37,706	33,079	15,893	9,116
Short term bank deposits	141,936	72,836	127,434	54,291
Long term bank deposits*	27,763	14,044	-	-
Receivables	59,683	65,609	58,948	59,703
Total financial assets at amortised cost	267,088	185,568	202,275	123,110
Financial assets at fair value through other comprehensive revenue and expense				
Shares*	59,648	67,239	-	-
Total financial assets at fair value through other comprehensive revenue and expense	59,648	67,239	-	-
Financial liabilities at amortised cost				
Payables	185,221	184,372	167,473	167,120
Borrowings:				
- interest bearing loan facility (revolving credit)	25,000	45,000	25,000	45,000
- non-interest bearing loan	77,877	24,451	77,877	24,451
- loan from controlled entity	-	-	55,000	52,027
Total financial liabilities at amortised cost	288,098	253,823	325,350	288,598

* These assets are classified as other financial assets in the statement of financial position.

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

24 Financial instruments (continued)

24.2 Fair values of financial assets and liabilities

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 (level 1) – Financial instruments with quoted prices for identical instruments in active markets.
- Valuation technique using observable inputs (level 2) – 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.

Fair value in relation to investments held in managed funds is based on the fund's unit/share price excluding adjustments for buy/sell spreads, which is in turn based on the fund's Net Asset Value (NAV).

The primary source of fair value for financial assets at fair value through other comprehensive revenue and expense is the arm's length sale of equity in those investments to third parties involving transfer of cash and cash equivalents. If the transaction involves only existing shareholders, this will not normally result in a change in fair value. When available, fair value is determined using other valuation techniques (discounting cash flows, earnings multiple, net assets). Management also takes into consideration other qualitative information in determination of fair value.

Due to the age, stage and nature of the financial assets at fair value through other comprehensive revenue and expense involving mainly pre-seed/seed funding and where the associated intellectual property often has unproven commercial or technical viability, actual performance may differ from management's estimate.

For those financial assets and liabilities not carried at fair value, the carrying value amount approximates the fair value.

- Valuation techniques with significant non-observable inputs (level 3) – Financial instruments valued using models where one or more significant inputs are not observable.

	(Level 1) Quoted market price	(Level 2) Observable inputs	(Level 3) Significant non- observable inputs	Total
	\$'000	\$'000	\$'000	\$'000
Consolidated 2022				
Financial assets				
NZ fixed interest*	-	48,425	-	48,425
International fixed interest*	31,192	-	-	31,192
Australasian equities*	-	34,701	-	34,701
International equities*	56,424	34,406	-	90,830
Emerging markets*	-	14,973	-	14,973
New Zealand property*	-	-	29,357	29,357
Private equity*	-	-	30,297	30,297
Private credit*	-	-	18,124	18,124
Infrastructure*	-	-	5,042	5,042
Convertible notes	-	-	1,551	1,551
Shares	1,310	-	58,338	59,648
Derivative financial instruments - foreign exchange contracts	-	3,963	-	3,963
Total financial assets	88,926	136,468	142,709	368,103

* These assets are held in managed funds.

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

24 Financial instruments (continued)

24.2 Fair values of financial assets and liabilities (continued)

	(Level 1) Quoted market price	(Level 2) Observable inputs	(Level 3) Significant non- observable inputs	Total
	\$'000	\$'000	\$'000	\$'000
Consolidated 2021				
Financial assets				
NZ fixed interest*	-	51,868	-	51,868
International fixed interest*	35,467	-	-	35,467
Australasian equities*	-	38,029	-	38,029
International equities*	52,286	64,828	-	117,114
Emerging markets*	-	20,245	-	20,245
New Zealand property*	-	-	32,301	32,301
Private equity*	-	-	22,670	22,670
Private credit*	-	-	12,711	12,711
Infrastructure*	-	-	1,982	1,982
Convertible notes	-	-	1,619	1,619
Shares	4,945	-	62,294	67,239
Derivative financial instruments - foreign exchange contracts	-	(188)	-	(188)
Total financial assets	92,697	174,781	133,578	401,057

* These assets are held in managed funds.

	(Level 1) Quoted market price	(Level 2) Observable inputs	(Level 3) Significant non- observable inputs	Total
	\$'000	\$'000	\$'000	\$'000
University 2022				
Financial assets				
University's share of investments held by UniServices	-	-	18,360	18,360
Derivative financial instruments - foreign exchange contracts	-	(129)	-	(129)
Total financial assets	-	(129)	18,360	18,231

	(Level 1) Quoted market price	(Level 2) Observable inputs	(Level 3) Significant non- observable inputs	Total
	\$'000	\$'000	\$'000	\$'000
University 2021				
Financial assets				
University's share of investments held by UniServices	-	-	22,771	22,771
Derivative financial instruments - foreign exchange contracts	-	71	-	71
Total financial assets	-	71	22,771	22,842

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

24 Financial instruments (continued)

24.2 Financial instrument risks (continued)

Valuation techniques with significant non-observable inputs (level 3)

The table below provides a reconciliation from the opening balance to the closing balance for the level 3 fair value measurements:

	Private equity*	Convertible notes	Shares	New Zealand Property	Total
Consolidated 2022	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 January 2022	37,363	1,619	62,294	32,301	133,578
Transfers into/(out) level 3	13,761	(68)	4,310	-	18,003
Distributions received	(5,431)	-	-	(4,000)	(9,431)
Gains or losses recognised in surplus or deficit	7,770	-	-	1,056	8,825
Gains and losses recognised in other comprehensive revenue and expense	-	-	(8,266)	-	(8,266)
Balance at 31 December 2022	53,463	1,551	58,338	29,357	142,709

	Private equity*	Convertible notes	Shares	New Zealand Property	Total
Consolidated 2021	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 January 2021	18,150	3,060	38,721	25,979	85,910
Transfers into/(out) level 3	17,123	(1,069)	(2,551)	2,000	15,503
Distributions received	(4,226)	-	-	-	(4,226)
Gains or losses recognised in surplus or deficit	6,317	(380)	40	4,322	10,299
Gains and losses recognised in other comprehensive revenue and expense	-	8	26,084	-	26,092
Balance at 31 December 2021	37,363	1,619	62,294	32,301	133,578

* Private equity includes private equity, private credit and infrastructure.

	University's share of investments held by UniServices
University 2022	\$'000
Balance at 1 January 2022	22,771
Gains and losses recognised in surplus or deficit	(4,411)
Balance at 31 December 2022	18,360

Changing a valuation assumption to a reasonable possible alternative assumption would not significantly change fair value.

24.3 Financial instrument risks

Market risk

Currency risk

The Group holds a diversified portfolio of international fixed interest and equity investments through managed funds in the Foundation's Endowment Investment Pool (EIP). These investments are denominated in foreign currencies and accordingly are exposed to currency risk. In accordance with the SIPO's forward contracts are entered into to hedge specific proportions of the currency risk. The SIPO's restricts the total exposure to foreign currency to 30% of the portfolio's asset value. The University has exposure to currency risk from off shore

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

24 Financial instruments (continued)

24.3 Financial instrument risks (continued)

transactions with suppliers. This exposure is mitigated through the use of financial instruments which are utilised in accordance with the University's Treasury Management Policy.

The University also holds foreign cash balances at year-end. The resulting currency risk is mitigated as the balances are used in the payment of foreign supplier invoices.

The derivatives are marked-to-market at the end of the reporting period. A shift in the NZD of +/- 10% would result in an equivalent change in the 2022 value of \$2.2m (2021: \$1.6m).

Auckland UniServices Limited have transactional currency exposures. Such exposures arise from sales or purchases in currencies other than the New Zealand dollar.

Approximately 9% (2021: 9%) of Auckland UniServices Limited revenues are denominated in foreign currencies, whilst 16% (2021q: 12%) of costs are denominated in foreign currencies.

Cash flow interest rate risk

Cash flow interest rate risk is the risk that the cash flows from a financial instrument will fluctuate because of changes in market interest rates. Borrowings and investments issued at variable interest rates expose the Group to cash flow interest rate risk. The Group does not currently hold any interest rate swaps.

Interest rate risk

Interest rate risk is managed in accordance with the Treasury Policy for the University and the SIPO's for the Foundation. The University and Foundation apply maximum limits to approved counterparties to mitigate concentration of interest rate risk. There were no breaches of the Treasury Policy or SIPO's for the 12 months to 31 December 2022.

Credit risk

Credit risk is the risk that a third party will default on its obligation to the Group, causing it to incur a loss. Due to the timing of its cash inflows and outflows, University surplus cash is invested in accordance with the Public Finance Act 1989, which gives rise to credit risk. The Foundation invests various funds for investment returns, which gives rise to credit risk.

The University's investment policy limits the amount of credit exposure to any one financial institution or organisation to no more than 40% of the total operating investments held or \$40 million (whichever is greater) with counterparties that have a Standard & Poor's credit rating of A+ or above, and \$25 million with counterparties that have a credit rating of A. The Foundation manages credit risk with all cash and term deposits held by New Zealand registered banks, with credit ratings of Standard & Poor's A or Moody's A2. The credit ratings are monitored periodically.

New Zealand and International fixed interest securities are managed by fund managers who adopt risk management procedures aimed at limiting credit risk exposure. Their portfolios are monitored for compliance with the individual mandate requirements of each investment class.

The Group holds no collateral or credit enhancements for financial instruments that give rise to credit risk.

There is no concentration of credit risk in Trade Receivables due to the relatively low value of individual amounts due.

Other price risk

Other price risk is the risk that the fair value or future cash flows of financial assets will fluctuate because of changes in market prices (other than those arising from currency or interest rate risk). The majority of instruments materially exposed to this risk are in the Foundation. The Foundation's investment policies acknowledge that the market prices of financial assets will fluctuate. Risk is minimised by ensuring that investment activities are undertaken in accordance with established mandated limits and the investment strategies set out in the Foundation's SIPOs.

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

24 Financial instruments (continued)

24.3 Financial instrument risks (continued)

Liquidity risk

Liquidity risk is the risk that the Group 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 credit facilities, and the ability to close out market positions. The University aims to maintain flexibility in funding by keeping committed credit lines available. The Foundation liquidity requirements are evaluated on an on-going basis including through managing the cash flows of the operating activities and the duration of term deposits.

In meeting its liquidity requirements, the University maintains a target level of operating investments that must mature within one month, and no more than 12 months. The University manages its borrowings in accordance with its funding and financial policies incorporated in the Treasury Management Policy.

The University has a maximum amount that can be drawn down against its committed borrowing facility of \$300m (2021: committed borrowing facility of \$300m). The University has complied with all banking covenants under this facility. The University's maturity analysis is presented below.

	Mature within 1 year \$'000	Mature within 1-5 years \$'000	Mature within 5-12 years \$'000	Total \$'000
Consolidated 2022				
Payables	(185,221)	-	-	(185,221)
Non-interest bearing loan	(1,279)	(1,958)	(74,640)	(77,877)
Interest bearing loan facility	-	(25,000)	-	(25,000)
Cash and cash equivalents	37,706	-	-	37,706
Bank term deposits	141,936	27,763	-	169,699
Total financial instruments	(6,858)	805	(74,640)	(80,693)
Consolidated 2021				
Payables	(184,372)	-	-	(184,372)
Non-interest bearing loan	(444)	(1,332)	(22,675)	(24,451)
Interest bearing loan facility	-	(45,000)	-	(45,000)
Cash and cash equivalents	33,079	-	-	33,079
Bank term deposits	72,836	14,044	-	86,880
Total financial instruments	(78,901)	(32,288)	(22,675)	(133,863)

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

24 Financial instruments (continued)

24.3 Financial instrument risks (continued)

	Mature within 1 year \$'000	Mature within 1-5 years \$'000	Mature within 5-12 years \$'000	Total \$'000
University 2022				
Payables	(167,473)	-	-	(167,473)
Loan from controlled entities	(55,000)	-	-	(55,000)
Non-interest bearing loan	(1,279)	(1,958)	(74,640)	(77,877)
Interest bearing loan facility	-	(25,000)	-	(25,000)
Cash and cash equivalents	15,893	-	-	15,893
Bank term deposits	127,434	-	-	127,434
Total financial instruments	(80,425)	(26,958)	(74,640)	(182,023)

University 2021				
Payables	(167,120)	-	-	(167,120)
Loan from controlled entities	(52,027)	-	-	(52,027)
Non-interest bearing loan	(444)	(1,332)	(22,675)	(24,451)
Interest bearing loan facility	-	(45,000)	-	(45,000)
Cash and cash equivalents	9,116	-	-	9,116
Bank term deposits	54,291	-	-	54,291
Total financial instruments	(156,184)	(46,332)	(22,675)	(225,191)

Sensitivity analysis

	Consolidated		University	
	Actual 2022 \$'000	Actual 2021 \$'000	Actual 2022 \$'000	Actual 2021 \$'000
Value at Risk	(3.64)%	(5.37)%	0.74%	0.74%
Assets available	480,296	433,588	127,434	54,291
Estimated impact on assets available	(17,466)	(23,267)	947	404

Value at Risk (VaR) analysis

The VaR analysis is a tool used to measure the market risk exposure of an investment portfolio. The VaR of a portfolio estimates the potential loss of a portfolio's net asset value over a given holding period at a specified confidence level. The VaR analysis is a statistically defined, probability-based approach that takes into account market volatilities as well as risk diversification by recording offsetting asset class exposures and correlations between asset classes. The one year 95% VaR number reflects that there is a 5% probability over a one year period that the portfolio will perform in line or worse than the stated VaR. The VaR analysis is a forward-looking Monte Carlo simulation that incorporates assumptions for each asset class in the Group and the University's portfolio.

Analysis Assumptions

This VaR analysis is based on underlying asset class assumptions. The relative portfolio weighting was calculated from the Group and the University's underlying asset class exposure as at 31 December 2022. In cases where cash assets were held within an investment sector these assets were treated as likely to be invested in that asset class and included as exposure to that asset class.

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

24 Financial instruments (continued)

24.3 Financial instrument risks (continued)

Limitations

The VaR analysis should be interpreted in light of the limitations of the methodologies used. These limitations include the following:

- The asset class assumptions used reflect behaviour in equilibrium market conditions and therefore may not capture the risk of possible extreme adverse market movements.
- VaR using a 95% confidence level does not reflect the extent of potential losses beyond that percentile. These limitations and the nature of the VaR analysis mean that the Fund can neither guarantee that losses will not exceed the VaR amounts indicated nor that the losses in excess of the VaR amounts will not occur more frequently than is stipulated by the model.

INDEPENDENT AUDITOR'S REPORT
TO THE READERS OF THE UNIVERSITY OF AUCKLAND AND GROUP'S
FINANCIAL STATEMENTS AND STATEMENT OF SERVICE PERFORMANCE
FOR THE YEAR ENDED 31 DECEMBER 2022

The Auditor-General is the auditor of the University of Auckland (the University) and group. The Auditor-General has appointed me, Brent Penrose, using the staff and resources of Ernst & Young, to carry out the audit of the financial statements and statement of service performance of the University and group on his behalf.

Opinion

We have audited:

- the financial statements of the University and group on pages 91 to 138, that comprise the statement of financial position as at 31 December 2022, the statement of comprehensive revenue and expense, statement of changes in 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; and
- the statement of service performance of the University and group on pages 40 to 82.

In our opinion:

- The financial statements of the University and group on pages 91 to 138:
 - Present fairly, in all material respects:
 - The financial position as at 31 December 2022; and
 - The financial performance and cash flows for the year then ended; and
 - Comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Reporting Standards; and
- The statement of service performance on pages 40 to 82:
 - Presents fairly, in all material respects, the University and group's service performance achievements as compared with the forecast outcomes included in the 2020-22 investment plan (as aligned to the Strategic Plan 2025 adopted by Council in 2021) for the year ended 31 December 2022; and
 - Complies with generally accepted accounting practice in New Zealand.

Our audit was completed on 13 March 2023. This is the date at which our opinion is expressed.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the Council and our responsibilities relating to the financial statements and the statement of service performance, we comment on other information, and we explain our independence.

Basis for our opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

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

Responsibilities of the Council for the financial statements and the statement of service performance

The Council is responsible on behalf of the University and group for preparing financial statements that are fairly presented and that comply with generally accepted accounting practice in New Zealand.

The Council is also responsible on behalf of the University and group for preparing a statement of service performance that is fairly presented and that complies with generally accepted accounting practice in New Zealand.

The Council is responsible for such internal control as it determines is necessary to enable it to prepare financial statements and a statement of service performance that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements and the statement of service performance, the Council is responsible on behalf of the University and group for assessing the University and group's ability to continue as a going concern. The Council is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the Council intends to liquidate the University and group or to cease operations, or has no realistic alternative but to do so.

The Council's responsibilities arise from the Education and Training Act 2020 and the Crown Entities Act 2004.

Responsibilities of the auditor for the audit of the financial statements and the statement of service performance

Our objectives are to obtain reasonable assurance about whether the financial statements and the statement of service performance, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers taken on the basis of these financial statements and statement of service performance.

For the budget information reported in the financial statements and the statement of service performance, our procedures were limited to checking that the information agreed to the University and group's planning and budget report.

We did not evaluate the security and controls over the electronic publication of the financial statements and the statement of service performance.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the financial statements and the statement of service performance, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit 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.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Council.
- We evaluate the appropriateness of the reported performance information within the University and group's framework for reporting its performance.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Council and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the University and group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements and the statement of service performance or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the University and group to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements and the statement of service performance, including the disclosures, and whether the financial statements and the statement of service performance represent the underlying transactions and events in a manner that achieves fair presentation.
- We obtain sufficient appropriate audit evidence regarding the financial statements and the statement of service performance of the entities or business activities within the group to express an opinion on the consolidated financial statements and the consolidated statement of service performance. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Council is responsible for the other information. The other information comprises the information included on pages 1 to 39 and 83 to 90 but does not include the financial statements and the statement of service performance, and our auditor's report thereon.

Our opinion on the financial statements and the statement of service performance does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements and the statement of service performance, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements and the statement of service performance or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independence

We are independent of the University and group in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* issued by the New Zealand Auditing and Assurance Standards Board.

In addition to the audit services, we have provided tax compliance services in relation to the Saudi Arabia branch of Auckland Uniservices Limited. We have also provided other assurance services in relation to Performance Based Research Funding and agreed upon procedure reports in respect of the SFA supplemental schedules. These engagements are compatible with those independence requirements, and other than the audit and these engagements, we have no relationship with or interests in the University or any of its subsidiaries.



Brent Penrose
Ernst & Young
Chartered Accountants
On behalf of the Auditor-General
Auckland, New Zealand

Glossary

Abbreviation	Meaning
ABI	Auckland Bioengineering Institute
AFTE	Academic Full-Time Equivalent
ARWU	Academic Ranking of World Universities
APRU	Association of Pacific Rim Universities
AUSA	Auckland University Students' Association
CAI	Creative Arts and Industries
CIE	Centre for Innovation and Entrepreneurship
CDES	Career Development and Employability Services
CSSF	Compulsory Student Services Fee
CoRE	Centre of Research Excellence
EDSW	Faculty of Education and Social Work
EFR	Externally Funded Research
EFTS	Equivalent Full-Time Students
FMHS	Faculty of Medical and Health Sciences
FTE	Full-Time Equivalent Staff
GDS	Graduation Destination Survey
HCR	Highly Cited Researchers
HRC	Health Research Council
IMT	Incident Management Team
KPIs	Key Performance Indicators
LSRI	Large-Scale Research Institute
LLS	Libraries and Learning Services
LTS	Learning and Teaching Survey
MBIE	Ministry of Business, Innovation and Employment
NIWA	National Institute of Water and Atmospheric Research
ORSI	Office of Research Strategy and Integrity
PBRF	Performance-Based Research Fund
QS	Quacquarelli Symonds
SAR	Significant Academic Role
SDGs	Sustainable Development Goals
SBS	School of Biological Sciences
SLT	Senior Leadership Team
STEM	Science, Technology, Engineering and Mathematics
TEC	Tertiary Education Commission
THE	Times Higher Education
UEC	University Executive Committee
UHCS	University Health and Counselling Service
U21	Universitas 21
WUN	Worldwide Universities Network





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