



Annual Report 2021

Becoming Waipapa Taumata Rau



UNIVERSITY OF
AUCKLAND
Waipapa Taumata Rau
NEW ZEALAND



About our new Māori name, Waipapa Taumata Rau

Waipapa Taumata Rau represents our ongoing partnership with iwi. It challenges us to understand that we are part of a whakapapa of historic and current relationships. It has been gifted to us by Ngāti Whātua Ōrākei and replaces the former more literal translation used in the University of Auckland's name, Te Whare Wānanga o Tāmaki Makaurau.

Evolving the University's identity to reflect Waipapa Taumata Rau is under way. We are 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

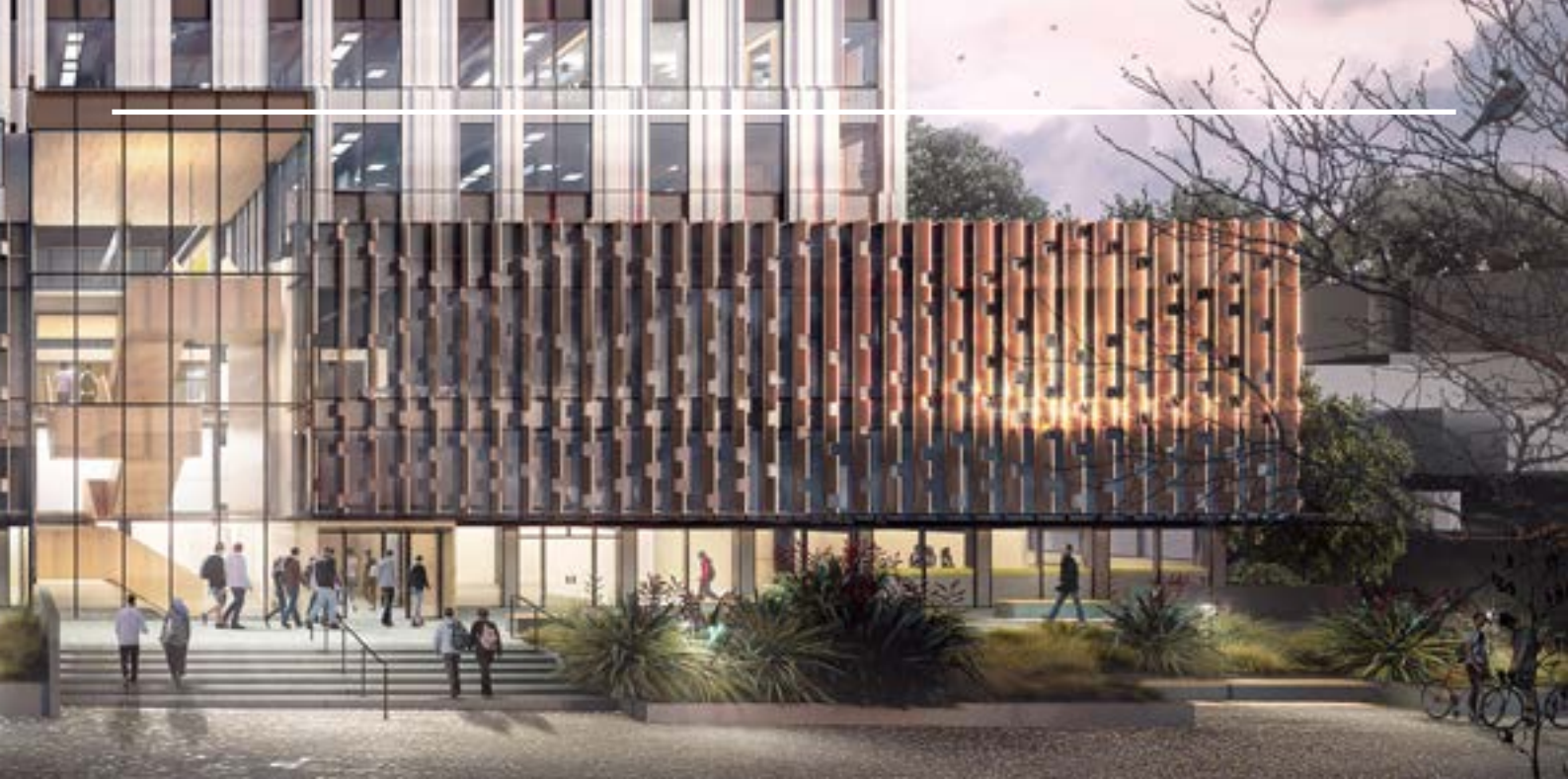
There have been many achievements at all levels of the University, despite the impact of Covid-19. Being able to celebrate these in-person or online was important as our staff and students continued to display exceptional resilience.



Tēnā koutou katoa.

In 2021 I was honoured to be elected by the Council to be Chancellor of Waipapa Taumata Rau, University of Auckland, succeeding Scott St John. I would like to thank Scott for his many years of service to the University in a range of roles, most recently as Chancellor. The University of Auckland is my alma mater. I have been involved with it in a variety of roles, both when I lived overseas and since I returned to Aotearoa New Zealand – through the University of Auckland Foundation, He Ira Wāhine the Women's Mentoring Programmes at the Business School and the Law School, and through Council. When I became Chancellor, Cathy Quinn was elected in my former role as Pro-Chancellor.

The Covid-19 pandemic has disrupted the operations of the University for a second year. Despite the challenges faced, the University's staff and students continue to display exceptional resilience and to provide academic leadership and world-leading research. On behalf of the Council, I would like to express our thanks for all of the hard work done in 2021 by everyone – the Vice-Chancellor, the University Executive Committee, the deans and other academic leaders, the academic and professional staff, the students and everyone who works with the University – to navigate what has been another difficult year. I would particularly like to acknowledge the leadership of Professor Dawn Freshwater, our Vice-Chancellor. She has led from the front



with empathy and understanding. Running an organisation of this size is always a challenge and the complications caused by Covid-19 have increased that challenge considerably.

The pandemic has caused disruptions for many of our graduates. Graduation is an important opportunity to acknowledge their success. We were fortunate to be able to hold our autumn graduation ceremonies in June, but our spring ceremonies had to be deferred. Conferring degrees is one of the privileges of being a Chancellor and I was honoured to be able to participate in December, albeit via Zoom, in the conferment of an honorary Doctor of Laws degree on Mr Joseph Parata Hawke.

As Aotearoa New Zealand's leading university and its largest research institution, we are contributing to the most significant international issue of recent years across a broad spectrum of medical and health, science, economic, social and cultural areas. Our high-profile academics of 2020 continued to provide advice and commentary in 2021, and were joined by others including Professor Papaarangi Reid (Te Kupenga Hauora Māori), Associate Professor Collin Tukuitonga (Associate Dean Pacific), and Dr Joel Rindelaub (Faculty of Science) who all found ways to champion and engage with specific communities as the government's strategy changed from elimination to vaccination. Our people became increasingly sought for thought leadership on the long-term impact of Covid-19, across areas such as business, tourism and education, and both our well established and emerging academics shared knowledge and insights in their mission to keep the public informed.

In 2020, we launched the University's new long-term strategy, *Taumata Teitei* and, in 2021, began to work on the implementation of our strategy. The priorities of *Taumata Teitei* are resonating strongly with staff and students, particularly the emphasis on improving the understanding and use of tikanga Māori and te reo Māori. The gifting to the University of the name Waipapa Taumata Rau by Ngāti Whātua Ōrākei was an important step forward in our partnership with tangata whenua.

Another major priority of *Taumata Teitei* is sustainability. Given that focus, we are delighted that the design for the Social Sciences Building, currently being rebuilt (architects' impression pictured above), achieved a 6 Green Star Design rating from the New Zealand Green Building Council. This is the highest score awarded since the inception of the rating and places the building in the 'world leadership' category. The building is due to open in 2024 and will set new benchmarks for low carbon design and sustainability. It has been designed to send less waste to landfill, create less pollution through its construction and operation, and provide healthy, comfortable, and functional spaces for the many thousands of students and staff who will work, learn, research and socialise within it.

Many of our people have also been recognised for outstanding contributions to academia and Aotearoa. Highlights include:

- Distinguished Professor of Māori Studies and Anthropology Dame Anne Salmond, DBE, received the highest recognition in Aotearoa New Zealand's honours system, the Order of New Zealand
- Our former Pro-Vice Chancellor Māori, Professor Cindy Kiro, was made a Dame Companion for services to child well-being and education and later that in the year was appointed the first Māori female Governor-General
- Co-founder of the Faculty of Medical and Health Sciences' School of Nursing, Judy Kilpatrick, was made a Dame Companion of the New Zealand Order of Merit for Services to nursing education
- Distinguished Professor Bill Denny was made a Knight Companion of the New Zealand Order of Merit for services to medical research
- Professor Emeritus Louise Nicholson was awarded a Companion of the New Zealand Order of Merit (CNZM) for services to neuroscience and education

- Distinguished Professor Ian Reid was awarded a Companion of the New Zealand Order of Merit (CNZM) for services to medicine
- Associate Professor Eve Coxon was awarded a Companion of the New Zealand Order of Merit (CNZM) for services to Pacific and tertiary education
- Professor Suzanne Purdy, Head of the School of Psychology, was awarded a Companion of the New Zealand Order of Merit (CNZM) for services to audiology and communication science
- Inaugural Masonic Professor of Geriatric Medicine Professor Emeritus David Richmond was awarded a Companion of the New Zealand Order of Merit (CNZM) for services to health and education
- Professor Shaun Hendy was awarded a Member of the New Zealand Order of Merit (MNZM) for services to science
- Professor Marston Conder received the prestigious Euler Medal for a distinguished lifetime career in mathematics
- Associate Professor Siouxsie Wiles was named New Zealander of the Year
- Professor Boyd Swinburn was awarded the Gluckman Medal for 2022, in recognition of his outstanding sustained research contributions to the Faculty of Medical and Health Sciences
- Professor Virginia Braun received the 2021 Marsden Medal for a lifetime of outstanding service to the profession of science
- Professor Sir Peter Gluckman, director of Kōi Tū: The Centre for Informed Futures, was awarded the Singapore President's Science and Technology Medal (PTSM)
- Professor Anthony Hoete (Ngāti Awa, Ngāti Rānana) won the International Architecture category in the New Zealand Institute of Architects (NZIA) Awards

Despite the challenges across the world, 2021 was the University's most successful year ever for fundraising, with multi-million-dollar gifts, pledges and sponsorships.

Of particular note were:

- An anonymous donation of \$11m for the Precision Medicine Programme at the new Centre for Cancer Research Te Pokapū Rangahau Mate Pukupuku (CCR), which will provide improved diagnosis and treatment to patients battling a wide variety of cancers
- A multi-million-dollar gift from US-based Trimble Inc to establish the 480-square-metre Trimble Technology Lab at the Faculty of Engineering, with transdisciplinary benefits across the University

- A \$9.8m gift from the US-based Flu Lab to support an influenza and viral respiratory disease research agenda at Medical and Health Sciences, intended to reveal new information about viral transmission and behaviour
- Donations to the Auckland Business School of \$2.5m for the Theresa Gattung Chair in Women in Entrepreneurship and \$1.6m from the Fletcher Building Employee Education Trust to attract and retain high-quality leadership and governance researchers.

We are incredibly appreciative of our alumni and supporters whose contributions enable a wide range of programmes, including student-facing initiatives helping the University maintain a focus on equity and support for disadvantaged students. Many research streams received significant financial backing, everything from kauri dieback to EV infrastructure technologies and a fully equipped mobile optometry clinic.

In May, we celebrated the 2020/21 recipients of the University's Distinguished Alumni Awards, revitalised as Taumata. They were Dr Ashley Bloomfield (Faculty of Medical and Health Sciences); Andrew Grant (Engineering); Jeremy Salmond (Creative Arts and Industries); and the Honourable Justice Dame Helen Winkelmann (Law and Arts). The Young Alumna of the Year was Courtney Sina Meredith (Arts).

Other alumni events were held respecting the restrictions of the pandemic, with 'real time' events including Alumni and Friends receptions, the annual Golden Graduates luncheon celebrating 50-year graduates and those aged 70 plus and the popular Raising the Bar event, featuring 20 academics speaking in ten bars around central Auckland.

As other physical alumni events were prevented from going ahead, events were taken online wherever possible. These included an 'at home' edition of Raising the Bar, a Chinese Alumni Club 'Connect and Develop' and professional development webinar series for alumni, hosted on the Alumni Connect virtual mentoring platform.

In other milestones, in November the University's 40 Under 40 programme reached its five-year milestone, with 200 exceptional alumni aged under 40 now acknowledged.

It appears 2022 is shaping up to be another challenging year for the University. However, I am confident that with the leadership of Professor Dawn Freshwater we will successfully meet any challenges and continue to adapt and innovate to ensure we continue to deliver on our promises to students, staff and all of our other stakeholders.

Cecilia Tarrant
Chancellor





Vice-Chancellor's report

Despite the ongoing challenges in 2021, we made excellent progress on the goals outlined in our guiding document *Taumata Teitei: Vision 2030 and Strategic Plan 2025*.



It is a testament to our University community that, as we faced the many and varied international, national, regional and sectoral challenges of 2021, we continued to make significant progress on our strategy *Taumata Teitei*.

We had launched *Taumata Teitei* during the pandemic in 2020. It placed our enduring relationship with tangata whenua, based on te Tiriti o Waitangi, at the centre of our new Vision 2030 and Strategic Plan 2025.

For Tāmaki Makaurau Auckland, 2021 was the year of Covid-19 lockdowns, with an extended 107-day lockdown starting in August. This tested the region's 1.5 million residents and our own University community. Courses and examinations were delivered online. Research was disrupted. I am proud of the sustained efforts of colleagues who worked tirelessly in a rapidly changing and challenging environment. I am equally proud of our domestic and international students, many of whom have confronted

physical and mental health challenges, who navigated their studies and research in a largely digital space. Through this year of uncertainty, change and working from home, our University community remained focused on the five strategic impacts detailed in the Strategic Plan.

Many of our researchers have joined with health practitioners and officials collaborating on the Covid-19 response. In their research, modelling, testing and vaccine advocacy they have shown a deep commitment and duty to our communities and to improving health and well-being for all.

Our commitment to lead transitions to sustainable ecosystems can be seen in our significant advances in translational research including a \$3 million Te Pūtea Rangahau a Marsden grant to support a major interdisciplinary project on gravitational waves. Our work on internal policies and practices produced the inaugural Estate Strategy 2021-2030, Te Rautaki Tūāpapa, while a Sustainability Strategy 2022-2030 taking in research, our curriculum and community engagement, is well advanced.

In 2021, the name Waipapa Taumata Rau was gifted to the University by Ngāti Whātua Ōrākei, reflecting our partnership with iwi and our strategic commitments under Te Tiriti o Waitangi. We have advanced those commitments with a new model to engage with schools and the wider community centred on tikanga, and with progress made to advance the Curriculum Framework Transformation Programme. This is a unique and distinctive transdisciplinary curriculum designed to ensure all our future students are prepared for our complex world.

The year also saw the University navigating the contemporary challenges and threats to freedom of speech. In one example, the University of Auckland and its community were divided over questions about the relationship between Mātauranga Māori and science in the school curriculum. This highlighted an urgent need to recover our ability to respectfully discuss and debate issues in a quest for greater understanding, and to equip our graduates with critical thinking skills and attributes to lead and innovate in the community in the future.

In 2020, *Taumata Teitei* recognised the unprecedented challenges facing humanity during a time of extreme change. During 2021, these challenges unfolded with the arrival of the pandemic's Delta variant. Over two years Covid-19 claimed more than five million lives worldwide and affected billions more. Disruption was, and remains, ubiquitous. Borders have been closed. At the same time, climate change and sustainability have come into sharper focus for many. Other trends have emerged. Across the world, countries are confronting population stagnation and the global competition for talent is inflicting a brain drain on many countries including ours. We are also living in the age of the infodemic and, with it, misinformation.

Many of these issues are already having a direct impact on the University community. In 2021, we continued to lay the foundations to respond to these forces. In some instances, there have had to be swift responses. We developed a vaccination and testing policy which sets out obligations and responsibilities for people accessing our campuses and taking part in face-to-face University-managed activities. In

response to border closures, online learning centres were established in four Chinese cities to support some of our more than 2,000 international students unable to travel to Aotearoa New Zealand.

The business recovery measures implemented in 2020 have had a positive effect on our underlying financial performance. Combined with a historic high in student numbers and the support from the government to the tertiary sector, our operating surplus was 6.8 percent in 2021, a turnaround from a deficit of minus 2.5 percent in 2020. Total operating revenue for 2021 was \$1.32 billion, up from \$1.19 billion in 2020. The operating surplus includes a non-cash accounting adjustment gain of \$12 million due to the government's 'shovel ready' loan being interest free. Without this, the operating surplus would be 5.9 percent.

During the year, staff members were farewelled, in many instances, by a wave on a screen. It is with great sadness that colleagues were unable to thank them for their commitment to the University face-to-face. We have also welcomed new staff, including members of the University Executive Committee. Professor Valerie Linton is our inaugural Provost, Associate Professor Te Kawehau Hoskins (Ngāpuhi) is our new Ihonuku Māori, Pro Vice-Chancellor Māori, and Dr Erik Lithander is our new Deputy Vice-Chancellor Strategic Engagement. Professor Bridget Kool was appointed as Pro Vice-Chancellor (Education) and Professor Cathy Stinear (Deputy Head, Department of Medicine in the Faculty of Medicine and Health Sciences) has been appointed Ihonuku Tōkeke, Pro Vice-Chancellor Equity.

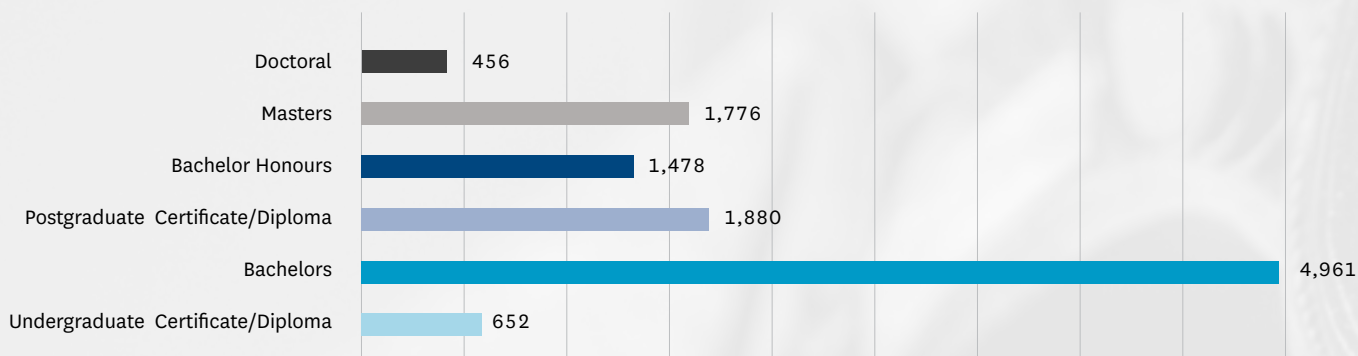
Our governing body, the University Council, welcomed the election of Cecilia Tarrant as Chancellor and Cathy Quinn as Pro-Chancellor.

Waipapa Taumata Rau, the University of Auckland, is proud to be ranked among the world's leading universities in both the QS World University Rankings 2022 (ranked 85=) and in the Times Higher Education World University Rankings 2022 (ranked 137=). That these rankings can be achieved following the upheaval of 2021 speaks not only of the quality of our research, teaching and learning but of our collective ability to retain and lift that quality in testing times.

Professor Dawn Freshwater Vice-Chancellor

Key facts and figures 2021

Completions by qualification



No.1
Ranked New Zealand
University¹

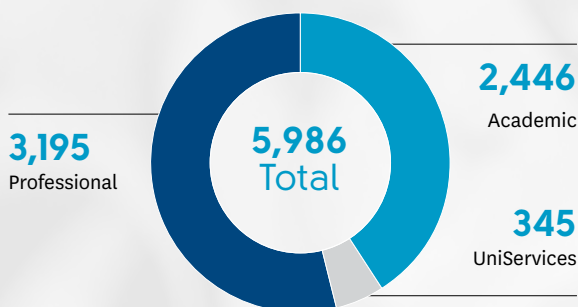


Top 10
Globally for Sustainable
Development Impact²

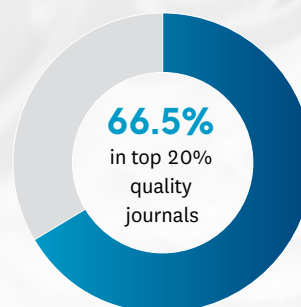


No.1
in NZ for Graduate
Employability³

Full-Time Equivalent Staff (FTE)



Research publications⁴: 5,839



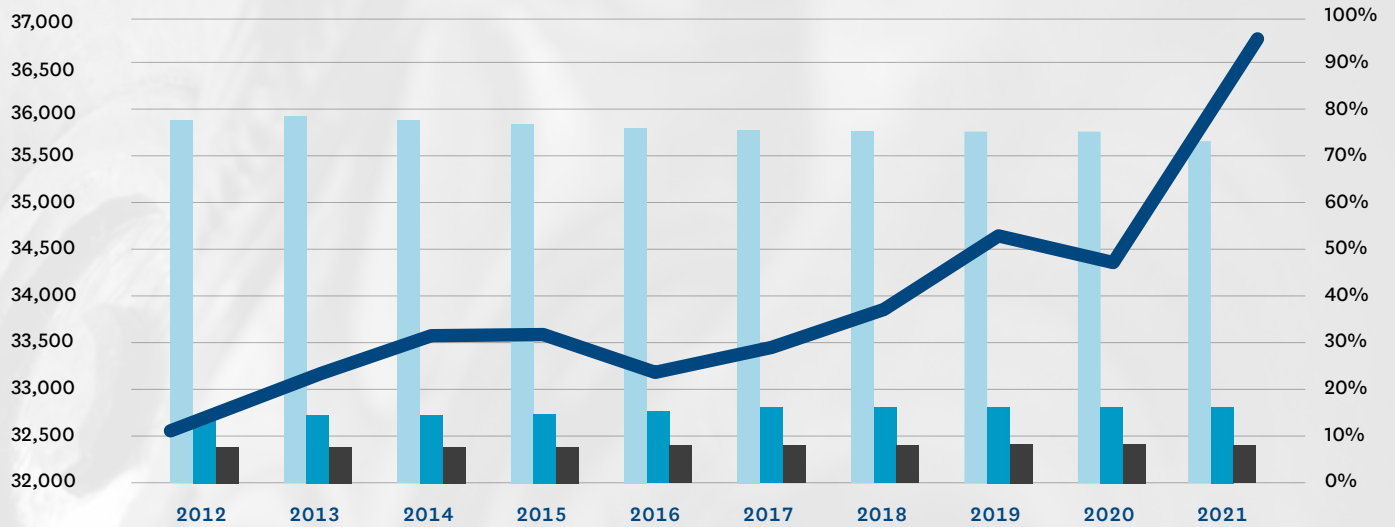
¹ QS World University Rankings 2022, ranked 85=; THE World University Rankings 2022, ranked 137=; Academic Ranking of World Universities 2021, ranked 201-300.

² THE Impact Rankings, ranked 9. ³ QS Graduate Employability Rankings 2022, ranked 68=

⁴ SCOPUS publications with University of Auckland author address

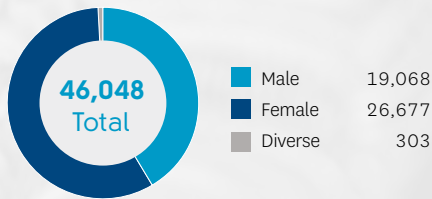
EFTS 2012-2021

■ EFTS ■ % Undergraduate ■ % Taught Postgraduate ■ % Research Postgraduate

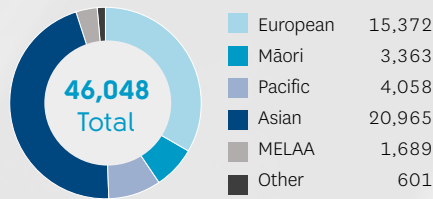


Note: Undergraduate and non-formal degree EFTS are combined.

Gender (headcount of students)

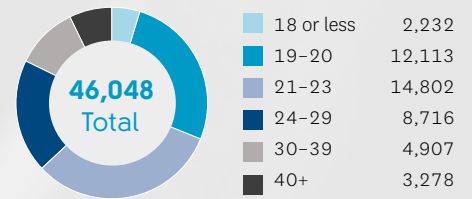


Ethnicity (headcount of students)



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

Age group (headcount of students)

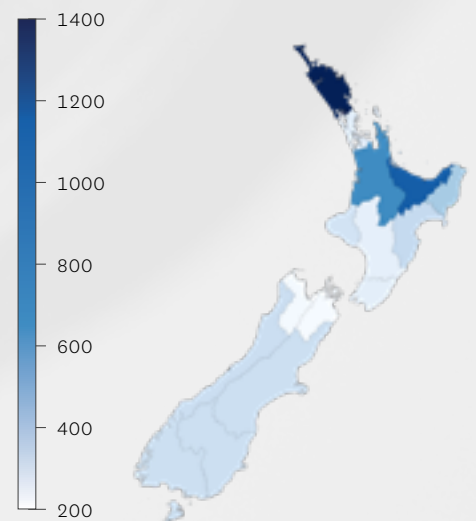


International students



China	5,052	United States	162
India	390	Indonesia	160
Malaysia	265	Vietnam	150
Korea	263	Other countries	1,496
Hong Kong (SAR)	163	Total	8,101

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

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, which comprises 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.



2021 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** Sir Michael Daniell, Rajen Prasad.

Second row from left: **Appointed by relevant minister** Rachael Newsome; Cathy Quinn (then became Pro-Chancellor, June 2021); **to provide skills specified by Council** Jan Dawson, Robert S. McDonald (from June).

From bottom left: **Ex officio** Vice-Chancellor Professor Dawn Freshwater; **elected by students** Junyi (Johnny) Wang; **appointed to advise on Māori issues** John Paitai; **elected by alumni** Chancellor Cecilia Tarrant (Pro-Chancellor, then succeeded Scott St John as Chancellor in June 2021).

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 is required, when performing its functions, to fulfil various duties.

These include:

- Striving to ensure that the University 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 Education and Training Act 2020 entrusts the Vice-Chancellor with the management of the academic and administrative matters of the University. The Vice-Chancellor is the employer of all staff. The Vice-Chancellor is supported by a senior leadership structure that includes the University Executive Committee (UEC), Academic Leadership Team and other advisory committees to the Vice-Chancellor.

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

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

The Senate

On academic matters, Council is bound to consult the Senate which the Vice-Chancellor chairs. This body includes all the professors and representatives of sub-professorial and professional staff and representatives of students. The Senate takes advice from the Education and Research Committees and from a number of other committees. Council has delegated to Senate the following responsibilities and functions on academic matters:

- 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 who is responsible for management of the teaching, research and administrative activities of the faculty or LSRI. 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 a plan each year and an annual report that outlines achievements and planned activities. The plans set out the contributions to *Taumata Teitei* priorities and initiatives to ensure the faculties' and LSRI's activities are moving the University, collectively, 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 our 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 ensure the strategic aspirations outlined in *Taumata Teitei* are delivered. The plans form the basis of actions in the faculties, LSRLs and service divisions, associated with the annual cycle of planning and resource allocation, 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 in the Annual Report's Statement of Service Performance on page 38.

Capital Plan and financial projections

The Long-Term Academic and Capital 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. The property capital expenditure programme is reviewed by senior management with specific project approvals sought from Council. University 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. A projection of the University's financial performance and position over ten years is prepared periodically. Projections of operating income and expenditure are combined with the capital requirements determined in the Capital Plan to establish an overall projection of the University's financial position and financing requirements over a ten-year period.

Council committees

Audit and Risk Committee

Risk management and audit activities are overseen by the Audit and Risk Committee. Its principal task is to ensure all financial statements released to the public, stakeholders, lenders or any regulatory body comply with accounting standards, and are true and fair. The Committee reviews the effectiveness of internal controls and risk mitigators in the University and the way in which they are applied. This committee also oversees the relationship with the University's external auditors. Ernst & Young was appointed as the University's current external auditor by the Office of the Auditor-General. The committee receives regular reports on any matters that arise in connection with the performance of the external audit. Health and Safety monitoring and internal audits are an integral aspect of the University's risk management framework. PricewaterhouseCoopers is contracted to provide internal audit support.

Finance Committee

The purpose of the Finance Committee is to monitor the finances of the University so as to satisfy Council they are managed in a way that:

- Maintains solvency at all times
- Promotes achievement of the University's annual budget, mission and strategic objectives
- Minimises 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

The Capital Expenditure 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

The University Equity Leadership Committee, chaired by the Vice-Chancellor, 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. Committee membership comprises senior academic and professional staff, and student representatives and representatives.

The University Equity Leadership Committee, the Office of the Pro Vice-Chancellor Equity, the Equity Action Network and our staff and student equity groups contribute to the University of Auckland being a safe, inclusive and equitable place to study and work.

Equity leadership enhances the University's 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). The Rūnanga 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

The Animal Ethics Committee ensures that the protocols for the use of animals in research and teaching are of the highest ethical standard in accordance with legislative requirements. The committee reviews proposals and undertakes ongoing monitoring of 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.

Biological Safety Committee

The Biological Safety Committee assesses applications for the use of genetically modified organisms in the University, in accordance with the delegation by the Environmental Protection Authority (EPA), in order 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 EPA. The Biological Safety 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

The Human Participants Ethics Committee reviews proposed research and teaching projects that involve human subjects, other than projects that require approval from a New Zealand Health and Disability Ethics Committee, to ensure compliance with the highest ethical standards. In addition, this committee provides advice and assistance to Council and the University community with respect to 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

The University Health, Safety and Well-being Committee, chaired by the Vice-Chancellor, is a forum of nominated and elected management and staff representatives that enables staff, unions and students to communicate to management any issues of interest and concern related to health and safety, and to encourage staff participation in the ongoing maintenance and improvement of a safe and healthy environment. The committee reports to the Audit & Risk Committee.

Business details

Bankers: Bank of New Zealand, ANZ Bank, Commonwealth Bank of Australia, Hong Kong Shanghai Banking Corporation, Industrial Commercial Bank of China, Bank of Tokyo Mitsubishi UFJ

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

Valuers: Beca Projects NZ Ltd
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elif_operation == "MIRROR_Y":  
    mirror_mod.use_x = False  
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    mirror_mod.use_z = False  
elif_operation == "MIRROR_Z":  
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    mirror_mod.use_y = False  
    mirror_mod.use_z = True  
  
#selection at the end -add back  
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modifier_ob.select=1  
bpy.context.scene.objects.active =  
print("Selected" + str(modifier_ob  
    #mirror_ob.select = 0  
#me = bpy.context.selected_object  
#my_data.objects[me.name]  
except
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modifier_ob  
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02

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Becoming Waipapa Taumata Rau

Mā te kōrero, ka mōhio. Through discussion comes awareness.
Mā te mōhio, ka mārama. Through awareness comes understanding.
Mā te mārama, ka mātau. Through understanding comes knowledge.
Mā te mātau, ka ora. Through knowledge comes well-being.

Poipoia te kākano kia puawai. **Nurture the seed and it will blossom.**

The name Waipapa Taumata Rau was gifted to the University of Auckland by the people of Ngāti Whātua Ōrākei and reflects our significant partnership with Ngāti Whātua iwi and the commitments made through *Taumata Teitei*, including to the principles of manaakitanga, kaitiakitanga and whanaungatanga. It challenges us to understand that we are part of a whakapapa of historic and current relationships. It also reflects the aspiration of the University of Auckland to be the ‘place of many peaks’, the place where we strive for, ascend to, succeed and thrive.

Taumata Teitei, the University of Auckland Vision 2030 and Strategic Plan 2025, sets out the journey we are embarking on together in becoming Waipapa Taumata Rau.

Mā te kōrero, ka mōhio. **Through discussion comes awareness.**

Taumata Teitei commits Waipapa Taumata Rau to engaging all our students in a research-informed, culturally embedded, distinctive educational experience that will prepare them to create solutions to the world’s critical challenges. The Curriculum Framework Transformation Programme is the key initiative to deliver on the University’s strategic aspirations so we can achieve a distinctive, transdisciplinary curriculum and a unique Waipapa Taumata Rau experience.

The University is operating in a society facing multiple highly complex issues relating to climate, energy, health and well-being, equity and social stability. Student and employer expectations are changing, and technology changes continue to accelerate. At the same time, Covid-19 continues to affect the student experience and our ways of working, creating further complexities for staff workload and prioritisation as well as our financial sustainability.

These issues, the challenges and opportunities they present, and the nature of the University’s response, were discussed during the development of *Taumata Teitei*. Those conversations also highlighted and acknowledged our strengths, in particular our already strong reputation for world-class research and teaching excellence, as well as our commitment to Te Tiriti, Mātauranga Māori, Kaupapa Māori pedagogies and our emerging Waipapa Toitū, the enduring framework of Waipapa Taumata Rau, in recognition of our unique place in Aotearoa and the Pacific.

For our graduates to stand apart from others in their readiness to play leading roles in society, they need a contemporary university experience that connects them to and values those challenges. Our Education and Student Experience priorities signal our commitment to delivering accessible, equitable lifelong higher education opportunities, student-centric learning, co-curricular and extra-curricular activities, and education that is research-informed, transdisciplinary and relevant, so graduates will make the world better tomorrow than it is today. (See Graduate Destination Survey items, from 23.)

Mā te mōhio, ka mārama. **Through awareness comes understanding.**

Taumata Teitei facilitates world-class research that is excellent, innovative and transdisciplinary in spirit, and draws its distinctive sense of purpose from our place in Aotearoa and the Pacific. Carrying this ambition, the Hikina kia Tutuki Fund (‘rise to meet the challenge’) was established in 2021 with the vision of developing the next decade’s flagship University of Auckland Research Centres. These will provide focus and scale in the impact areas set out in *Taumata Teitei*. Central to this challenge is a recognition of the importance, value and validity of multiple research practices and knowledge systems.

Research Centres funded through Hikina kia Tutuki will demonstrate excellence in transdisciplinarity by building and nurturing mana-enhancing relationships across the theoretical disciplines and beyond academia at every stage in the research process. The centres will launch mid-2022



and provide opportunities for research staff and students to be immersed in transdisciplinary teams focused on achieving solutions to society's problems. They will lift themselves to meet the intergenerational challenges and aspirations of the communities in which Waipapa Taumata Rau is located.

We also acknowledge our outstanding researchers who rise to meet the challenges using a transdisciplinary approach that embodies Mātauranga Māori – our Indigenous research methods and knowledge systems. (See case study, right.)

Mā te mārama, ka mātau. **Through understanding comes knowledge.**

Taumata Teitei envisages the University to be a unique and highly valued partner of choice for tangata whenua, iwi, national and Pacific communities and organisations, industry and international partners. We aim to be recognised and valued by our communities for the contributions we make towards a more sustainable future for all.

Our vision signals a strong commitment to sustainability and the preservation and enhancement of our natural world, as well as an emphasis on the positive impact that Waipapa Taumata Rau must have on the global, social, and economic systems critical to collective problem solving and equitable outcomes across the world. At the forefront, we must demonstrate our belief in thriving ecosystems, fair and inclusive societies, innovation-led economies, and to meet our responsibilities to Māori, Pacific, and students of all socio-economic backgrounds.

An ambitious and broad sustainability plan – Sustainability Strategy 2022-2030 – is being developed that strongly reflects the commitment expressed in *Taumata Teitei*. It will integrate sustainability into our research, teaching and learning, as well as our engagement with our environment and people. The Sustainability Strategy development is closely integrated with initiatives that will deliver our Education and Student Experience, and Research and Innovation outcomes. ►

Saving our rivers

Environmental scientist Dr Daniel Hikuroa (Faculty of Arts, pictured left), Professor Gary Brierley and anthropologist Distinguished Professor Dame Anne Salmond, are encouraging the use of Indigenous knowledge to help rescue Aotearoa's waterways. They are taking the approach of seeing a river as a living river, rather than a resource to be exploited.

Statistics published by Land Air Water Aotearoa show two-thirds of our rivers have impaired ecological health from the presence of harmful bacterial and chemical contaminants, changes to habitat and the effects of nitrification and loss of Indigenous biodiversity. Central to this problem is an entrenched anthropocentric mindset that positions people as being separate and superior to the 'natural world', with water as a resource for social and economic advancement and rivers to be tamed and controlled.

The Let the Rivers Speak research team wants to change this mindset and address the urgent ecological crisis facing river systems using a whakapapa-based approach founded in Mātauranga Māori and te ao Māori. The research recognises that rivers are complex systems and is guided by the concept of Te Taiao, a deeply interconnected system comprising Taimoana (the realm of water), Taiwhenua (the realm of land), Taitangata (the realm of living things) and Tairangi (the realm of the atmosphere).

Taumata Teitei values a diversity of world views and calls on all members of the research community to exercise reflexivity and critical consciousness to reimagine their research practice as an inclusive, relational inquiry where different voices and perspectives are required to address societal problems.

The long-standing work of the research team contributed to a significant policy shift in 2020 with the launch of the Essential Freshwater Package. This included a new National Policy Statement for Freshwater Management and a strengthening of Te Mana o te Wai as the central concept for the country's freshwater management. The inalienable rights of rivers to health and well-being are given the highest priority and local government is required to partner with tangata whenua to develop integrated management plans founded in Te Taiao and the principle of ki uta ki tai (from the mountains to the sea).

The team is working with iwi, local communities, councils and researchers from across the theoretical and social sciences to restore the mauri (lifeforce) and ora (health, well-being, prosperity) of the Waimatā River in Gisborne through a project funded by Royal Society Te Apārangi Te Pūtea Rangahau a Marsden.

The lead investigators for the project are Distinguished Professor Dame Anne Salmond, Dr Dan Hikuroa, Dr Billie Lythberg, Associate Professor Siouxsie Wiles and Professor Gary Brierley.

Mā te mātau, ka ora. Through knowledge comes well-being.

The Covid-19 pandemic has significantly affected the global economic situation and dramatically affected the University's activities. Alongside the Covid-19 mitigation response and preparations for returning to on-campus teaching, research and other activities, the University has modelled the financial impacts on its student profile and research activities, arising from the government's response to Covid-19. A sustainable recovery approach has been developed to allow the University to return to a sound financial footing over the medium term, and to ensure we are able to achieve the ambitious change agenda and commitments established by *Taumata Teitei*.

Te Rautaki Tūāpapa, the University's inaugural Estate Strategy 2021-2030, has been developed and approved. Built upon the platform provided by *Taumata Teitei*, it is formed with reference to the University's key estate principles that articulate our commitment to responding to the challenges of today and the future to deliver a physical campus environment that is distinctive, capable, flexible, sustainable and which celebrates our distinct sense of place in Aotearoa New Zealand and the Pacific.

The capital programme will see estate-wide priorities progressed through to 2030 including the net-zero carbon estate 2030, distinctive campus projects, Brilliant Basics projects (facilities and services to enhance student and staff experiences), teaching space upgrades, rolling refurbishments, and asset replacement. Major projects are being undertaken between 2021 and 2024 for the Faculty of Education and Social Work, Faculty of Arts, the Recreation and Wellness Centre, and Tai Tokerau Campus.

Whakamana Tangata, our Student Services Strategy, was endorsed in 2019 to deliver a transformative and inspirational student services experience and encourage a lifelong connection with the University. The intended outcomes, *ngā hua*, were developed using *te ao Māori* principles to be delivered through the Student Services Function reviews and related initiatives. The first phase of the transformation was agreed in 2021. Phase Two will be progressed in 2022. The success of the Strategy will be measured by *Mana Motuhake* – a student-centred approach that includes *pae tawhiti* student success, *tātai hono* career support and lifetime engagement, and *whakamana taonga* inclusive culture and student well-being.

Te Rautaki Matihiko, our Digital Strategy 2025, supports *Taumata Teitei* priorities through its key themes of supporting digital dexterity to establish improved experiences, addressing digital inequalities, and improving decision-making through the ethical use and collection of data.

Taumata Teitei is grounded in the University's commitment to the principles of *Te Tiriti*, diversity, inclusion and well-being. Waipapa Taumata Rau is to become a place where *te reo Māori* can flourish, where the language is used by everybody, everywhere and every day. The commitments of the University towards achieving this aim are outlined in the University Language Plan for the Revitalisation of *Te Reo*

Māori: *Te taonga nō tua whakarere, he taonga mo āpōpō*: A treasure from ancient times, and for tomorrow.

In 2021, the University advanced this commitment by launching a new version of its website that includes *te reo Māori* headings alongside the English ones. This initiative is part of the University's ongoing Revitalisation of *Te Reo Māori 2020-2025* plan, and joins other programmes including *Te Kūaha*, *te reo/tikanga Māori* learning app, bilingual signage on campus, and the *Kuputaka te reo Māori* glossary of University terms and titles.

Te Taumata Ngaio, the University's *te reo Māori* capability development programme, began to deliver *te reo Māori* classes tailored to staff needs from Semester Two, 2021. More than 240 permanent and fixed-term staff enrolled in the programme, which has expanded options and places available from 2022.

The people impacts of *Taumata Teitei* are significant. The focus on a transdisciplinary approach to solving critical high-impact challenges through our teaching, learning and research, and the ability to deliver world-leading teaching and research grounded in our unique position in Aotearoa, with deep connections to our communities, requires an academic staff workforce to flourish in such an environment. The Academic Workforce work stream seeks to identify the characteristics and capabilities required of our future workforce to deliver the impacts sought by *Taumata Teitei*. A workforce best able to deliver on the Strategy's commitments, while being agile enough to respond to external conditions and demands yet to be known, will make a significant contribution to our becoming *Waipapa Taumata Rau*.

Wawata

'*Me tiro whakamuri, kia anga whakamua*' is a *whakatauki* (*Māori* proverb) that translates as 'look to the past in order to move forward'. While the world is undergoing unprecedented changes, it is more important than ever that we look for guidance from ancestral wisdom, Indigenous languages and histories, and build *te ao Māori* principles into *Waipapa Taumata Rau*.



2021 Graduate Destination Survey

As well as disciplinary knowledge, our student experience encompasses transdisciplinarity and collaborative teaching and research, and is centred on our location and connection with local communities and stakeholders.

Through their University of Auckland experience, our graduates gain the capabilities and courage to navigate an ambiguous and constantly changing work environment, one complicated by the unprecedented uncertainties of the Covid-19 pandemic. At the heart of this experience is the University's commitment to preparing graduates for their futures and for the betterment of the society.

The University's Graduate Destination Survey (GDS) provides important insights into our graduates' experience and the impact of that experience on their employment and other life choices.

The GDS is a biennial survey of those who completed their degree or diploma in the previous two years. To date, 10,241 graduates have participated in the GDS. In 2021, more than 20,000 graduates were invited to participate in the survey, with an overall response rate of 24%.

The survey seeks graduates' responses to questions about their experience with the University, post-graduation employment patterns, pursuit of further studies, volunteer work, entrepreneurship, family-caring responsibilities and other activities. The information collected is used to better support current and future learners at the University.

The majority of our recent graduates (89%) indicate that they are engaged in full-time or part-time employment or due to start a job in the next month. Of all graduates in the 2021 survey, 21% say they are undertaking further study. This is marginally lower than in 2019 when 24% were in further study. Wanting to improve career options is the most frequent reason for graduates to undertake further study.

We have seen a steady improvement in the employment rate¹ of our graduates since the survey was introduced in 2017. In 2021, the overall rate is 97%, from 96% in 2019 and 95% in 2017. The improved employment rate of our bachelors graduates is a significant factor in the increase. That has gone from 94% in 2017 to 96% in 2021. The employment of our postgraduates is relatively stable. The 97% employment rate in 2021 is a marginal improvement on previous survey rounds (96%). More than half of our graduates in the workforce either had their job before completing or within three months of completing their programme.

Our international undergraduate cohort employment rate has improved to 92.7% in 2021 from 89% in 2017. Our Māori graduates have shown an increased employment rate from 94% in 2017 to 96% in 2021, whereas the employment rate of our Pacific graduates has remained at 96% since 2017.

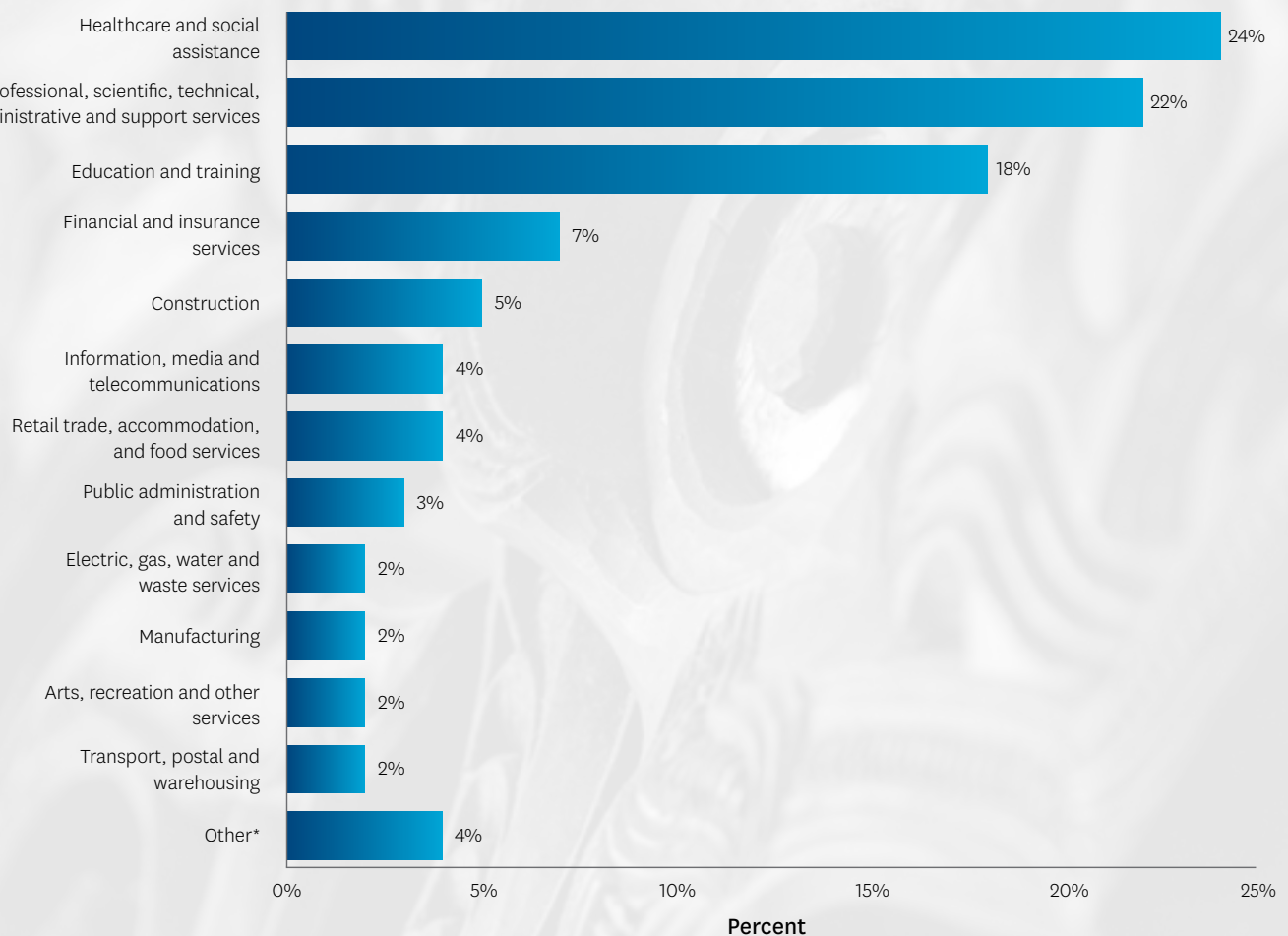
The employment rates vary across the areas of study, as represented by our faculties in the table below.

2021 Employment rates by faculty %

Faculty	
Arts	91%
Business and Economics	97%
Auckland Bioengineering Institute	100%
Creative Arts and Industries	96%
Education and Social Work	99%
Engineering	98%
Law	98%
Liggins Institute	100%
Medical and Health Sciences	99%
Science	93%
Overall	97%

Employment Rates by faculty. Source: Graduate Destination Survey

In which sector are you mainly engaged?



Number of employed respondents as a percentage of respondents in the workforce, calculated as the total number of respondents minus those in further study or not part of the paid workforce (retirement, full-time caregivers). Source: Graduate Destination Survey

The majority of graduates are working in healthcare and social assistance, other professional, and education and training sectors. Most of them (86%) declared their job is directly or somewhat related to their degree.

Our domestic graduates continue to be satisfied with the quality of their programme (88%) and agreed that they gained a range of skills that are valuable to their employment and personal development. Subject matter knowledge (90%), effective use of information (90%), problem solving (85%) and communication skills are among the skills our graduates recognise as being provided by their study.

International survey respondents told us that they are most appreciative of the skills in spoken communication (80%) and collaboration (83%) gained from their degree. They also recognised that their programmes had given them the ability to share ideas (82%), think critically (89%), and solve problems (88%).

In 2021, the GDS expanded to include our PhD graduates with questions specifically designed to understand that cohort. In particular, 95% of our PhD graduates agreed that their programme improved their research and data analysis skills, and about half of those who are currently in the workforce are either in paid employment in a field related to their doctorate or engaged in a postdoctoral position (fellowship or scholarship).





Faculties, Institutes and UniServices

The Auckland Bioengineering Institute

The Auckland Bioengineering Institute (ABI) is a world leader in computational physiology and development of novel bioinstrumentation. While the past two years threw us some curve balls, achievements have demonstrated our resilience, agility and adaptability. These included overseas PhD students starting their programme remotely, doubling our summer student intake since 2019 (including a large cohort of Māori and Pacific students), and innovative and collaborative research projects.

We have been addressing the strategic Research and Innovation initiatives in *Taumata Teitei* and obtained a \$15m Catalyst grant (over five years) from the Ministry of Business, Innovation and Employment (MBIE) to integrate the ABI's computational organ models into whole-body models that can be personalised and used to interpret wearable, implantable, and home-based health data. This internationally linked 12 Labours Project will guide much of the ABI's physiological modelling work over the next five years and is providing the basis for addressing the healthcare challenges that all developed countries are facing.

The ABI is developing a strategic plan document for a medical technologies innovation quarter (Medtech-iQ) in Grafton and Newmarket, approved in principle by Council and incorporated into the University of Auckland Estate Plan. We also obtained a \$1.5m grant (over 18 months) from the University to maintain our national medtech networks, including researchers associated with the Centre for Brain Research, and an \$8.1m 'Research Translator' grant (over three years) from MBIE to maintain the research commercialisation pipeline we established in the MedTech CoRE (Centre of Research Excellence). Both initiatives

are included in the new Te Titoki Mataora programme. We commissioned Deloitte to develop a business case for investment in Medtech-iQ by government, Auckland Unlimited and the business community.

We have strengthened and deepened our relationship with tangata whenua by establishing a Māori Advancement Committee to further enhance the Māori-ABI partnership through application of Kaupapa Māori principles.

Despite border closures we have managed to increase our EFTS, largely due to increased domestic enrolments. Recruitment initiatives such as attending student-led events, talks and targeted marketing via social media, proved successful in fulfilling key priorities in *Taumata Teitei*. We look forward to welcoming more international students into the country when possible; we currently have a number of international students waiting to pursue postgraduate opportunities at the ABI.

The ABI has also been working to create more accommodating pathways to our postgraduate research programmes. A Master of Engineering with Bioengineering Specialisation (ME 180) was approved to start from Semester One 2022. This will attract students from other disciplines and those overseas who are lacking research experience.

Overall, despite Covid-19, 2021 was successful for the ABI. Sourcing new research revenue opportunities and adapting to changes in the funding landscape are high priority for the Institute in 2022 to ensure we can continue our growth and success as world leaders in our field.

Faculty of Arts

The Faculty of Arts had an extremely successful year, growing its student numbers at both undergraduate and postgraduate levels.

There was a smooth transition between on-campus teaching and remote teaching and learning when the August lockdown began. The faculty also responded well to the digital hardship requests from many students and worked closely with central service teams to dispatch resources. Arts+ and Tuākana support proved beneficial where both groups supported student mental health and well-being initiatives through online delivery mode.

The faculty worked towards establishing research impact awards that represented transdisciplinarity across Arts, Business, CAI and Education. In alignment with *Taumata Teitei*, this initiative has resulted in initial steps towards research collaboration with colleagues in CABLE faculties (Creative Arts and Industries, Arts, Business and Economics, Law, and Education and Social Work).

The staff research mentoring programme was developed further and this year mentees were offered a series of workshops that focused on career development – applying for external grants; effective online teaching and learning; community engagement; and future direction in research. Furthermore, a number of workshops engaged our early-career researchers with Vision Mātauranga.

The Dean progressed discussions around creating a comprehensive faculty research funding structure to implement strategies to better support and sustain Arts research centres and hubs. A committee will provide an oversight on funding requests and ensure that research projects embedding Vision Mātauranga, and/or environmental sustainability are prioritised.

First-year courses have been developed to address the transition challenges faced by many incoming students, especially high-school leavers. Te Pārekereke and Ko Wai Tātou (Arts Gen 104 and 103 respectively) provide first-year students with an understanding of academic

skills required to succeed at university level and connect them with their tūrangawaewae to enhance their sense of belonging. These offerings will also help address the wider challenge of attracting and retaining first-year students at the University.

The Ako Arts initiative is being reviewed and refined by working closely with course convenors across disciplines. Future focus will be for the newly recruited Kaitui to further enhance the learning experience for all students and embed Mātauranga Māori and Pacific knowledge within the classroom.

The faculty has developed key named degree programmes, including the Bachelor of Communication, being introduced in 2022. New postgraduate study pathways include introducing the 180-point MA degree structure and gaining Provost, Deans and Directors Committee approval to develop Master of Communication and Master of Screen Production programmes for approval and implementation in 2023.

Training is being delivered around Mātauranga Māori, both in-person and through digital platforms. The faculty has developed audio files and podcasts to support the learning of karakia and te reo Māori pronunciation and a repository of reference material and videos for staff will be bolstered in 2022.

Arts proceeded with key priorities of engaging with tangata whenua and supporting professional development for staff towards understanding Te Tiriti obligations. The faculty offered two rounds of te reo Māori and tikanga classes across the year. Faculty meetings and key events were opened and closed with a karakia and mihi where appropriate. The Arts faculty values, ō Tātou Mātāpono, were embedded as a key cultural component. The faculty's leadership team attended a one-day online wānanga with Ngā Uri o Whangaroa to deepen our understanding of Te Tiriti and partnership obligations towards tangata whenua. Planning is underway for an in-person noho marae for members of the senior executive team in 2022.





Faculty of Business and Economics

In 2021, the Faculty of Business and Economics (the Business School) focused on teaching innovation. A range of new professional masters programmes were rolled out, including the new BCom core curriculum, with a greater focus on interdisciplinary teaching, team-based and experiential learning. The stage one core launched in Summer School and Semester One, and subsequent launches of stage two (2022) and stage three (2023) are planned. At first-year level, the core offers a broader, more holistic introduction to Business, spanning disciplines from across the departments in the Business School. It ensures that students learn about business in a more integrated way with an increased focus on innovation, entrepreneurship, sustainability and ethics. Despite the difficult teaching and learning environment in 2021, student feedback has been positive and attendance at workshops high.

Additional contestable funding was provided to support projects that helped reduce workloads for teaching staff, created efficiencies, enhanced teaching materials, encouraged cross-disciplinary collaboration, and improved the student experience. Uptake was extensive with 65 teams funded. The resources and artefacts created from these projects will be shareable across different programmes in the Business School.

Business School staff taught at the Tai Tonga Campus for the first time, enabling students in South Auckland to study closer to their home environment. Students have responded positively to this new initiative, and staff are enjoying the experience of teaching in a different environment.

In another innovative project, the Business School has developed a new programme in conjunction with Manurewa High School. In a pilot programme at the Tai Tonga Campus, Year 13 students will study Bus111 with

the opportunity to achieve a course credit. The programme will build confidence among participants and normalise tertiary education as a post-secondary pathway.

During 2021 the Business School started the process of organising academic staff into disciplinary areas. Major drivers for this include facilitating the growth of transdisciplinary research and teaching, supporting early-career staff by providing them with a distinct disciplinary home, and helping break down departmental silos.

The BNZ Financial Trading Room was opened in June 2021. This facility will help staff to deliver programmes that connect theory with practice through a series of hands-on finance and accounting seminars, modelling workshops, and business case studies or simulations.

In other highlights, Professor Brigid Carroll was appointed the Fletcher Building Chair in Leadership and Director of the Aotearoa Centre for Leadership and Governance. Associate Professor Chris Woods has been appointed as the Theresa Gattung Chair for Women in Entrepreneurship. She will lead the Centre for Enterprising Women, a hub for high-impact postgraduate research helping drive policy outcomes for women, as well as facilitating networks and mentoring programmes. It will form part of the ecosystem of Centres connected with entrepreneurship in the Business School.

The Centre for Innovation & Entrepreneurship (CIE) won an award from the Global Consortium of Entrepreneurship Centres, a group of 250 leading university entrepreneurship programmes, for Outstanding Student Engagement and Leadership, with the University of Auckland named by *Newsweek* as one of the world's best Maker Schools in Higher Education in 2021.

Faculty of Creative Arts and Industries

The Faculty of Creative Arts and Industries (CAI) continues to fuel the creative sector with innovative programmes and research. In 2021, CAI student numbers grew in all disciplines in both domestic and international sectors. In a constrained environment, new programmes in Fine Arts (BFA, MFA), Design (MDes), Music (MMus) and Planning (BUrbPlan Hons) were offered for the first time and new PhDs in Design and Heritage Conservation were introduced.

The hallmark of these new programmes is that they are industry relevant, community focused, and they allow interdisciplinary studies beyond the faculty. These attributes will be further enhanced by the Curriculum Framework Transformation project underway in the University. A Diploma (Project Management) was launched in 2021 as a post-professional qualification for building industry professionals. Work is also well advanced for the implementation of the MHous and MUrbPlan (Prof) degree in 2022 and the Master of Arts Therapies in 2023.

Teaching and learning practices under lockdown adapted dramatically, a change that remains challenging in creative practice-based disciplines. Building on online experience garnered in 2021, CAI is developing aspects of online delivery capability through Teaching and Learning Development Grants with a view to improving academic quality, while reducing staff and student workloads. We have successfully trialled innovative alternative remote assessment and examination practices in performance and visual arts disciplines.

While performance and exhibition-related research has inevitably been curtailed due to lockdowns, the focus in the faculty has been the development of new transdisciplinary

research initiatives including Māori housing and Indigenous well-being in collaboration with other faculties.

The faculty has been engaged in te reo Māori naming protocols for the four schools and the faculty. This work is almost complete and will be celebrated in early 2022. CAI has appointed an inaugural Kaiārahi to facilitate a te ao Māori approach within the faculty. Progress has also been made in hiring Māori and Pacific staff in the Architecture and Design Programmes in 2021.

CAI continued to increase postgraduate taught and PhD student numbers. New scholarships were introduced for both domestic and international candidates to achieve this. Growth is also evident in disciplines where PhD enrolments have been historically low (music and fine arts).

Operationally, significant work was undertaken in managing the Student Services Function Review, implementing Covid-19 health and safety protocols in the faculty practical spaces, and introducing technical innovations around alternative examination practices. Our people consistently applied an agile approach to each new challenge.

The cancellation of many of CAI's 300 annual events has had a big effect on our ability to interact with our stakeholders and communities. We have, however, continued to attract philanthropic contributions and engage our supporters online. A review of campaign fundraising activities conducted by Alumni Relations and Development has helped establish a future direction as the faculty's refreshed leadership team takes up the challenges of 2022 and beyond.



Faculty of Education and Social Work

As in 2020, the Education and Social Work (EDSW) programme delivery was disrupted by the prolonged Covid lockdown that began in mid-August. Professional programmes preparing teachers and social workers were the most disrupted. Many students were on practicum when the lockdown began or were due to commence placements. Some were able to join schools or services as their operations moved online or participate in limited on-site work in those places where services continued to be delivered in this mode. The faculty worked with registration authorities to ensure that the mix of online teaching and practicum experience or practicum alternatives enabled students to progress and that those in their final year who had achieved practicum course learning outcomes were able to graduate.

Through the year the faculty's Student Success Committee worked to ensure students engaged with learning, while also providing academic and pastoral support. The faculty employed a dedicated academic staff member responsible for offshore students. The staff member worked alongside lecturers supporting offshore delivery, initiated online social and academic events, and worked with key staff trialling group supervision models for research students.

A new Bachelor of Early Childhood Studies was approved for delivery in 2022.

Faculty staff secured research funding from a range of sources: two Marsden grants (one with the University of Waikato), a Marsden Fast-Start, a Teaching and Learning Research Initiative award, an Auckland Medical Research Foundation fellowship, and funding from the US-based Spencer Foundation. Consultancy contracts with

government ministries and philanthropy have supported many researchers, particularly in the Centres for Arts and Social Transformation and Asia Pacific Refugee Studies.

The Associate Dean Research led a workshop series for early and mid-career researchers to support grant readiness and improve impact. Staff engaged in the Cross-CABLE network (including winning five research impact awards) and participated in cross-faculty networking events with the Schools of Pharmacy and Psychology. Meetings to share research topics and expertise were held with the faculties of Medical and Health Sciences and Law.

Many staff participated in Transdisciplinary Ideation Fund workshops, with eight academics being involved with successful bids, including one as principal investigator.

The faculty's Tumu met with the leadership rōpū of Ngāti Whātua o Ōrākei to discuss joint initiatives. Funding has been set aside to work with hapū researchers, e.g., creating research internships and summer studentships, scoping a programme of professional development for hapū researchers, and assisting Ngāti Whātua to establish online resources for a localised curriculum.

The School of Counselling Human Services and Social Work created a Tātatariki position to support its work with Ngāti Whātua, adding mana to work incorporating Mātauranga Māori in social work qualifying programmes. The faculty cemented articulation agreements with universities in China, Vietnam and Malaysia to facilitate international students' enrolment in the BEd TESOL and Bachelor of Early Childhood Studies.





Faculty of Engineering

Despite the significant disruption of Covid-19, 2021 was an extremely successful year for the Faculty of Engineering.

In the education and student experience area, Engineering saw a large Part I domestic intake and continued to track above predictions for Part I international enrolments. The transition to online learning and remote research operations went smoothly, showing a high degree of preparation and commitment from our staff and students. The Graduate School of Engineering successfully introduced its first online programme, which has proved popular with working professionals. The faculty also introduced new programmes such as Master of Materials, Medical Engineering, a Health Specialisation of the Master of Engineering Project Management, as well as the first intake of Aerospace and Robotics & Automation masters students.

Co-curricular and student outreach activities continued successfully online. The Dean's Leadership Programme continued to deliver high-quality experiences to high potential students, with the adjustment to online delivery creating an opportunity to invite a wider range of guest speakers than an in-person delivery would have allowed. The Women in Engineering outreach activities, the Formula SAE, and Auckland Programme for Space Systems all successfully adapted their activities to online delivery.

In terms of research, the faculty did extremely well in attracting research income as well as creating impact. Te Pūnaha Ātea the Auckland Space Institute (ASI), secured the Methane Sat contract and will host the Mission Operations Control Centre (MOCC) to monitor, control, and support the satellite to detect global methane

emissions as part of the international effort to combat climate change. The ASI is also developing a national test facility available to industry and other researchers in the space field.

Another area of research is linked to developing vehicle-side and in-road charging technology for electric vehicles, which also attracted investment. One of our staff was named on the prestigious Highly Cited Researchers list in 2021, and some Faculty members were recipients of the Prime Minister's Science Prize. Other researchers were profiled in media pieces, covering topics such as the hazards of "forever chemicals", adding seismic strength to high-risk buildings, accurate cataloguing of space debris, carbon fibre for seismic strengthening of floors, and wirelessly powering electric vehicle recharging.

While our partnerships and engagement activities were affected by Covid-19, it is important to highlight the continuation of the Apollo and Genesis programmes, which provide a pathway for Māori and Pacific students to engineering. These programmes provided unique pathways to high-potential students who likely may not have secured a place in Engineering. The delivery and expansion of Te Wheiao – introduction to te ao Māori programme – enabled a number of staff to grow a solid foundation for further learning and practical application in research relationships and working with Māori. Another key indicator was the Waipapa Toitū workshop, which was our first step in the process of our faculty strategic plan refresh. The faculty also successfully supported the formation of the Faculty Sustainability Committee.



Faculty of Law

Despite another challenging year, the Faculty of Law continued to contribute to the achievement of the vision and priorities outlined in *Taumata Teitei*.

Teaching was significantly disrupted due to lockdowns. Despite this, the faculty delivered another strong performance in teaching, reflected in student evaluations and nominations by students for the faculty teaching awards. The faculty is consulting on the best way to embed te ao Māori principles into all compulsory law courses, as the Council of Legal Education has proposed making this a part of legal education throughout Aotearoa.

Online teaching resulted in the universal uptake of Inspira online exams. In Semester Two, half of the Law Faculty courses adopted Inspira Smarter Proctoring. While there were some teething issues, especially around communication to students, overall the experience was smooth.

Significant achievements in the research area included the election of a faculty member to the Fellow of the Royal Society of NZ Te Apārangi, and being awarded a Marsden grant; election as a Research Member of the European Corporate Governance Institute; a membership to the Royal Historical Society; a Carlowitz Sustainability Prize; and having winners of a CABLE Impact Award. Grant successes included a Marsden grant, a Borrin Foundation grant and MBIE funding.

Staff contributed to Aotearoa, Australasian and Pacific areas in various ways including providing expert advice to the Privileges Committee of Parliament; having an expert adviser to the Sāmoa Court of Appeal; and having a staff member serve on an International Law Association Study Group on Regional Organisations, the only member from Australasia/Oceania.

External engagement included book launches and public lectures, held either in person or on Zoom. For example, a series of seminars was held by the NZ Centre for Law and Business; staff presented public lectures on a range of topics such as Law and Big Tech, the anniversary of 9/11, improperly obtained evidence in New Zealand, and a seminar on the first 100 days of Joe Biden's presidency; and the NZ Centre for Environmental Law co-hosted a public lecture by the Minister for Climate Change.

The faculty continued to strengthen its understanding of and commitment to tikanga, te reo and te ao Māori principles. These included regular wānanga to learn about tikanga and te reo, and the composition of a faculty karakia. Meaningful partnerships were nurtured or developed with tangata whenua including supporting the Māori Law Students' Society, Te Rākau Ture, on its annual haerenga to Tai Tokerau and a successful roundtable between the faculty and leading Māori lawyers.

Faculty of Medical and Health Sciences

In 2021 the Faculty of Medical and Health Sciences (FMHS) has continued to focus on optimising and adapting professional teaching programmes to meet the needs of current and future students and the communities in which they will work. Part of our strategic planning has seen the completion of a feasibility study for a new broad undergraduate health degree, with the possibility of new graduate health-professional education. We have also been reviewing a number of our existing postgraduate course offerings, to ensure alignment with our long-term strategy and vision, aiming to consolidate a number of them in 2022.

We have also had success with our first cohort of students completing new professional qualifications in a Master of Nursing Science, as well as Bachelor of Medical Imaging (Honours). In addition, our Medical Programme was re-accredited by the Australian Medical Council until 2026 with no conditions, an outstanding outcome given Covid-19 disruptions.

In research, FMHS has secured a number of important new projects, most notably a significant government-funded project to support vaccine development to help prevent rheumatic fever and rheumatic heart disease, as well as a successful application to the prestigious non-profit Wellcome Leap fund (a first for our faculty), to develop a Staphylococcal mRNA vaccine.

FMHS made a number of strategic investments in 2021 with the help of generous philanthropic gifts. One of the most significant is the Faculty's Precision Medicine Initiative which will ensure that the University can use

research and new genomics techniques to transform the way healthcare is delivered to patients for a wide range of medical conditions, including diseases of the heart, the lungs, inherited conditions in newborn babies, and patients with cancer.

The faculty also became host to the new Centre of Research Excellence for Healthy Hearts, Manaaki Mānawa, for Aotearoa New Zealand (HHANZ), a national Royal Society-funded initiative led by the University of Auckland, leading an integrated national network of heart researchers, clinicians, and community experts.

FMHS has created a new senior research repatriation fellowship in cancer research and an investment in a portfolio of translational cancer research projects in partnership with the Auckland DHB. With the support of the wider university, we also made a strategic appointment as a joint initiative with the Business School to bring on board Professor Paula Lorgelly, a health economist, starting with us in early 2022.

With the Covid-19 pandemic having a significant impact this year, a number of our academic staff were highly visible, engaging strongly at both national and global level, working with government and national media to help provide sound, scientific advice to help educate the public and counter misinformation campaigns as they arose. They also provided significant support in promoting Aotearoa's vaccination efforts, including being instrumental in providing on the ground support and strategic advice for the Māori and Pacific vaccination drives.



Faculty of Science

Science had an eventful year, with Covid-19 disruptions having a strong part to play. Nevertheless we made significant progress on initiatives supporting *Taumata Teitei*.

In education and student experience, Science completed the BSc curriculum reform, which has been underway for several years. The new structure has held up well against the emerging Curriculum Framework Transformation priorities, with the ability to readily accommodate the proposed graduate attributes. New online programmes in Applied Psychology and Cybersecurity have proven popular, targeting those seeking to expand their knowledge while still in the workforce. We were pleased that, despite the odds, the faculty had its largest ever enrolment, retaining many of our offshore students and increasing domestic enrolment.

Naturally, student engagement was a strong priority during the year given the moves in and out of lockdown, and we were delighted that this led to an increase in both Māori and Pacific student retention rates. Of note in the equity area was the launch of our Ngā Motu Whakahi initiative with its goal of growing the pipeline of Māori and Pacific students from high school through to undergraduate and postgraduate studies and onto research employment.

In research, we had a significant number of staff engaged in government Covid-19 response efforts, providing insightful public commentary as well as developing Covid response tools, such as Orbis Diagnostics' immunity testing platform. The faculty has been active in developing proposals for the new University Research Centre scheme, hosted within the faculty but with interdisciplinary membership.

The excellence of our research activity was recognised in many ways, including a record Marsden grant round, further funding of our two hosted CoRES, Royal Society Fellowships and New Zealand Honours to several staff, which reflect not only the high quality of the research they have undertaken but the tremendous societal contributions they have made during their careers. (See page 5.)

Members of the faculty have been influential in the development of the University's Sustainability Strategy and the faculty has been actively tackling the issue of academic travel which contributes to much of the carbon footprint of the institution. Community engagement has been a strength throughout the year, and the faculty is developing its own engagement strategy to align with *Taumata Teitei* in this area.

Despite Covid-19's disruptions, Science continues to receive strong philanthropic support from the community, with a response to kauri dieback emerging as a popular area for donors to support. Areas that have been supported well in the past, such as marine restoration, are bearing results and showing significant impact through community partnerships that are able to scale activity.

Liggins Institute

As a Large Scale Research Institute, postgraduate students are the engine-room of the Liggins Institute's research endeavour and, previously, the majority of these research postgraduate students were international doctoral students. With the closure of international borders and significant restrictions in Auckland, we have focused on ensuring our students received every support to be able to complete their research degrees to the highest quality, reflected in record numbers being placed on the Dean's list for outstanding theses.

We have grown our internship programme, which engages undergraduate medical students in vertically integrated research projects over two years, to an intake of four students in 2021. As well, 40 percent of the student intake in 2020 and 2021 were Māori or Pacific. Philanthropic support has been crucial for helping students whose timelines were disrupted to complete their research, and also to support new students, including increasing numbers of honours and masters students taking on postgraduate research degrees in an uncertain time. Students continue to be involved at all levels of the Institute.

Our research has always had a strong transdisciplinary core and this continues to strengthen. In 2021 we invested in growth of the University's Human Health Research Services Platform, hosted by the Liggins Institute. Our partnerships in the Pacific and with the community include a significant research prioritisation exercise in perinatal health and the establishment of the Covid-19 pregnancy registry.

The two National Science Challenges hosted by the Liggins Institute, High Value Nutrition Ko Ngā Kai Whai Painga and A Better Start E Tipu e Rea, have had successful years despite pandemic restrictions and are well-poised for the final years of these Challenges. We continue to place strong emphasis on translation of our research, through research synthesis, guideline development and implementation.

We grew our international partnerships, including a new Wellcome LEAP First Thousand Days programme and have strengthened our engagement with Institute supporters and the public through online webinars, newsletters and, when possible, in-person public events.



Professor Dame Jane Harding and post-doctoral fellow Anthony Walters look through Mont Liggins' original notebook entries.

UniServices

UniServices is a major driver of the growth of research and innovation at Waipapa Taumata Rau, the University of Auckland. Working alongside academics and funding partners, UniServices helps turn new ideas or aspirations for future research into funded programmes of work that capture those ideas, creating significant new knowledge and expertise. We then help translate these into impact through our wholly owned businesses and our portfolio of IP licences and start-up companies. This work aligns to *Taumata Teitei* in many places, principally in research and innovation.

UniServices has three key focus areas: 1. Attract and grow the flow of research funding into the University, supporting established researchers as well as new and emerging researchers to make substantial contributions to their academic disciplines and to challenges faced by society; 2. Create and operate businesses and services that translate cutting-edge research findings into beneficial impacts in the community, with a special emphasis on co-design and co-implementation with Māori and with Pacific communities; and 3. Protect and commercialise the intellectual property estate of the University, delivering new products, new companies and new jobs that contribute to societal good and economic prosperity, as well as investing in young entrepreneurs and helping them take their place in New Zealand's future.

In 2021, UniServices secured research funding for hundreds of new and/or ongoing research projects in a wide array of disciplines across arts, science, medicine, engineering, education and social sciences. Our business units delivered critical training and workforce development to the Covid-19 response at unprecedented scale, including many thousands of Covid vaccinators here in New Zealand and in several nations in the Pacific, many hundreds of social workers in mental health and family violence services, and many hundreds of principals and teachers in the New Zealand public school sector. Our business units also delivered advanced medical imaging services, extended the largest longitudinal study of young New Zealanders and their families, and provided a pathway into the University for international students already in New Zealand and others in their home countries.

Covid also drove record levels of activity in commercialisation, with new opportunities arising from researchers who could not access their laboratories during lockdown and from the surge in invention and innovation seeking to develop and deliver solutions to the Covid crisis. Some of these new ventures focused on rapid testing technologies, vaccine innovations and novel anti-viral drugs, while others focused on new ways of working and learning remotely, in addition to the rich variety of other start-up ideas that arise from the breadth and depth of research at the University.

Despite significant disruptions to our contracting activities and our inability to travel internationally in pursuit of contestable funding rounds, UniServices delivered more than \$250m of new contracted research revenues in 2021. UniServices has maintained the profitability of its business units in keeping with the 2021 target. Growth in revenues and in impact were strong in a number of business units. There was an increase in the number of new ideas entering the commercialisation pipeline from both established researchers and student entrepreneurs in 2020. The UniServices team was able to move many of these opportunities through the pipeline in 2021. The overall value of the start-up investment portfolio grew significantly this year, by more than 50 percent.

UniServices successfully implemented the Covid Health Orders for workers in healthcare and education without the loss of a single employee. We consulted widely and often, worked individually with staff members who had concerns and managed our way through the process while preserving our relationships and shared values.

With staff spread across much of New Zealand, 2021's Delta outbreak posed challenges for the company in supporting their well-being, but we were able to maintain flexible working locations and hours, adjust priorities for work-life balance under trying circumstances and, through it all, still see incredible commitment and delivery across our whole organisation.



03

Statement of service performance

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Statement of Service Performance

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

This name Waipapa Taumata Rau establishes that our purpose 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: teaching, learning and scholarship; the production and application of research outputs and creative works; and 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 reports on the progress of the proposed outcomes described in the Investment Plan 2020-2022 (the Plan). The statement also provides a summary of the University’s equal employment opportunities activities, the ways in which these have been addressed through recruitment of under-represented groups, and how student progress has been enhanced.

The statement is structured to align with the goals in the new plan, *Taumata Teitei*. The targets for each metric are determined as part of the University’s annual planning and budget cycle. As the outcomes and measures set out in the University’s approved Investment Plan 2020-2022 were intended to explain the outputs of the University’s previous Strategic Plan, the mapping table opposite explains the linkages between our Investment Plan 2020-2022 outcomes and our new Strategic Plan *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 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		Objective 10 Dissemination of high-quality research that has the greatest possible impact on and value for Aotearoa New Zealand and the world
	Priority 3 Relevant, purposeful, impactful research for our communities		
	Priority 4 Ambitious research confronting humanity's greatest challenges		
	Priority 5 Nurture, recruit and retain outstanding research talent		
	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 for all		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 for the University to ensure its operations are 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.

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

	2019 Actual (\$000)	2020 Actual (\$000)	2021 Target (\$000)	2021 Actual (\$000)
Tuition fees	316,879	352,221	332,556	381,941
Research	269,236	269,059	302,962	295,055
All others	688,100	573,270	612,962	645,004
Total	1,231,000	1,195,000	1,248,000	1,322,000

The University's roll grew by around 2,500 EFTS between 2020 and 2021 (+7.3%), which is reflected in an 8.4% increase in revenue from tuition fees. The resulting revenue stream of \$381.9 million is substantially above the target value of \$332.6 million.

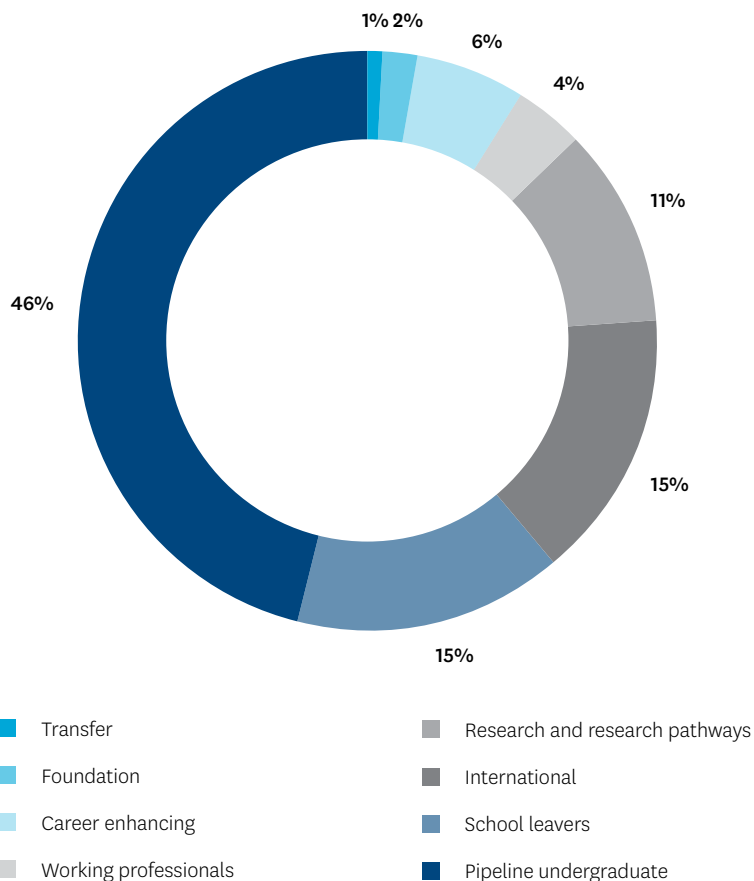
- Between 2020 and 2021, Research and Contracts revenue grew by approximately \$26 million (+9.7%), but fell 2.6% short of the target value of \$303 million.
- Revenue from all other sources grew by approximately \$71.7 million between 2020 and 2021 (+12.5%), and was above the target of \$613 million.

2

Total EFTS (Equivalent Full-Time Students) by market segment

	2019 Actual	2020 Actual	2021 Target	2021 Actual
Foundation	384	587	428	673
School leavers	4,779	4,554	4,776	5,412
Transfers	516	493	500	519
Pipeline undergraduate	16,219	16,520	16,052	16,766
All domestic undergraduate	21,899	21,154	21,328	23,370
Working professional	1,344	1,455	1,496	1,689
Career enhancing	1,589	1,685	1,813	2,187
Research and research pathways	3,925	3,965	4,104	4,110
All postgraduate	6,859	7,104	7,412	7,986
International	5,454	4,990	4,288	5,391
Total	34,211	34,248	33,457	36,748

2021 EFTS by market segment



To better align with the student-centric approach outlined in *Taumata Teitei*, the University has adopted a segmentation-based approach to student enrolments. The segments recognise that students from diverse professional and personal backgrounds come to the University for a variety of reasons, and with a variety of educational goals in mind.

- The Foundation segment is primarily comprised of students enrolled in the Tertiary Foundation Certificate, a programme that is designed to help prepare students for further tertiary study. With 673 EFTS for 2021 against a target of 428, enrolment in this segment has been positive, reflecting high demand.
- School leavers are domestic students who come to the University directly from secondary school. Consequently, this segment is sensitive to the pipeline of available students, which in turn is affected by the number of young people in the relevant age cohort. School Leavers fell by around 200 EFTS between 2019 and 2020 (4,779 to 4,554), before making a recovery in 2021 to 5,412. This is substantially above the 2021 target of 4,776.
- Transfers are domestic students who are recent school leavers, but who have come to the University from another New Zealand tertiary education provider. This segment has remained relatively stable from 2019 to 2021, registering between 493 and 519 EFTS in all years. The 2021 value of 519 is above the target of 500.

- All other domestic undergraduate students (i.e., those who do not fall into any of the preceding categories) are grouped as “Pipeline undergraduates”. In practice, this group represents enrolments at Stage 2 or a higher level, as well as enrolments from mature students who have come to the University at least several years after having left secondary school. This segment has shown year-on-year increases over the 2019 to 2021 period, with the final 2021 value of 16,766 being above the target of 16,052.
- Postgraduate domestic students are recognised as belonging to three segments based on their programme of study:
 - Working professional programmes are those aimed at students with existing paid employment, and which are typically offered part-time and/or online. The most popular programmes in this segment in 2021 were the Postgraduate Certificate and Postgraduate Diploma in Health Sciences, followed by the Master of Education Leadership and the Master of Public Policy. From 2019 to 2021, total EFTS in this segment rose from 1,344 (3.9% of all EFTS) to 1,689 (4.6% of all EFTS), which is above the target value of 1,496.
 - Career-enhancing programmes are designed for students who want to progress within an existing career by taking time out from working to return to tertiary study. The most popular programmes in this segment in 2021 were the Graduate Diploma in Teaching (Secondary), the Graduate Diploma in Teaching (Primary), and the Postgraduate Diploma in Science. This segment has experienced the most significant gains in the postgraduate domestic set, rising from 1,589 EFTS (4.6% of all EFTS) in 2019 to 2,187 (6.0% of all EFTS) in 2021. This is above the target value of 1,813, and reflects a general trend for retraining or further training as a result of Covid-19.
- Programmes within the Doctoral and Pathways to Research segment are those that are entirely or primarily research-based, or that are designed for students who wish to progress into research. In 2021, slightly more than half of the EFTS in this segment (2,133 out of 4,104) were Doctor of Philosophy (PhD) students. The segment also contains a range of bachelors (honours) programmes, as well as research-based masters degrees. Although total EFTS in this segment rose from 3,925 to 4,110 between 2019 and 2021, they fell in percentage terms from 11.5% of all EFTS to 11.2% of all EFTS.
- Students who are funded internationally fall into the International segment, regardless of their programme of study. Enrolments in this segment declined markedly between 2019 and 2020, falling by 464 EFTS, and declining in percentage terms from 15.9% of the student body to 14.6%. This must be understood in terms of the impact of Covid-19, with border restrictions causing challenges for new students, as well as existing students who were caught overseas when the border closed. Note that PhD students are always domestically funded, regardless of their residency status, and so do not fall into this segment.
- Between 2020 and 2021, the International segment experienced a partial recovery, rising from 4,288 to 5,391 EFTS, but increasing only slightly in percentage terms from 14.6% of all EFTS to 14.7%. Here, it should be noted that the University has made significant efforts to facilitate offshore/remote enrolment, as well as working with overseas partners to establish learning centres in China and Vietnam. In 2020, offshore students made up 19.2% of all internationally funded students, rising to 30.6% in 2021.



3 Operating margin

	2019 Actual	2020 Actual	2021 Target	2021 Actual
Operating margin (%)	+3.8%	-2.5%	-2.4%	+6.8%

Thanks in part to a large and unanticipated growth in domestic and international student numbers in 2021, the University’s operating margin increased significantly from -2.5% in 2020 to +6.8% in 2021. This is well above the target of -2.4% and reflects the University’s prudent and

effective fiscal management practices in response to the disruptions caused by Covid-19. 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 5.9%.

4 Overall institutional ranking

	2019 Actual	2020 Actual	2021 Target	2021 Actual
Times Higher Education World University Rankings (THE)	179	147	Top 150	137=
QS World University Rankings (QS)	83	81	Top 100	85=
Academic Ranking of World Universities (ARWU)	201 – 300	201 – 300	Top 150-200	201 – 300

The University has generally performed well on the three main global ranking systems, amid intensified competition from global higher education institutions. We remain highly ranked overall and retain our position as the highest ranked university in New Zealand according to all three rankings.

- For the THE World University Rankings, we improved our standing by ten places, rising from 147 in 2020 to 137= in 2021. This is the highest place in THE that any New Zealand university has ever obtained since the THE rankings were introduced in 2010. This result is within our target range of the Top 150.
- For the QS World University Rankings, the University slipped four places from 81 to 85=, but remains within the target range of the Top 100. The University’s strong academic reputation and attractiveness to international students and staff are key factors supporting the steady performance of the University in QS rankings amid increased global competition.

- ARWU ranks research-intensive universities by assessing institutions’ publications in prestigious journals, highly cited researchers, and prestigious international awards. Our performance on the ARWU has remained unchanged in the 201-300 band over the past five years. In 2021, the University set a target of ARWU Top 150-200 by 2025, in alignment with *Taumata Teitei*’s pursuit of academic excellence and our ambition to conduct world-class, purposeful, and impactful research.
- In addition to the formally monitored rankings, the University also placed 118th in the US News rankings, which is first 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, which we define 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: The 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. Ranking scores are smoothed, which means a drop in score does not necessarily mean an absolute decline in the underlying metrics.

	2019 Actual	2020 Actual	2021 Target	2021 Actual
Subjects in Top 50	ARWU: 3 QS: 13	ARWU: 3 QS: 13	ARWU: ≥ 4 QS: ≥ 14	ARWU: 3 QS: 10

- In the ARWU subject rankings, Civil Engineering and Food Science & Technology have both ranked within the top 50 through the period 2019 to 2021.
- The third-ranked ARWU subject was Education for 2019, which dropped below 50 for 2020 and 2021. This was offset by Instruments Science & Technology, which rose into the top 50 for both of these years.
- In the QS subject rankings, Anthropology, Archaeology, Education, Engineering – Civil, English, Geography, Nursing, Pharmacy, and Sport-related subjects were consistently ranked in the top 50 between 2019 and 2021.
- Between 2019 and 2020 in the QS rankings, Linguistics fell out of the top 50, which was offset by Performing Arts rising into the top 50, resulting in no net change (13 QS-ranked subjects for both 2019 and 2020).
- The drop from 13 to 10 QS-ranked subjects between 2020 and 2021 is the result of Law & Legal Studies, Philosophy, and Psychology falling below 50. For Law, the overall score and all individual metrics declined slightly (H-Index, Citations per Paper, and Reputation). For Philosophy, the University fell into the 51-100 band, for which detailed data is not available. For Psychology, although H-Index improved, Citations per Paper and Reputation both declined, leading to an overall drop in score.

6

THE Impact Ranking performance

	2019 Actual	2020 Actual	2021 Target	2021 Actual
THE Impact Ranking	1	1	Top 10	9

Launched in 2019, the Times Higher Education Impact Rankings assess universities against the Sustainable Development Goals (SDGs). The goals cover a wide range of social, environmental and economic issues from addressing poverty, hunger and climate, to improving entrepreneurship and innovation, and peace and justice. In the Impact Rankings, universities are compared across four broad areas: research, stewardship, outreach and teaching.

- The University of Auckland was ranked first globally in the Impact Rankings in 2019 and 2020, and 9th in 2021. During this period, the number of universities participating in the Impact Rankings grew from 450 to more than 1,100.

- The broad spectrum of subject disciplines offered by the University ensured a strong coverage of the 17 SDGs. From 2019 to 2021, the University has consistently been ranked in the top 10 for SDG 3 (Good health and well-being), reflecting our high performance in the area of medical and clinical research and services. In 2021, we were also ranked in the top 10 for SDG 8 (Decent work and economic growth) and SDG16 (Peace, justice and strong institutions).

7

Commencing student demand per place

The recruitment of domestic school leavers represents a key input to the overall student pipeline and the main way in which we ensure equitable access to a transformative university experience for the communities in which we are based. It is important to consider the level of demand from applicants in this group from one year to the next. To the extent that there is consistent demand, we can be confident that the learning and teaching services that the University offers are catering to the needs of its communities.

A more detailed analytical method for this KPI is under development for future reporting years. It is nevertheless possible to examine some of the broad trends evident in the applicant and enrolment data, comparing application and enrolment status for late January, year on year.

While applicant numbers were relatively stable between 2019 (12,527) and 2020 (12,336), they rose significantly to 15,313 in 2021. Although the University also experienced an increase in overall EFTS between 2020 and 2021, the difference in the number of applicants is noticeably greater. While overall EFTS rose by 7.3%, applicants increased by 24.1%.

This is reflected in a slight decline in the conversion of applicants to offers. Although unconditional offers rose from 70% of applicants in 2020 to 73.9% in 2021, conditional offers fell from 18.9% to 13.3%, for a net loss of -1.7% overall.

The conversion of applicants to overall enrolments also declined slightly, from 27% of applicants in 2020 to 24.2% in 2021.

Education and student experience

The education and experience of our student body, the most direct stakeholders in the University, 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

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

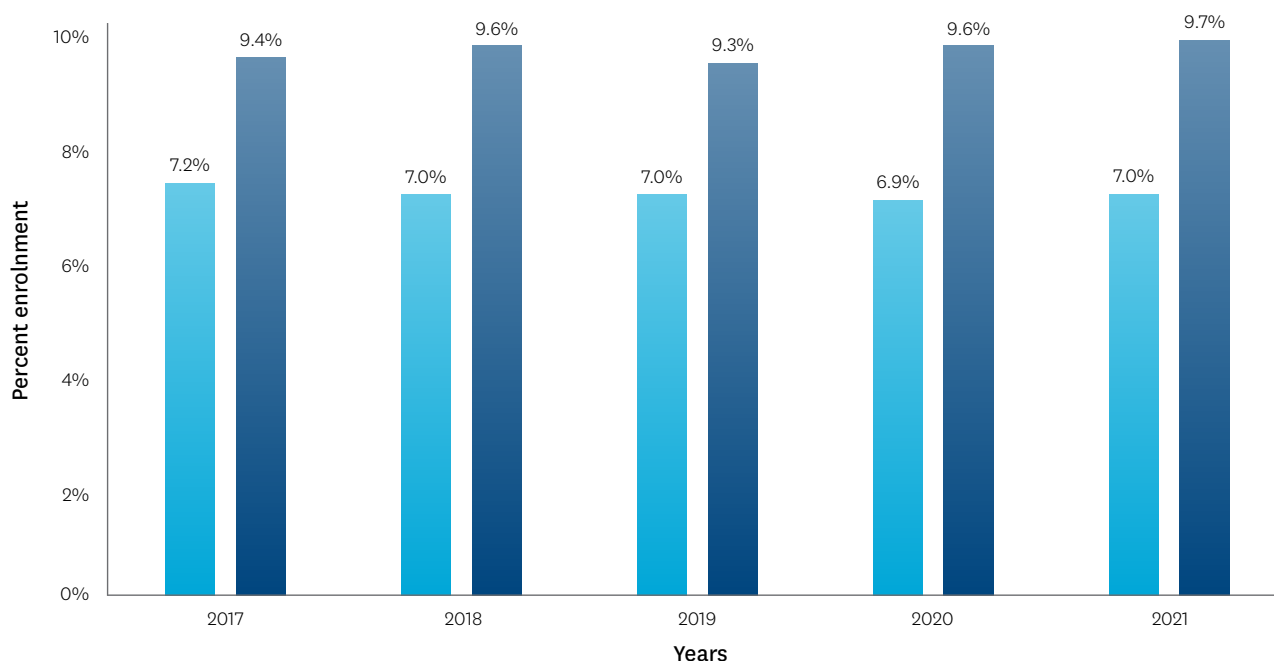
Note: Some students identify as both Māori and Pacific, which means there is a small amount of double-counting in the figures presented here. Between 2017 and 2021, this group represented no more than 15% of either ethnicity in any given year.

Enrolments by Māori students have remained relatively stable between 2017 and 2021, with values between 6.9% and 7.2% in all years, and 7% in 2021.

Likewise, enrolments by Pacific students have also been fairly consistent, representing between 9.3% and 9.7% of all enrolments each year in this period, with 9.7% being the 2021 value.

Māori and Pacific EFTS (2017 - 2021)

■ Māori ■ Pacific



Māori students

	2019 Actual	2020 Actual	2021 Target	2021 Actual
Foundation	70	85	68	98
School leavers, including transfers	406	366	452	443
Pipeline undergraduate	1,434	1,439	1,425	1,476
Domestic postgraduate	466	470	490	548
International	6	5	4	2
Total	2,381	2,364	2,439	2,568

Enrolments by Māori students in Foundation programmes have grown year-on-year, rising from 70 EFTS in 2019 to 98 EFTS in 2021. This is above the target of 68 EFTS.

- In line with broader fluctuations in the school leaver pipeline, school leaver enrolments by Māori (including transfers) underwent a transient decline between 2019 and 2020, before recovering somewhat in 2021. However, the 443 EFTS for this group in 2021 was approximately 2% below the target value of 452.
- In percentage terms, Māori made up 7.7% of the School Leaver + Transfer group in 2019, 7.2% in 2020, and 7.5% in 2021.
- Pipeline undergraduate enrolments by Māori (all domestic undergraduates not included in the preceding categories) have increased very gradually year-on-year, with the 2021 value of 1,476 above the target of 1,425.

- Domestic postgraduate enrolments for Māori students have shown a significant and steady increase, rising from 466 EFTS in 2019 to 548 EFTS in 2021 (+17.6%), well above the target value of 490. This also represented a slight increase in the proportion of Māori students amongst all domestic postgraduate enrolments, which rose from 6.7% in 2019 to 6.9% in 2021.
- Although international segment enrolments by Māori were technically below target, it is significant to note that the overwhelming majority of Māori students (> 99%) enrol in one of the domestic segments. Consequently, the international segment is highly sensitive to relatively small changes in enrolment (generally in the order of a single-digit number of unique students).



Pacific students

	2019 Actual	2020 Actual	2021 Target	2021 Actual
Foundation	135	164	141	199
School leavers, including transfers	527	515	632	697
Pipeline undergraduate	1,744	1,786	2,013	2,070
Domestic postgraduate	382	417	435	549
International	73	69	65	51
Total	2,862	2,951	3,286	3,565

Pacific enrolments in the Foundation programmes have climbed year-on-year, with the 2021 value of 199 EFTS being above the target of 141.

- Compared to other cohorts, school leaver enrolments by Pacific students were not as significantly affected by the overall drop between 2019 and 2020. Where overall enrolments in this group fell by 4.7%, the decline for Pacific students was a more modest 2.3%. The 2021 value of 697 EFTS was above the target of 632.
- Likewise, Pacific enrolments improved by a greater margin than overall enrolments in this segment between 2020 and 2021, rising by 19.1% against an overall increase of 17.5%.
- Pacific Pipeline undergraduate enrolments were slightly above target for 2021, on 2,070 EFTS against a target of 2,013. This represents a substantial increase from the 1,786 EFTS in 2020.
- Similarly, domestic postgraduate enrolments by Pacific students rose substantially from 382 EFTS in 2019 (4.5% of all enrolments in this segment) to 549 EFTS in 2021 (6.9%).
- Between 2019 and 2021, internationally funded enrolments by Pacific students fell in both absolute and percentage terms, declining from 73 EFTS in 2019 (1.4% of International EFTS) to 51 EFTS in 2021 (0.9%).
- Although it is comparatively more common for a Pacific student to enrol under international residency than a Māori student, this type of enrolment is still the exception for Pacific students rather than the rule (< 3%).



Students from all other ethnicities

	2019 Actual	2020 Actual	2021 Target	2021 Actual
Foundation	178	338	218	396
School leavers, including transfers	4,363	4,166	4,192	4,866
Pipeline undergraduate	13,041	13,296	12,614	13,450
Domestic postgraduate	6,011	6,218	6,487	6,948
International	5,375	4,915	4,219	5,338
Total	28,968	28,933	27,730	30,999

Enrolments by students who were neither Māori nor Pacific were above target for all segments.

- The Foundation, Pipeline undergraduate, and domestic postgraduate segments all showed year-on-year increases for this cohort.

- In line with a general drop in school leavers between 2019 and 2020, the school leaver segment (including transfers) fell slightly for this cohort, from 4,363 in 2019 to 4,166 in 2020 (-4.5%), before rising to 4,866 in 2021.
- Students from Asia make up the largest group (5,057 EFTS out of 5,338 in 2021).



9 Student satisfaction with their programme

	2019 Actual	2020 Actual	2021 Target	2021 Actual
Students satisfied with their programme	80.4%	72.9%	75.4%	75.4%

A student's academic programme (i.e., degree, diploma, or certificate) is the primary mechanism of their enrolment, the main output of our service to them, and ultimately the service that we render to the wider community through our graduates.

- The University conducts an annual Learning and Teaching Survey (LTS) to gauge respondents' attitudes towards various aspects of their university experience, including their specific academic programme. The number reported here is the percentage of respondents who agreed or strongly agreed with the statement "Overall, I am satisfied with the quality of my programme".
- Satisfaction declined between 2019 and 2020, falling from 80.4% to 72.9%. This should be viewed in the context of the significant disruptions that students experienced in 2020 due to two protracted lockdowns.
- In 2021, despite an additional lockdown affecting the Auckland region in the August to November period, programme satisfaction recovered to 75.4%, which is on target, representing a +2.5% change on the previous year.
- Despite the 2021 lockdown, increases in the proportion of respondents who said they had opportunities to interact with their teachers were evident at all levels, relative to 2020. This rose from 61.6% to 70.1% for first-year undergraduates, from 67.9% to 75.1% for other undergraduates, and from 80.6% to 90.2% for postgraduate (taught) students.

10 Student satisfaction with university life

	2019 Actual	2020 Actual	2021 Target	2021 Actual
Students satisfied with university life	75.6%	63.2%	65.7%	70.1%

Ensuring that students are satisfied with their University of Auckland 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".
- Between 2019 and 2020, satisfaction fell from 75.6% to 63.2%. This is in line with the significant disruptions caused by the two Covid-19 lockdowns in 2020.
- In 2021, satisfaction recovered to 70.1%, which is above the target increase of +2.5% on the 2020 value (i.e., a target of 65.7%).
- Despite the August to November 2021 lockdown, an increase in the proportion of respondents who found the University's social atmosphere enjoyable can be seen, rising from 41.2% in 2020 to 46.8% in 2021.
- Improvements were also seen in the proportion of students who felt their transition to the University went well, rising from 63.1% in 2020 to 67.9% in 2021.

11

Graduate satisfaction with skills

	2019 Actual	2020 Actual	2021 Target	2021 Actual
Graduate satisfaction with skills	80.9%	Not Surveyed	83.4%	80.2%

The degrees and qualifications with which our students graduate are the primary output of the learning and teaching service that 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 biennial Graduate Destination Survey (GDS). This metric is an aggregated count of respondents who agreed or strongly agreed with a collection of statements about their qualification. These statements range from general ("My programme was worthwhile") to more specific ("My programme has encouraged me to critically consider ideas"). Included in the set are also measures of both professional and personal impact e.g., "My programme has stimulated my interest in the field of study", and "My programme has improved by earning potential".

- The value of 80.2% for 2021 was below the target of 83.4%, and a decline relative to the most recent prior value of 80.9% in 2019.
- In the 2021 data, there were no significant variations by graduate ethnicity, with all ethnic reporting groups ranging between 78.4% (Asian) and 81.7% (Pākehā). Māori and Pacific graduates reported very similar satisfaction rates of 80.6% and 80.5% respectively.
- By gender, satisfaction was higher for female graduates (81.1%) than for those who were male graduates (78.6%) or gender diverse (77%).
- For non-doctoral graduates, satisfaction was below the sample average for the faculties of Creative Arts & Industries (72.1%), Arts (74.5%), Science (74.6%), and Business & Economics (76.3%). It was above average for the faculties of Law (82.4%), Engineering (82.7%), Education & Social Work (84.8%), and Medical and Health Sciences (88.1%).
- For the 249 doctoral graduates included in the survey, satisfaction was higher than the sample average, on 86.6%.

12

Employer satisfaction with graduate skills

	2019 Actual	2020 Actual	2021 Target	2021 Actual
Employer satisfaction with graduate skills	62.8	55.9	65.3	57.3

Complementary to the preceding metric, this measure is an external indicator of employer satisfaction. The measure 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.

- Although our score rose from 55.9 to 57.3 between 2020 and 2021, this was below the target value of 65.3. It should be noted that our rank improved slightly

in relative terms from 141/1,185 (top 12%) in 2020 to 139/1,300 in 2021 (top 11%).

- There was also a marked improvement in the number and diversity of nominations received, rising from 546 employers in 29 countries in 2020 to 767 employers in 32 countries in 2021. It must be acknowledged, however, that there is a general year-on-year increase in the number of votes received on average for all competing institutions, as well an increase in the number of institutions participating in the rankings, which explains why the overall improvement in score was more muted.

13

Graduate employment rate

	2019 Actual	2020 Actual	2021 Target	2021 Actual
Graduate employment rate	95.7%	Not Surveyed	≥ 96%	96.6%

- Using the same biennial survey tool (the GDS) as we have adopted for KPI 11, it is possible to estimate how many of our graduates are employed. The GDS attracts a wide range of responses from all faculties and market segments, representing at least 20% of the graduating cohort in each of the specified years.
- This measure is calculated as graduates who are employed, divided by this group plus graduates who are seeking employment. 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 2021 rate of 96.6% is a slight improvement on 95.7% in 2019, and is above the target value of ≥ 96%.

14

Enrolled in programmes redeveloped for strategic alignment as a proportion of total EFTS

The University of Auckland 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 United Nations Sustainable Development Goals (SDGs), which was the subject of a data science project conducted by the University in 2021.

The SDGs are a diverse group of goals that speak to challenging issues facing the global community in the social, environmental, and economic spheres. The purpose of our data science project was to understand which of our courses had connections to one or more of these goals, based on a sophisticated keyword analysis of the course catalogue.

The results indicated that around 640 courses met these criteria, representing just under 8,500 EFTS, or about 23% of our total enrolment.

More broadly, the Curriculum Framework (CF) Transformation Initiative is targeting *Taumata Teitei's* Education & Student Experience aspirations. The transformed CF and refreshed Graduate Profile will set out the principles and recommendations to guide our future programmes and teaching and learning.

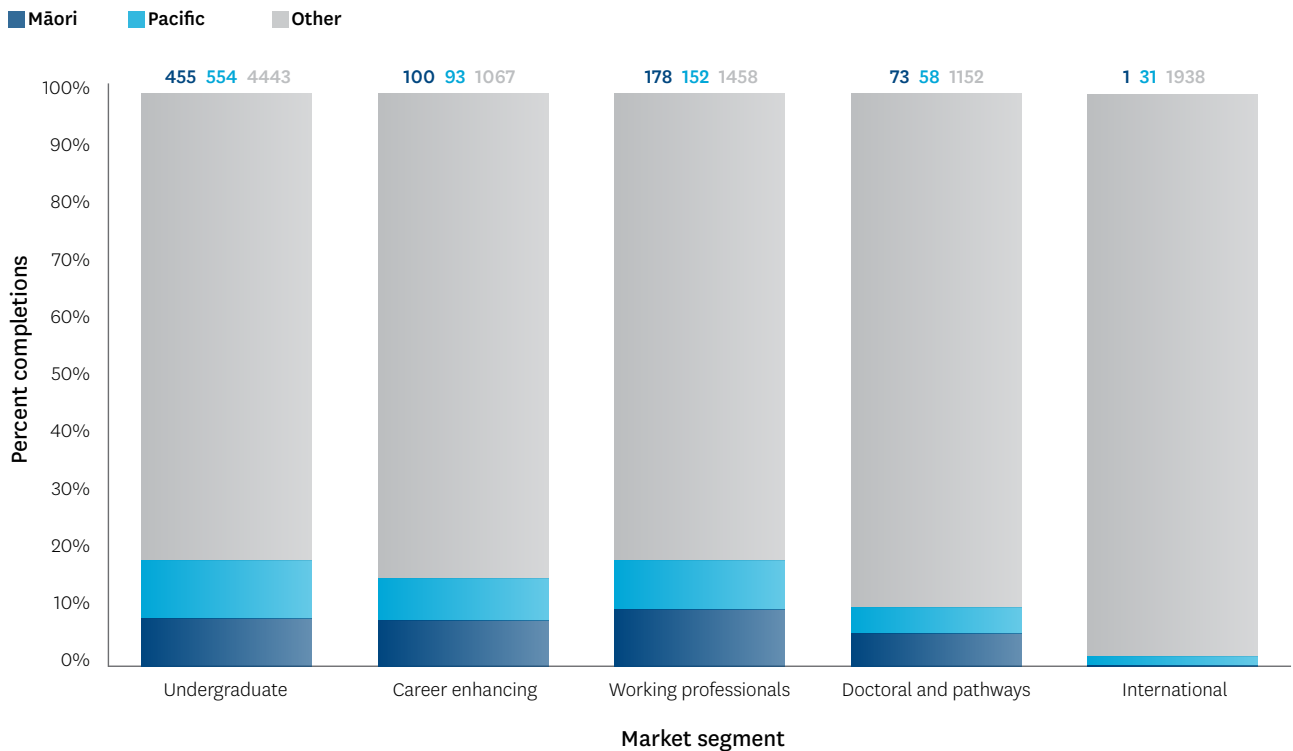
The following areas of change have been identified:

- Degree structures and academic year changes to enable breadth and depth of learning, simplify pathways, and enable lifelong learning
- Develop new strategically important offers including: Mātauranga pathways, Te Tiriti and te reo Māori, work and community integrated learning, transdisciplinarity, sustainability, problem solving and lifelong learning.
- Ensure all students have accessible and equitable opportunities to fully engage and participate in relational learning practices, enhanced by physical presence, place and technology
- Embed aspects of core foundational knowledge and academic skills into programmes to support student progression and enable graduates to be recognised as leaders and innovators with a strong sense of cultural identity, social justice, and civic duty.

15

Programme completions by student cohort
(Māori, Pacific, all other ethnicities, at each qualification segment)

2021 Completions by segment and ethnic group



Māori programme completions

	2019 Actual	2020 Actual	2021 Actual
Undergraduate	437	465	455
Career enhancing	87	65	100
Doctoral and Pathways	87	73	73
Working professionals	182	165	178
International	1	4	1
Total	794	772	807

Although remaining relatively stable in numerical terms, as a percentage of all completions, Māori programme completions declined slightly from 7.1% in 2019 to 6.9% in 2021. This is driven largely by a decline from 8.7% to 8.3% of undergraduate completions.

- For domestic postgraduate completions:

- Career enhancing completions for Māori were 8.1% of the total in 2019, fell to 6.1% in 2020, and recovered to 7.9% in 2021.

- Working professional completions for Māori were 10.9% in 2019, 10.5% in 2020, and 10% in 2021.

- Doctoral and Pathways completions for Māori were 6% in 2019, 6.5% in 2020, and 5.7% in 2021.

15

Programme completions by student cohort (continued)

Māori, Pacific, all other ethnicities, at each qualification segment

Pacific programme completions

	2019 Actual	2020 Actual	2021 Actual
Undergraduate	406	570	554
Career enhancing	69	65	93
Doctoral and Pathways	63	42	58
Working professionals	140	118	152
International	26	24	31
Total	704	819	888

Note: Students who identified as both Māori and Pacific are counted as Māori.

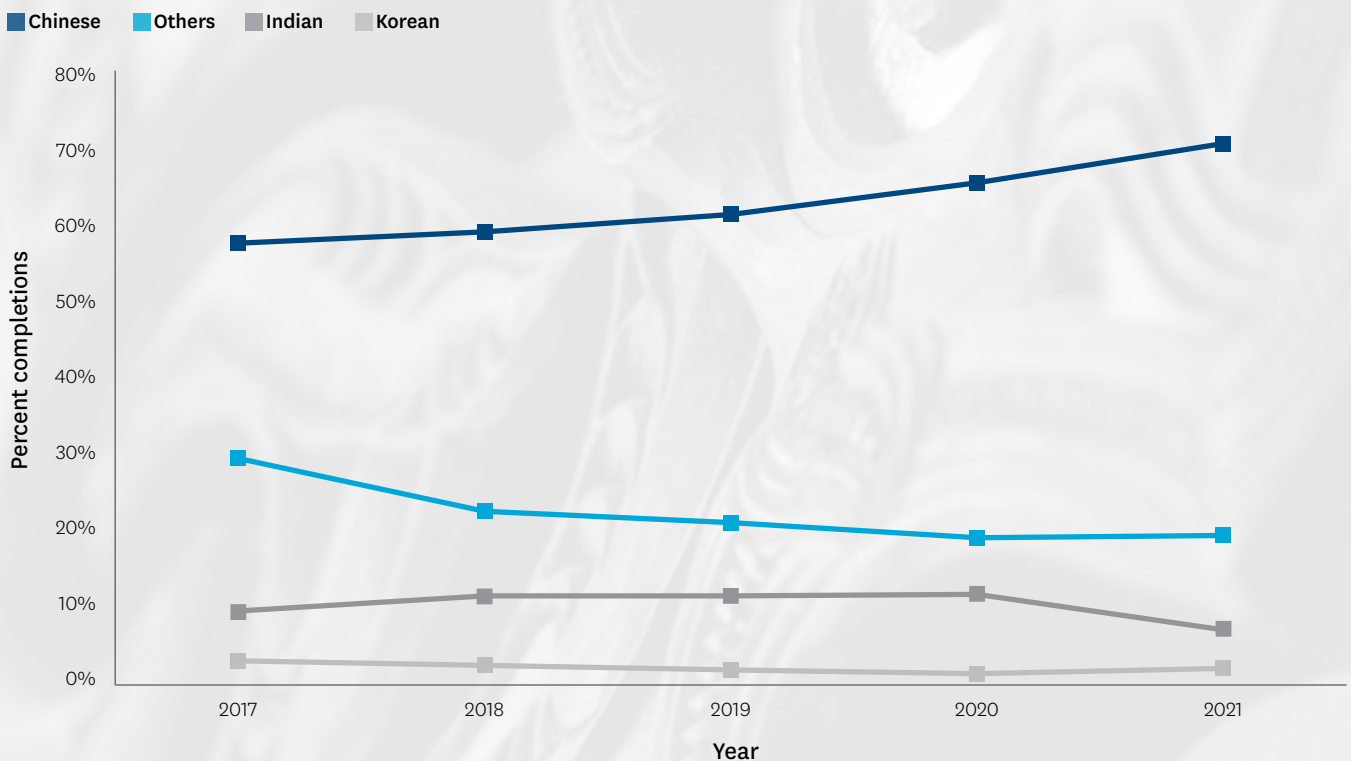
- Pacific programme completions have generally risen, in both numerical and percentage terms from 2019 to 2021, increasing from 704 (6.3%) in 2019 to 888 (7.6%) in 2021.
- The most significant improvement can be seen in undergraduate completions, which rose from 8.1% of the total in 2019, to 10.5% in 2020, before falling slightly to 10.2% in 2021.
- For domestic postgraduate completions:
 - Pacific students comprised 6.4% of the total completions in the career-enhancing segment in 2019, falling slightly to 6.1% in 2020, and then rising to 7.4% in 2021.
 - Working professional completions for Pacific students were 8.4% in 2019, then fell to 7.5% in 2020, before recovering to 8.5% in 2021.
 - Doctoral and Pathways completions for Pacific students were 4.4% in 2019, 3.7% in 2020, and 4.5% in 2021.
- Although the University generally has higher Pacific international enrolments than Māori international, Pacific international completions still represent only a relatively small proportion of both Pacific completions and International completions separately.
- In 2021, Pacific graduates represented 1.6% of all International completions (31/1,970), and International Pacific graduates represented 3.5% of all Pacific graduates (31/888).

All other ethnicities

	2019 Actual	2020 Actual	2021 Actual
Undergraduate	4,195	4,403	4,443
Career enhancing	914	927	1,067
Doctoral and Pathways	1,293	1,008	1,152
Working professionals	1,343	1,294	1,458
International	1,950	2,018	1,938
Total	9,695	9,650	10,058

- Completions by graduates from ethnic groups other than Māori and/or Pacific have slightly declined in percentage terms, from 86.6% of all completions in 2019, to 85.8% in 2020, to 85.6% in 2021.
- Non-Māori / Pacific undergraduate completions were 83.3% in 2019, 81% in 2020, and 81.5% in 2021.
- For domestic postgraduate completions by non-Māori and Pacific students:
 - Career enhancing completions for non-Māori and Pacific graduates increased from 85.5% in 2019, to 87.8% in 2020, before falling to 84.7% in 2021.
 - Working professional completions for non-Māori and Pacific graduates were 80.7% in 2019, 82.1% in 2020, and 81.6% in 2021.
 - Doctoral and Pathways completions for non-Māori and Pacific graduates were 89.6% of the total in 2019, and 89.8% in both 2020 and 2021.
- In 2021, the International segment made up 19.2% of all non-Māori / Pacific completions (1,938/10,058). Of all graduates in this segment, those of non-Māori and Pacific ethnicity represented 98.4% (1,938/1,969).
- In terms of the regional origins of our International segment graduates, the vast majority come from Asia (more than 90% of the International segment for 2019, 2020, and 2021).
 - The top three specific (named) nationalities are Chinese, Indian and Korean, representing 71.7%, 7.3% and 2.2% respectively of 2021 completions. The general trend has been towards more homogeneity, with the share of Chinese graduates rising steadily over the past five years, from 57.9% in 2017 to 71.7% in 2021.
 - The proportion of Indian graduates dropped sharply between 2020 (14.1%) and 2021 (7.3%). This must be understood in the context of significant disruptions to the flow of international students caused by Covid-19, as well as changes to the regulations surrounding a number of visa categories.

Top ethnic groups by year for international segment completions





Research and innovation

In addition to 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 research covers 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.

In addition, the Hīkina kia Tutuki – the Grand Challenges Fund – was launched in 2021 as a mechanism for identifying new flagship University Research Centres that will provide focus and scale in the impact areas set out in *Taumata Teitei*.

Hīkina kia Tutuki means to rise to meet the challenge in te reo Māori and signifies a requirement for Research Centre members to 'lift themselves' to meet the intergenerational challenges and aspirations of the communities they serve. Central to this challenge is a recognition of the importance, value and validity of multiple research practices and knowledge systems.

The Research Centres will demonstrate excellence in transdisciplinarity by building and nurturing mana-enhancing relationships across disciplines and beyond academia at every stage in the research process. The new Research Centres will launch mid-2022 and will provide opportunities for research staff and students to be immersed in transdisciplinary research teams focused on achieving solutions to the problems facing our society.

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Research income from non-NZ Government sources

	2019 Actual	2020 Actual	2021 Target	2021 Actual
Research income from non-NZ Government sources (million \$)	50.8 (23.7%)	50.4 (22.3%)	52.9	56.4 (22.8%)

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.
- Note that the calculations here are estimates¹ based on research financial activity, and that the percentages are relative to the sum of research eligible for consideration by the government’s Performance Based Research Fund. This excludes non-research academic contracts and academic consultancy.

- Non-NZ Government funding fell in both real and percentage terms between 2019 and 2020, declining from \$50.8 million (23.7%) to \$50.4 million (22.3%). Between 2020 and 2021, it rose in dollar terms to \$56.4 million, and in percentage terms from 22.3% to 22.8%.
- The top funder in this category for all three years (2019 to 2021) was the National Institutes of Health (NIH) USA. In both 2019 and 2020, the second and third largest funders were the Auckland Medical Research Foundation and St Jude’s Trust, respectively. In 2021, the National Philanthropic Trust was the second largest funder, and the Auckland Medical Research Foundation was the third.
- The sources of revenue for this category are diverse, spanning 651 distinct funders in the period 2019 to 2021, and the largest funder (NIH) represented under 15% of the total dollar value for all years.

1. Overall error of between -1% and +1.1% for 2019 – 2021.



17

Number of completed research and pathways to research qualifications

	2019 Actual	2020 Actual	2021 Target	2021 Actual
Completed research and pathways to research qualifications	1,443	1,122	1,178	1,283

The Research and Pathways to Research segment includes both the Doctor of Philosophy, as the flagship research qualification, as well as a range of other programmes at a doctoral, masters, or honours level where research is the primary goal of the qualification. In practice, this means either that the student or candidate conducts research, and/or that the qualification is intended to prepare them to conduct research.

- For students in many disciplines, the nature of their research meant that the impacts of Covid-19 were more keenly felt than for students enrolled in non-research programmes. While taught courses could be (and were) moved online, this was not always possible for students in research degrees. Consequently, the number of completions in this segment fell from 1,443 in 2019 to 1,122 in 2020 (-22.2%).
- While 2021 was less disrupted than 2020, it was still characterised by an extended lockdown that spanned much of the third and fourth quarters. Research completions recovered somewhat, rising from 1,122 in 2020 to 1,283 in 2021 (+14.3%), but are still substantially below 2019 levels.
- As a percentage of all domestic postgraduate completions, Research and Pathways completions fell year-on-year, from 34.5% in 2019 to 29.9% in 2020, and further to 29.6% in 2021.
- In terms of specific programmes, the largest numbers of completions in this segment were for the Doctor of Philosophy (34.2% of the total), the Bachelor of Arts (Honours) (12.5%), and the Bachelor of Science (Honours) (10.5%).
- PhD completions for 2021 were primarily in the Faculty of Science (29.8%), the Faculty of Engineering (19.1%), and the Faculty of Medical and Health Sciences (18.4%).

18

Research revenue per research-active academic

	2019 Actual	2020 Actual	2021 Target	2021 Actual
Research revenue per research-active academic (\$ 000)	148	144	148	162

This metric divides the consolidated Externally Funded Research (EFR) by the number of Full-Time Equivalent (FTE) academic staff with a Significant Academic Role (SAR FTE). It is intended to reflect the average ability of our academic staff to secure external research funding and related academic contracts.

- Between 2019 and 2020, EFR per SAR FTE fell by 3%. Although overall research funding itself was largely unchanged, varying by less than 0.1%, SAR FTE increased from 1,820 to 1,874 (+3%).
- Between 2020 and 2021, EFR per SAR FTE increased by 12.5%. This reflects both an increase in revenue from research and contracts of 9.7%, as well as a 2.8% decline in SAR FTE.

19

Highly Cited Researchers

	2019 Actual	2020 Actual	2021 Target	2021 Interim
Highly Cited Researchers	4	6	9	9

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 can be seen between 2019 and 2021, with our HCR count rising from four to nine during that time. This is on-target for 2021.

- Of the nine HCRs in 2021, three were recognised for cross-disciplinary contributions, and the remaining six were contributors to the individual fields of Plant and Animal Science, Economics and Business, Pharmacology and Toxicology, Clinical Medicine, Agricultural Sciences, and Materials Science. Five of the nine are from the Faculty of Science, with one contributor each from the Faculty of Business and Economics, the Faculty of Engineering, the Faculty of Medical and Health Sciences, and the Liggins Institute.

20

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

Although work is ongoing to further develop this indicator, it is possible to provide some observations based on University of Auckland publications appearing in the Scopus bibliometric database. Scopus is the largest cross-disciplinary repository of academic publications in the world, and is also used extensively by both the Times Higher Education and QS World University Rankings to determine an institution’s research output. While not exhaustive, it is an important source of data for assessing the University’s research output.

The titles that are indexed by Scopus are ranked into percentile groups based on a set of three measures of citation impact: a simple indication of average citations per paper, a subject-normalised citation indicator, and a network analysis that weights citations based on where

they appear, with citations in high-impact journals carrying greater weight. Because these measures favour different academic fields, we adopt for this analysis a view that being in the top 20% by any of the three measures makes the title a high-impact publication.

- From 2019 to 2021, University of Auckland researchers published more than 16,000 academic works in Scopus-indexed sources. Both the number and percentage of works in high-impact publications has risen steadily from 3,036 (58.1%) in 2019 to 3,408 (62.3%) in 2020, and to 3,883 (66.5%) in 2021.
- This includes nearly 1,000 papers in Top 1% journals, including eight papers published in *Science*, 18 in *Nature*, and 115 in *The Lancet* and its Top 1% companion journals.



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, including current students and staff, alumni, donors, iwi, charities, the private sector, and both local and central 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.

21

Stakeholder satisfaction with engagement

The University's Engagement and Partnership Strategy, endorsed by the University Executive Committee (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. All of this will be supported by specific community engagement and partnering plans and developed in the context of our global connectedness and collaborations. KPIs that underpin these ambitions will be developed during 2022.

A new Schools and Community Engagement structure and engagement model based on the tikanga of the pōwhiri, a reciprocal process that encompasses the values of manaakitanga and whanaungatanga, was agreed in 2021. The new model adopts a four-step approach to engaging and welcoming domestic school leavers to Waipapa Taumata Rau. The team has roles dedicated to Māori and Pacific school-leavers and their communities (Te Terenga Kaitohutohu and Moana Tupu, respectively).

To enhance our engagement internally with Māori and Pacific staff and students, and externally with iwi and wider Māori and Pacific communities and media, Māori and Pacific Media Adviser roles have been created.

After 25 years of celebrating our most outstanding alumni, we introduced a new name, new format and new venue for our prestigious Distinguished Alumni Awards event to align with the new name of the University, Waipapa Taumata Rau. The event 'Taumata: A Celebration of our Distinguished Alumni' brought together many groups who make up and shape the University community – alumni, friends, donors, students and staff – to celebrate our talented and diverse alumni.





Enabling environment

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

Development of the strategies and plans that guide the achievement of the *Taumata Teitei* vision and impact are provided from item 22, page 64.

22

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.

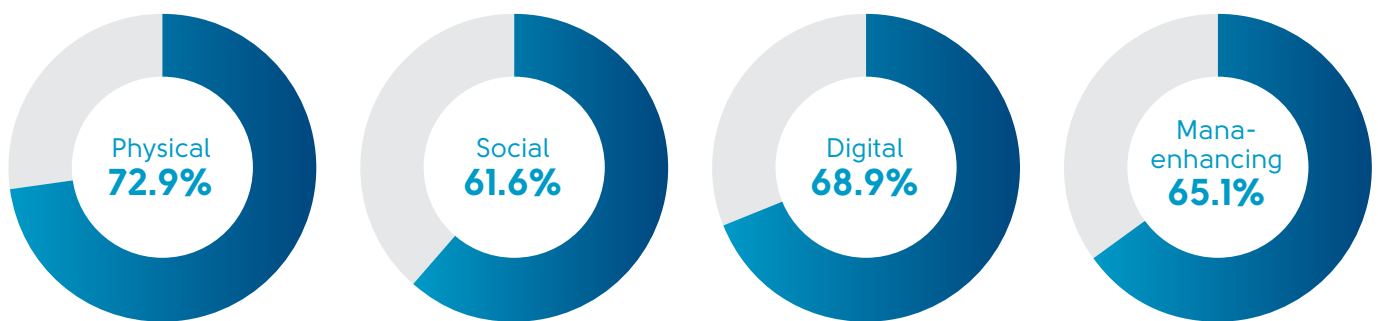
- **Digital:** reflecting the websites, online services, and applications that stakeholders use.
- **Mana-enhancing:** in the sense of providing an environment to stakeholders where they feel respected, heard and understood.

The measures reported here are aggregates of individual survey questions relating to each of the environments listed above.

Students

	2019 Actual	2020 Actual	2021 Target	2021 Actual
Physical	79.1%	71.8%	72.5%	72.9%
Social	66.3%	54.3%	57.0%	61.6%
Digital	75.5%	70.0%	70.5%	68.9%
Mana-enhancing	73.1%	60.4%	63.0%	65.1%

2021 Student satisfaction with services



Student satisfaction for this KPI is measured using an aggregate of various questions from the annual Learning and Teaching Survey.

- As with other metrics of student satisfaction, significant declines are evident from 2019 to 2020, due to the impacts of the Covid-19 lockdowns. The largest drops were seen for Social (-12.0%), and Mana-Enhancing (-12.7%).
- Improvements can be seen for Physical, Social, and Mana-enhancing satisfaction measures. Perhaps unsurprisingly, the greatest improvement is for Social (+7.3%).
- Increases in Mana-enhancing environment were partly driven by the inclusion of two new questions in 2021, both relating to the ability of staff to provide useful information and advice about courses and programmes, and both with above-average scores. Excluding these (i.e., using the same question set as 2019 and 2020) would still result in an improvement on 2020 (from 60.4% to 65.1%), albeit slightly below target.
- Digital is the one environment where satisfaction declined, falling from 70.0% in 2020 to 68.9% in 2021 (-1.1%), which is below the target of 70.5% or above. This is partially due to the inclusion of a new question in the 2021 Learning and Teaching survey asking about satisfaction with digital tools such as the Kāhu app. This question elicited satisfaction of 62.2%.
- In 2021, all individual measures of the Physical environment were reasonably positive, with general satisfaction ranging between 68.5% (informal learning spaces) and 79.4% (teaching spaces). This latter number is especially positive, in light of the disruptions to teaching caused by the August to November Covid-19 lockdown in Auckland.

- Results for Social questions in 2021 were more mixed, ranging from 46.8% (a generally enjoyable social atmosphere) to 72.9% (working with other students to improve skills). It should be noted that the generally enjoyable social atmosphere has not rated highly in any recent survey (50.5% in 2019 and 41.2% in 2020).
- Most measures for the Mana-enhancing environment were above 60% for 2021, except for services and events to assist the students' transition to university, which scored 55.1%. This metric declined sharply between 2019 and 2020, falling from 76.1% in 2019 to 56.3% in 2020. This should be viewed in the context of Covid-19 disrupting events such as O-Week (Orientation).
- Satisfaction with Physical environments ranged from 68.5% (Faculty of Arts) to 76.9% (Faculty of Medical and Health Sciences). It should be noted that the STEM faculties (Science, Engineering, and Medicine) all had above-average scores on this metric, while the remaining faculties were below average.
- Satisfaction with Social environments was variable, ranging from 52.2% for the Faculty of Arts up to 69.8% for the Faculty of Education and Social Work.
- Satisfaction with Digital environments covered a narrower range, spanning 65.3% for the Faculty of Law up to 74% for the Faculty of Education and Social Work.
- Satisfaction with Mana-enhancing environments ranged from 60.8% for the Faculty of Arts to 71.2% for the Faculty of Education and Social Work.

Staff

Data on staff satisfaction with services will be obtained from the UniForum survey in May 2022.

This is an international benchmarking exercise, where data is submitted by the benchmark partners in a standardised definition and format, allowing us to select data from peer universities with similar research and teaching mixes.



23

Core services cost (excluding auxiliary services) per staff and student FTE

The measures associated with cost of core services will be developed in 2022. 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. In 2021, the University moved to using the progressive collection that will allow the cost of services to be monitored throughout the year.

24

Net CO₂ emissions

In 2021, the University took a significant step towards its net-zero carbon commitment, set out in *Taumata Teitei*, by preparing a greenhouse gas emissions inventory baseline in alignment with the latest international standards ISO14064-1:2018 and best practice. The work involved extensive collaboration between all areas of Operations and the Estate – in particular, Property Services Facilities Management and Space Planning, Procurement, the Planning and Information Office and the International Office. This process was essential to improve the University's understanding of its carbon profile as it took the existing monitoring of carbon sources from five to more than 20 measures and corresponding metrics. The finalised greenhouse inventory was externally verified in December 2021. As a result, the University is well placed to develop a strong, well informed and impactful Net-Zero Carbon Strategy to be published in 2022.

- The audit found total emissions for 2019 of around 81,100 t CO₂-e (tonnes of carbon dioxide equivalent), of which 78% could be traced to air travel. Note that 2020 and 2021 could not be used for baseline calculations, due to the significant drop in air travel that resulted from Covid-19.
- Covid-19 notwithstanding, air travel in a typical year for the University stems from several key sources:
 - Staff travel for work purposes, including networking, strategic engagement, and academic conferences and collaboration.
 - In and outbound short- and medium-term exchange students.
 - Inbound international students.
- Further work is ongoing to better understand our other relevant carbon sources, including freight and couriers, digital services and construction.

25

Sustainability measures

As part of the work described above in relation to carbon emissions, detailed analyses and assessments are also underway into the constituent components of the University's broader environmental impact, with a view towards establishing a Sustainability Monitoring and Reporting Standard.

While this is a work in progress, some estimated values for 2020 are available. Please note that calculations for 2021 are not currently available, and that certain individual measures are still under development. We anticipate these being available from the 2023 reporting cycle onwards.

Air Travel

- 3,477,161 km of work-related domestic travel
- 14,147,851 km of work-related long-haul travel
- 1,788,346 km of work-related short-haul travel

Waste

- 72,870 kg composted
- 940,974 kg sent to the Hampton Downs landfill

Energy

- 65,814,911 kWh of purchased electricity
- 805,945 kWh of Toitū Carbon Zero Certified Electricity
- 27,415,323 kWh of natural gas

Water

- 379,855 m³ of water



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 integral to the achievement of our strategic goals, and also represent important stakeholders who form critical links to external communities, including tangata whenua and a variety of ethnic, cultural and commercial communities, both locally and internationally.

The University has experienced success in 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, including by having a comprehensive range of staff development opportunities.

In 2021, the focus of the programme has been on delivering capabilities to implement the Waipapa framework, Teach Well, researcher capability development and digital capability development. Digital capabilities are increasingly important, in that they have made a direct contribution to the quality of our key outcomes, learning and teaching, research and innovation and community engagement through the pandemic, and will into the future.

During 2022, the University will redevelop its staff survey to provide the *Taumata Teitei* measures. In March 2021, a staff experience survey with a limited number of questions was conducted to gauge the sentiment of staff in relation to the University's responses to Covid-19. The survey allowed limited comparison with previous staff surveys and with external organisations.

- The survey showed a 71% overall favourable response to questions about the inclusiveness of the University environment, and confidence in the University's communication and response to Covid-19 was 80% favourable. Staff were also positive (80% favourable) about the support they were receiving from their managers.
- There was a decline from previous surveys in staff satisfaction with their work arrangements. Questions relating to work and resources had a 74% favourable response overall, as did those about work arrangements. The reasonableness of staff workload came through at only 54% favourable, with the favourable response from academic staff being 12% lower than the overall response. The University is developing responses to the significant workload issue illustrated by the survey.



26 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. We took the opportunity of the long period of Covid-19 lockdown to enhance our existing flexible work policy and procedures, to meet the changed circumstances. Support for staff and managers to enhance work flexibility has been provided through an online hub, "Flexible Ways of Working".

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Staff profile (total FTE by Academic, Professional, Māori, Pacific, seniority, gender, teaching/research)

	2019 Actual		2020 Actual		2021 Actual	
Academic (Total)	2,404	40% FTE	2,455	41% FTE	2,453	41% FTE
Senior Academic	640	27% AFTE	650	26% AFTE	630	26% AFTE
Teaching	512	21% AFTE	526	21% AFTE	550	22% AFTE
Research	501	21% AFTE	513	21% AFTE	528	22% AFTE
Teach. & Res.	1,389	58% AFTE	1,410	57% AFTE	1,367	56% AFTE
Other Academic	3	<1% AFTE	6	<1% AFTE	7	<1% AFTE
Professional (Total)	3,566	60% FTE	3,530	59% FTE	3,534	59% FTE
Senior Professional	1,560	44% PFTE	410	12% PFTE	277	8% PFTE
Gender Diverse ²	15	<1% FTE	21	< 1% FTE	24	< 1% FTE
Female	3,431	57% FTE	3,447	58% FTE	3,471	58% FTE
Male	2,525	42% FTE	2,516	42% FTE	2,490	42% FTE
Māori	380	6% FTE	383	6% FTE	388	7% FTE
Pacific	288	5% FTE	297	5% FTE	334	6% FTE
All other ethnicities	5,302	89% FTE	5,304	89% FTE	5,264	88% FTE

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

The University has a large staff body, comprising just under 6,000 full-time-equivalent positions. This performance indicator lays out data for the general composition of staff², with several purposes in mind: 1.) to demonstrate the proportion of staff in key equity categories (Māori, Pacific, and gender); 2.) to demonstrate the relative proportion of senior professional and senior academic staff; and 3.) to demonstrate the breakdown of the Academic staff body in terms of teaching and research duties.

- Seniority is defined as a professorial position (including associate and adjunct roles) for Academic staff. For Professional staff in 2020 and 2021, Bands 1 – L are treated as senior, while Levels 6 and 6+ were senior in 2019.
- The ratio of academic to professional staff has remained fairly consistent, being a 40:60 split in 2019 and 2020, and a 41:59 split in 2021.
- Total FTE rose only slightly from 5,971 in 2019 to 5,984 in 2020 (+0.2%), and remained largely static in 2021, on 5,986. Note that the University conducted a Voluntary Leaving Scheme (VLS) in 2020, which contributed to these numbers (see page 70, talent retention).
- Most Academic staff have responsibilities that include both teaching and research, although a slight decline is evident from 2019 (where 58% of Academic FTE was in teaching and research roles) to 56% in 2021.
- There has been a slight increase in both the number and proportion of Māori and Pacific staff, rising from 668 FTE in 2019 (11.2%) to 722 FTE in 2021 (12.1%).
- For Māori, although the proportion of Professional FTE has remained consistent (6.7% in both 2019 and 2021), the proportion of Academic FTE rose from 5.9% to 6.2% during this time. The development of a Māori Staffing Strategy commenced in 2021, which aims to increase the proportions of Māori Academic and Professional staff through increased focus on management through the staff life cycle of recruitment, retention and promotion.
- The overall proportion of Pacific staff rose from 4.8% to 5.6% between 2019 and 2021, with increases evident for both Academic roles (2.5% to 3.2%) and Professional (6.4% to 7.2%).
- Women made up 58% of the staff body in 2021, although this is largely the result of a significant imbalance in professional staff. Whereas Academic staff are slightly more likely to be male (51.3%), Professional staff are much more likely to be female (64.7%). At a senior level, the University has built on its long-standing Women in Leadership programmes and in 2021, 14 of 31 senior leadership positions⁴ are held by women. Women are also well represented in the governance of the University, with both the Chancellor and Pro-Chancellor being women.

2. Including gender not specified.

3. The University's Equity Office Te Ara Tautika analyses the data in more detail. See their reports for more information.

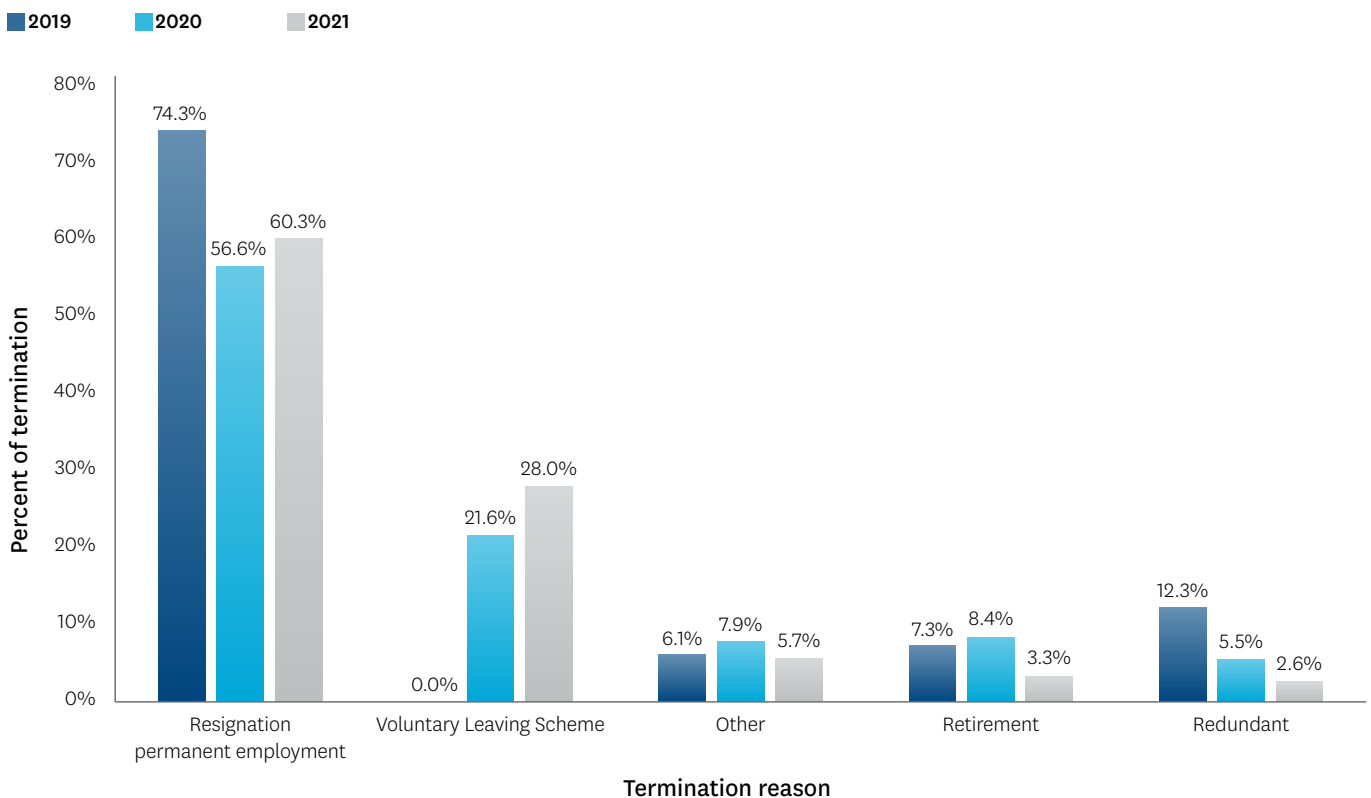
4. University Executive, Provost, deans and directors, and professional staff leadership committees

	2019 Actual	2020 Actual	2021 Actual
Total Turnover	10.4%	8.0%	13.1%

Turnover represents the number of terminations recorded in a given year against the number of staff employed in permanent, primary roles during that year.

- Turnover declined from 10.4% in 2019 to 8.0% in 2020, before rising sharply to 13.1% in 2021. This was driven largely by the University's Voluntary Leaving (severance) Scheme (VLS) that was implemented in response to Covid-19. Although the scheme took place in 2020, the actual terminations took place disproportionately in 2021: Voluntary severance terminations represented 82/379 terminations in 2020 (21.6%), but 161/573 terminations in 2021 (28.1%).
- For 2021, the single largest category of termination were resignations, representing 60.3% of all terminations. This is broadly in line with 2020, where resignations were 56.7% of the total, but substantially lower than 2019 where they were 74.3% of the total. The difference can largely be attributed to the VLS.
- The proportion of 'standard' redundancies (not connected to the scheme) likewise fell from 12.3% of all terminations in 2019 to 2.6% in 2021.

Termination reasons



Percentage of permanent staff who have engaged with tikanga or te reo Māori courses from the Te Taumata Ngaio initiative

The University has a deep and long-standing relationship with Māori from iwi in both Tāmaki Makaurau (Auckland) and wider Aotearoa New Zealand. In part, this is because Māori make up around 9% of the student body, and 6% of staff, although the University also recognises that, as an academic institution, it is uniquely placed to support the preservation and advancement of te reo and tikanga Māori (the language and customs of the Māori people).

In 2021, 6.1% of the University's full-time equivalent permanent staff engaged in at least one online reo/tikanga course, and/or enrolled in credit-bearing courses relating to Māori language, culture, development or health.

Among academic units, the highest rates were found in the Auckland Bioengineering Institute (26.6%), the Faculty of Law (11.7%), and the Faculty of Education and Social Work (9.9%). The lowest rates were found in the Faculty of Creative Arts and Industries (1.1%), the Faculty of Engineering (1.8%), and the Faculty of Science (2.8%).

Among other service divisions¹, the highest rates were found in the Office of Research Strategy and Integrity (36.7%), Communications and Marketing (30.6%), and Human Resources (19.5%). The lowest rates were in Digital Services (1.2%), Property Services (1.7%) and Finance (3.1%).

¹ Service divisions with < 10 full-time equivalent staff are excluded.



Statement of the cost of outputs

The University's Mission and Values 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.

	2019 Actual (\$000)	2020 Actual (\$000)	2021 Target (\$000)	2021 Actual (\$000)
Teaching and learning	786,340	845,655	844,580	815,102
Research	359,935	384,706	387,849	391,204
Community service	38,493	33,262	46,032	32,682
Total cost of outputs	1,184,768	1,263,623	1,278,461	1,238,988

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 Service Fee	962	2,221	4,750	294	125
Other			15		
Total revenue	962	2,221	4,766	294	125
Expenses	120	1,696	3,981	115	725
Total expenses	120	1,696	3,981	115	725
Surplus/(deficit)	842	525	784	178	(601)

Compulsory Student Services Fee

The Compulsory Student Services Fee (CSSF) was set at \$962.20 per full-time student in 2021. 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 student organisations, including AUSA and PGSA. 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. This includes online information and resources, and a range of tailored workshops and individual appointments. CDES provides opportunities for students to engage with employers through large expos, career events, employer presentations and a job board. Career development consultants have special responsibilities including being the lead consultant for specific faculties as well as for Māori, Pacific, international and postgraduate students.

Counselling services and pastoral care

Counsellors are available through University Health and Counselling Services for one-on-one and group appointments, to help students overcome barriers to academic progress arising from personal circumstances. This includes virtual counselling online. Staff are available to provide pastoral care including chaplains, resident assistants in halls of residence and faculty-based staff. The University's Student 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.

Health, safety and well-being services

University Health, Safety and Well-being 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 and in 2020 and late 2021 consultations were also held online. Disability Services provides support to students with physical and mental disabilities.

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.

Childcare services

Childcare facilities are available to parents and caregivers across all campuses.

Clubs and societies

The University of Auckland supports 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 and staff, along with a range of cultural activities on campus. The University offers gym and fitness equipment, fitness classes and sports facilities such as a bike studio, sports hall and squash courts. Campus Life Sport and Recreation delivers student sporting tournaments, events, wellness programmes and supports sports club activities. The University also offers a High Performance Support Programme to help students who are managing tertiary study while also competing at elite sports or performance activities.

Health Services	Media	Childcare Services	Clubs and societies	Sports, recreation and cultural activities	TOTAL
3,520	351	599	2,021	13,718	28,560
1,753		4,921	105	2,272	9,065
5,273	351	5,519	2,125	15,990	37,626
4,926	567	5,469	4,479	15,547	37,626
4,926	567	5,469	4,479	15,547	37,626
347	(216)	50	(2,354)	444	(0)

Educational Performance Indicator Commitments

	2019 Actual	2020 Actual	2021 Target	2021 Actual
Māori course completion	85.9%	87.4%	87.5%	83.1%
Pacific course completion	75.4%	80.6%	80%	75.1%
Non-Māori/non-Pacific course completion	91.1%	93.5%	91%	90%
Māori first-year retention	77%	77.4%	82%	79.1%
Pacific first-year retention	80.6%	78.9%	83%	78.2%
Non-Māori/non-Pacific first-year retention	83.3%	84.6%	85%	84.8%
Māori 4 – 7* (non-degree) participation	11.7%	13.7%	16%	14.8%
Māori 7 (degree) participation	9.3%	9.1%	8.4%	9.1%
Māori 8 – 10 (postgraduate) participation	5.9%	5.8%	5.4%	5.8%
Pacific 4 – 7 (non-degree) participation	19%	20.1%	33%	14.8%
Pacific 7 (degree) participation	11.8%	11.4%	12%	11.1%
Pacific 8 – 10 (postgraduate) participation	4.8%	4.7%	5.2%	5.1%
Non-Māori/non-Pacific 4 – 7 (non-degree) participation	69.3%	66.2%	51%	62.1%
Non-Māori/non-Pacific 7 (degree) participation	78.9%	79.5%	81%	79.7%
Non-Māori/non-Pacific 8 (postgraduate) participation	89.3%	89.5%	90%	89%

* Numbers represent the ten levels on the NZ Qualifications Framework




04 Financial statements

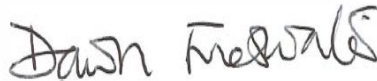
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Statement of responsibility

- 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 2021 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 14 March 2022 and formally adopted these Financial Statements for issue on 14 March 2022.



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 2021

	Note	Consolidated					
		2021 Unrestricted \$'000	2021 Restricted \$'000	2021 Total \$'000	2020 Unrestricted \$'000	2020 Restricted \$'000	2020 Total \$'000
Operating revenue							
Government grants	2	488,686	-	488,686	455,270	-	455,270
Tuition fees		381,941	-	381,941	352,221	-	352,221
Research and contracts	3	295,055	-	295,055	269,059	-	269,059
Service income		119,812	-	119,812	123,125	-	123,125
Donations and legacies		153	29,878	30,031	387	40,668	41,055
Interest received		1,140	728	1,868	1,756	1,895	3,651
Other revenue		8,935	-	8,935	7,214	-	7,214
Other gains/(losses)	4	2,848	36,124	38,972	(38,021)	20,082	(17,939)
Transfer of funds from restricted to unrestricted	5	23,380	(23,380)	-	23,936	(23,936)	-
Total operating revenue		1,321,950	43,350	1,365,300	1,194,947	38,709	1,233,656
Operating expenses							
People costs	6	667,854	-	667,854	706,805	-	706,805
Operating costs	7	406,477	-	406,477	358,964	-	358,964
Finance costs		(183)	-	(183)	-	-	-
Depreciation and amortisation	10,11	158,111	-	158,111	158,763	-	158,763
Total operating expenses		1,232,259	-	1,232,259	1,224,532	-	1,224,532
Net surplus / (deficit) before tax		89,691	43,350	133,041	(29,585)	38,709	9,124
Income tax expense/(benefit)		3,945	-	3,945	(349)	-	(349)
Net surplus / (deficit) after tax		85,746	43,350	129,096	(29,236)	38,709	9,473
Other comprehensive revenue and expense							
Gain/(loss) on asset revaluation reserve	19	499,971	-	499,971	722	-	722
Gain/(loss) on cash flow hedges taken to equity	19	710	-	710	(507)	-	(507)
Gain/(loss) in foreign currency translation reserve	19	238	-	238	(341)	-	(341)
Gain/(loss) in available-for-sale reserve	19	26,084	-	26,084	(2,115)	-	(2,115)
Total comprehensive revenue and expense		612,749	43,350	656,099	(31,477)	38,709	7,232
Surplus / (deficit) is attributable to:							
Members of the parent entity		612,749	43,350	656,099	(31,477)	38,709	7,232

The accompanying Notes to the Financial Statements on pages 84 to 122 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 2021

	Note	University		
		Actual 2021 \$'000	Budget 2021 \$'000	Actual 2020 \$'000
Operating revenue				
Government grants	2	488,686	463,391	455,270
Tuition fees		381,941	332,556	352,221
Research and contracts	3	251,511	252,348	214,837
Service income		128,447	129,709	136,319
Donations and legacies		13,335	11,326	13,482
Interest received		894	362	1,212
Other revenue		6,630	9,908	6,593
Other gains/(losses)	4	9,392	49	(38,265)
Total operating revenue		1,280,836	1,199,649	1,141,669
Operating expenses				
People costs	6	630,728	640,503	672,720
Operating costs	7	391,852	427,262	347,898
Finance costs		328	1,476	1,373
Depreciation and amortisation	10,11	157,055	161,912	157,440
Total operating expenses		1,179,963	1,231,153	1,179,431
Net surplus / (deficit) before tax		100,873	(31,504)	(37,762)
Income tax expense/(benefit)		-	-	-
Net surplus / (deficit) after tax		100,873	(31,504)	(37,762)
Other comprehensive revenue and expense				
Gain/(loss) on asset revaluation reserve	19	499,971	-	722
Gain/(loss) on cash flow hedges taken to equity	19	830	-	(610)
Total comprehensive revenue and expense		601,674	(31,504)	(37,650)
Attributable to:				
Surplus / (deficit) is attributable to:				
Members of the parent entity		601,674	(31,504)	(37,650)

The accompanying Notes to the Financial Statements on pages 84 to 122 form part of and should be read in conjunction with these financial statements.

Statement of financial position

As at 31 December 2021

	Note	Consolidated		University		
		Actual 2021 \$'000	Actual 2020 \$'000	Actual 2021 \$'000	Budget 2021 \$'000	Actual 2020 \$'000
Current assets						
Cash and cash equivalents		33,079	66,968	9,116	(12,415)	22,433
Short term bank deposits		72,836	38,738	54,291	23,570	24,447
Receivables	9	65,608	63,650	59,703	57,099	63,271
Research work in progress		27,503	18,869	27,316	18,726	27,322
Derivative financial instruments	23.1	(188)	2,344	71	-	(759)
Inventories		2,681	2,300	2,681	2,531	2,300
Prepayments and other current assets		42,829	32,292	41,284	29,128	29,342
Total current assets		244,348	225,161	194,462	118,639	168,356
Non-current assets						
Investment in controlled entities	21.1	-	-	19,873	19,570	19,570
Property, plant and equipment	10	4,112,560	3,599,228	4,110,708	3,684,001	3,597,156
Intangible assets	11	22,106	28,359	21,161	35,393	27,110
Other financial assets	23.1	418,580	333,111	22,771	17,132	17,141
Total non-current assets		4,553,246	3,960,698	4,174,513	3,756,096	3,660,977
Total assets		4,797,594	4,185,859	4,368,975	3,874,735	3,829,333
Current liabilities						
Payables	12	184,372	144,420	167,120	135,519	137,958
Deferred revenue	13	240,106	232,321	217,913	164,782	211,142
Income tax payable/(receivable)		3,977	-	-	-	-
Loans and borrowings	15	444	100,628	52,471	50,017	154,655
Employee entitlements	14	72,401	67,464	68,179	64,914	63,083
Provisions	16	10,373	39,223	10,373	533	39,223
Total current liabilities		511,673	584,056	516,056	415,765	606,061
Non-current liabilities						
Employee entitlements	14	60,004	67,425	59,932	76,186	67,399
Loans and borrowings	15	69,007	38,693	69,007	315,419	38,693
Provisions	16	6,256	1,130	6,256	-	1,130
Total non-current liabilities		135,267	107,248	135,195	391,605	107,222
Total liabilities		646,940	691,304	651,251	807,370	713,283
Net assets		4,150,654	3,494,555	3,717,724	3,067,365	3,116,050
Equity						
General equity		1,512,814	1,413,011	1,480,775	1,263,633	1,366,895
Reserves	19	2,248,921	1,735,846	2,193,658	1,759,795	1,706,146
Restricted and special funds	20	388,919	345,698	43,291	43,937	43,009
Total equity		4,150,654	3,494,555	3,717,724	3,067,365	3,116,050
Net assets						
Restricted		370,402	327,052	24,775	-	24,364
Unrestricted		3,780,252	3,167,503	3,692,949	3,067,365	3,091,686
Total net assets		4,150,654	3,494,555	3,717,724	3,067,365	3,116,050

The accompanying Notes to the Financial Statements on pages 84 to 122 form part of and should be read in conjunction with these financial statements.

Statement of cash flows

For the year ended 31 December 2021

	Note	Consolidated		University		
		Actual 2021 \$'000	Actual 2020 \$'000	Actual 2021 \$'000	Budget 2021 \$'000	Actual 2020 \$'000
Cash flows from operating activities						
Government grants		481,999	456,074	481,999	463,391	456,074
Tuition fees		375,866	345,939	375,866	336,343	345,939
Other operating receipts		425,153	413,072	400,403	395,829	379,045
Donations and legacies received		29,685	41,055	13,277	-	13,482
Goods and services tax (net)		3,226	(9,865)	4,038	(3,952)	(9,148)
Payments to employees		(606,418)	(607,194)	(570,554)	(595,455)	(576,862)
Other operating payments		(477,282)	(412,312)	(472,743)	(500,612)	(395,303)
Net cash flow from operating activities	8	232,229	226,769	232,286	95,544	213,227
Cash flows from investing activities						
Interest received		1,587	3,776	649	362	1,227
Proceeds of loan from controlled entities		-	-	(2,000)	-	3,989
Acquisition of property, plant and equipment and work in progress		(149,467)	(153,862)	(149,226)	(228,497)	(169,754)
Borrowing costs capitalised		(1,025)	(1,980)	(1,025)	-	(1,980)
(Acquisition)/disposal of financial assets		(59,485)	(7,540)	(35,474)	-	(1,097)
Investment in controlled entities		-	-	(304)	-	-
Net cash flow from investing activities		(208,390)	(159,606)	(187,380)	(228,135)	(167,616)
Cash flows from financing activities						
Proceeds from borrowings		145,279	-	145,279	49,337	-
Interest paid		183	-	(328)	(1,476)	(1,373)
Repayment of borrowings		(203,130)	(41,918)	(203,130)	-	(41,918)
Net cash provided by/(used in) financing activities		(57,668)	(41,918)	(58,179)	47,861	(43,291)
Net increase/(decrease) in cash and cash equivalents		(33,829)	25,245	(13,273)	(84,730)	2,320
Cash and cash equivalents at the beginning of the financial year		66,968	41,937	22,433	72,195	20,327
Effects of exchange rate changes on cash and cash equivalents		(60)	(214)	(44)	120	(214)
Cash, cash equivalents, and bank overdrafts at the end of the year		33,079	66,968	9,116	(12,415)	22,433
Reconciliation of cash and cash equivalents						
Current accounts at bank		33,079	66,968	9,116	(12,415)	22,433
Total cash and cash equivalents		33,079	66,968	9,116	(12,415)	22,433

The accompanying Notes to the Financial Statements on pages 84 to 122 form part of and should be read in conjunction with these financial statements.

Statement of cash flows (continued)

For the year ended 31 December 2021

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 2021

		Asset revaluation reserve	Hedging and statutory reserves	Foreign currency translation reserve	General equity	Restricted and special funds	Available for sale	Total equity
Consolidated	Note	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
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 expenses for the year	19	499,971	710	238	-	-	26,084	527,003
Transfer asset revaluation reserve to general equity	19	(13,289)	-	-	13,928	-	(639)	-
Transfer surplus to restricted and special funds	20	-	-	-	(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
Balance as at 1 January 2020		1,753,595	(55)	50	1,394,465	307,358	31,909	3,487,322
Net surplus for the year		-	-	-	9,473	-	-	9,473
Other comprehensive revenue and expense for the year	19	722	(507)	(341)	-	-	(2,115)	(2,240)
Transfer asset revaluation reserve to general equity	19	(47,412)	-	-	47,412	-	-	-
Transfer surplus to restricted and special funds	20	-	-	-	(38,340)	38,340	-	-
Balance as at 31 December 2020		1,706,905	(562)	(291)	1,413,010	345,698	29,794	3,494,555
Equity								
Unrestricted		1,706,905	(562)	(291)	1,413,010	18,646	29,794	3,167,503
Restricted		-	-	-	-	327,052	-	327,052
Total equity		1,706,905	(562)	(291)	1,413,010	345,698	29,794	3,494,555

The accompanying Notes to the Financial Statements on pages 84 to 122 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 2021

		Asset revaluation reserve	Hedging and statutory reserves	Foreign currency translation reserve	General equity	Restricted and special funds	Available for sale	Total equity
University	Note	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
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	19	499,971	830	-	-	-	-	500,801
Transfer asset revaluation reserve to general equity	19	(13,289)	-	-	13,289	-	-	-
Transfer surplus to restricted and special funds	20	-	-	-	(282)	282	-	-
Balance as at 31 December 2021		2,193,587	71	-	1,480,775	43,291	-	3,717,724
Balance as at 1 January 2020		1,753,595	(149)	-	1,356,994	43,259	-	3,153,699
Net surplus for the year		-	-	-	(37,762)	-	-	(37,762)
Other comprehensive revenue and expense for the year	19	722	(610)	-	-	-	-	113
Transfer revaluation reserve on disposed assets	19	(47,412)	-	-	47,412	-	-	-
Transfer surplus to restricted and special funds	20	-	-	-	250	(250)	-	-
Balance as at 31 December 2020		1,706,905	(759)	-	1,366,894	43,009	-	3,116,050

The accompanying Notes to the Financial Statements on pages 84 to 122 form part of and should be read in conjunction with these financial statements.

Notes to the Financial Statements

For the year ended 31 December 2021

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 2021 were authorised for issue by the Council on 14 March 2022.

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. Auckland UniServices (HK) Limited was liquidated in the 2021 financial year.

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 Clock Tower, 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 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, assets held as available-for-sale, 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 2021 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 also issued PBE FRS 48: Service Performance Reporting in November 2017 that PBEs will need to apply from 1 January 2022. The impact of this accounting standard has been assessed as not material.

The External Reporting Board issued PBE IPSAS 41: Financial Instruments in March 2019. PBEs are required to adopt the standard from 1 January 2022. Along with PBE IPSAS 41, Effective date of PBE IFRS 9: Financial Instruments, was also issued. This standard limits the early adoption of PBE IFRS 9 to annual periods beginning before 1 January 2020. For periods beginning on or after that date, entities can only early adopt PBE IPSAS 41. The University and its controlled entities have not early adopted PBE IFRS 9. The University and its controlled entities will adopt PBE IPSAS 41 for the December 2022 year end. The impact of the adoption of this

Notes to the Financial Statements (continued)

For the year ended 31 December 2021

1 Statement of accounting policies (continued)

accounting standard has not yet been fully assessed.

Standards issued and adopted

The External Reporting Board issued PBE IPSAS 40: PBE Combinations in July 2019. PBEs were required to adopt the standard from 1 January 2021. The University and its controlled entities adopted the standard for the December 2021 year end. This adoption had no impact on the presentation of financial statements in the 2021 financial year.

Changes in accounting policies

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

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 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.
- The classification and valuation of investments in associates, convertible notes and investments held as available-for-sale.
- 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 14.

Critical accounting judgments

Management has exercised the following critical judgments in applying accounting policies for the year ended 31 December 2021:

Held to maturity investments

The Group follows the PBE IPSAS 29 guidance on classifying non-derivative financial assets with fixed or determinable payments and fixed maturity as held-to-maturity. This classification requires significant judgment. In making this judgment, the Group evaluates its intention and ability to hold such investments to maturity. If the Group fails to keep these investments to maturity other than for specific circumstances explained in PBE IPSAS 29, it will be required to reclassify the whole class as available-for-sale. The investments would therefore be measured at fair value not amortised cost. Furthermore, the entity would not be able to classify any financial assets as held-to-maturity for the following two annual reporting periods.

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.

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.

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.

Notes to the Financial Statements (continued)

For the year ended 31 December 2021

1 Statement of accounting policies (continued)

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 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

Notes to the Financial Statements (continued)

For the year ended 31 December 2021

1 Statement of accounting policies (continued)

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.

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 are 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

Notes to the Financial Statements (continued)

For the year ended 31 December 2021

1 Statement of accounting policies (continued)

terminating the contract and the expected net cost of continuing with the contract.

Impairment of financial assets

Financial assets other than those at fair value through surplus or deficit are assessed for indicators of impairment at each balance date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that have occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been adversely impacted.

Objective evidence of impairment could include:

- Significant financial difficulty, or a downgrade in credit rating of the issuer or counter party; or
- Default or delinquency in interest or principal payments; or
- It becomes probable that the borrower will enter bankruptcy or financial re-organisation.

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 Hong Kong and China

and the 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.

1.6 Impact of Covid-19

On 11 March 2020, the World Health Organisation officially declared Covid-19, the disease caused by novel coronavirus, a global pandemic. Covid-19, as well as the measures introduced to slow the virus, have since had a significant impact on the global economy and the sector that the Group operates in.

On 17 August 2021, New Zealand entered 'Level 4' lockdown, which required mandatory suspension of all non-essential services for the Auckland areas following a confirmed community case of Covid-19 in Auckland. In full compliance with 'Level 4' restrictions, the Group suspended all on campus activities and all teaching transitioned to remote/online learning.

On 9 November 2021, Auckland moved to 'Level 3: Step 2'. Under these settings, the University's Alert Level 3 arrangements remained in place. Most of the learning and teaching activities were delivered remotely. Lectures, tutorials and other group-based workshops and laboratories were permitted, with a limit of 25 people. Staff were encouraged to work from home.

The Government subsequently announced that New Zealand would move into the "Traffic Light System" on 2 December 2021. Auckland was initially in the 'Red Level' setting. The University follows the Ministry of Education's Guidelines for Tertiary Education Organisations on how to operate under the Government's Covid-19 Protection Framework. The University will respond according to the requirements of the different levels (red, orange, green) as they happen.

Similar to the previous 'Level 3: Step 2', under red level settings, access to campus would continue to be limited and staff were still encouraged to work from home if possible.

The Group has considered the impact of Covid-19 in preparing its financial statements. Key balance sheet items and related disclosures that have been impacted by Covid-19 are as follows:

Category	Assessment	Notes
Government grants	TEC Access and Hardship Funding were new funding categories in 2020 and have continued during 2021, through the renamed 'Hardship Fund for Learners'. This funding category provides financial assistance, support and resources for currently enrolled tertiary learners who are facing hardship due to the Covid-19 pandemic.	2
External Research Income (EFR)	The various lockdowns and restrictions on access to facilities and resources from Covid-19 resulted in research activity being disrupted. Research revenue of \$10.9m (2020: \$11.9m) has been deferred to recognise the proportionate progress of research activity for these projects impacted by the pandemic.	3, 13
Property, Plant & Equipment	New Zealand valuers, in line with their peers around the world, included in their property valuations during 2021 reporting periods, various valuation uncertainty clauses. These clauses highlighted that less certainty and consequently a higher degree of caution should be attached to valuations as a result of Covid-19. Valuers also noted that entities should keep the property valuations under frequent review as they may change significantly and unexpectedly over short periods of time.	10

Notes to the Financial Statements (continued)

For the year ended 31 December 2021

1 Statement of accounting policies (continued)

Category	Assessment	Notes
Provisions and other people costs	In 2020, the University implemented a Business Recovery Programme to ensure the University gets through the impact of the Covid-19 crisis as quickly and effectively as possible. One of the components of the Business Recovery Programme is the Voluntary Leaving Scheme ("VLS") where eligible employees were offered the opportunity to conclude their employment with the University. A commitment of \$6.8m (2020: \$40.4m) for termination benefits resulting from the 2020 VLS scheme remains at 31 December 2021.	6, 16
Investments	The Covid-19 pandemic created uncertainty and significant volatility in financial markets. Although markets have largely recovered, market volatility still exists. The fair value of level 1 and 2 investments (as described in note 23.2) reflect market observable prices or inputs available at 31 December 2021. Investments categorised within level 3 are by their very nature inherently more subjective and therefore more exposed to valuation uncertainty as at 31 December 2021.	21, 23

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.

Fees free revenue of \$40m (2020: \$34m) has been reclassified to Tuition fee revenue for 2021 and 2020.

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 2021 \$'000	Actual 2020 \$'000	Actual 2021 \$'000	Actual 2020 \$'000
Student Achievement Component funding	377,845	347,460	377,845	347,460
Clinical Training Agency grants	5,532	5,182	5,532	5,182
Other Government grants	8,628	6,956	8,628	6,956
Performance-Based Research Fund funding	95,357	92,453	95,357	92,453
Hardship Fund for Learners	1,324	3,219	1,324	3,219
Total Government grants	488,686	455,270	488,686	455,270

3 Research and contracts revenue

The University and Group exercise 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.

Notes to the Financial Statements (continued)

For the year ended 31 December 2021

3 Research and contracts revenue (continued)

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 13.

	Consolidated		University	
	Actual 2021 \$'000	Actual 2020 \$'000	Actual 2021 \$'000	Actual 2020 \$'000
External research income	223,758	198,752	217,420	193,516
Other research and contract income	71,297	70,307	34,091	21,321
Total research and contracts revenue	295,055	269,059	251,511	214,837

4 Other gains/(losses)

	Consolidated		University	
	Actual 2021 \$'000	Actual 2020 \$'000	Actual 2021 \$'000	Actual 2020 \$'000
Non-financial instruments				
Gain/(loss) on disposal of property, plant and equipment	(2,579)	(39,619)	(2,583)	(38,332)
Foreign exchange gains/(losses)	(60)	11,067	(44)	67
Financial instruments				
Fair value gain/(loss) on financial assets	29,592	10,613	-	-
Fair value gain/(loss) on financial liabilities	12,019	-	12,019	-
Total other gains/(losses)	38,972	(17,939)	9,392	(38,265)

Gains/(losses) on financial assets comprise realised and unrealised gains/(losses) in the fair value of assets held in managed funds.

Gains/(losses) on financial liabilities comprise unrealised gains/(losses) in the fair value of the non-interest bearing CIP loan. Refer to notes 15 and 23.

During FY20 a large part of the Education and Social Sciences buildings were demolished. This was in preparation for the rebuild and refurbishment of the buildings. The total value of the demolition was (\$25.8m).

Notes to the Financial Statements (continued)

For the year ended 31 December 2021

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 2021 \$'000	Actual 2020 \$'000
Research	11,513	11,043
Donations	10,852	10,241
Other	1,015	2,652
Total transfer of funds from restricted to unrestricted	23,380	23,936

6 People costs

	Consolidated		University	
	Actual 2021 \$'000	Actual 2020 \$'000	Actual 2021 \$'000	Actual 2020 \$'000
Academic salaries	322,572	320,455	321,853	319,392
Professional salaries	275,450	260,112	240,967	230,631
Defined contribution expense	26,584	26,013	25,247	24,945
Contracts for service	37,852	43,448	30,497	35,130
Other people costs	5,396	56,777	12,164	62,622
Total people costs	667,854	706,805	630,728	672,720

The Group and the University have termination payments of \$0.6m included in other people costs in the current year (2020: \$44.1m).

7 Operating costs

	Consolidated		University	
	Actual 2021 \$'000	Actual 2020 \$'000	Actual 2021 \$'000	Actual 2020 \$'000
Operating costs includes the following specific expenses:				
Consumable supplies	28,038	26,267	26,167	23,947
Repairs and maintenance	43,763	38,972	41,876	37,873
Operating leases				
Properties	45,723	34,392	43,704	33,471
Equipment	95	503	93	501
Motor vehicles	257	191	17	23
Total operating lease costs	46,075	35,086	43,814	33,995

Notes to the Financial Statements (continued)

For the year ended 31 December 2021

7 Operating costs (continued)

	Consolidated		University	
	Actual 2021 \$'000	Actual 2020 \$'000	Actual 2021 \$'000	Actual 2020 \$'000
Auditor remuneration				
Audit fees for audit of financial statements	640	573	355	350
Other assurance services	26	18	26	18
Other non-assurance services*	17	16	-	-
Total auditors' remuneration	683	607	381	368

* 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 2021

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

	Consolidated		University		
	Actual 2021 \$'000	Actual 2020 \$'000	Actual 2021 \$'000	Budget 2021 \$'000	Actual 2020 \$'000
Net surplus/(deficit) for the year	129,096	9,473	100,873	(31,504)	(37,762)
Add/(less) non-cash items:					
Depreciation and amortisation	158,111	158,765	157,055	161,912	157,440
Donated assets	(345)	-	(58)	-	-
Foreign exchange fluctuations	60	(11,280)	44	(120)	(280)
Non-cash fair value of non-interest bearing loan *	(12,019)	-	(12,019)	-	-
Unrealised gain on investments	(30,520)	(20,997)	-	-	897
	115,287	126,488	145,022	161,792	158,057
Add/(less) items classified as investing or financing activities					
Interest income	(1,868)	(3,651)	(894)	(362)	(1,212)
(Gain)/loss on disposal of property, plant, and equipment	2,579	39,619	2,583	71	38,332
Movements relating to capital expenditure	(16,682)	20,093	(16,717)	-	22,389
Finance costs	(183)	-	328	1,476	1,373
Total items classified as investing or financing activities	(16,154)	56,061	(14,700)	1,185	60,882
Add/(less) changes in net assets and liabilities:					
Decrease/(Increase) in receivables	(1,952)	(12,378)	3,569	(3,563)	(10,760)
Decrease/(Increase) in prepayments and other current assets	(10,536)	3,468	(11,941)	1,706	4,159
Decrease/(Increase) in inventories	(381)	(161)	(381)	(79)	(161)
Decrease/(Increase) in research work in progress	(8,635)	1,594	6	(180)	(8,141)
Increase /(Decrease) in payables and provisions	20,202	11,043	5,437	697	14,560
Increase /(Decrease) in deferred revenue	7,786	30,756	6,772	(4,725)	32,593
Increase /(Decrease) in employee entitlements	(2,484)	425	(2,371)	(29,785)	(200)
Net movement in working capital items	4,000	34,747	1,091	(35,929)	32,050
Net cash inflow/(outflow) from operating activities	232,229	226,769	232,286	95,544	213,227

* Refer to note 15 and 23

9 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.

Notes to the Financial Statements (continued)

For the year ended 31 December 2021

9 Receivables (continued)

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 2021 \$'000	Actual 2020 \$'000	Actual 2021 \$'000	Actual 2020 \$'000
Trade receivables	66,734	64,738	48,098	54,494
Provision for receivables impairment	(1,126)	(1,088)	(866)	(816)
Net receivables	65,608	63,650	47,232	53,678
Related company receivables	-	-	12,471	9,593
Total receivables	65,608	63,650	59,703	63,271

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

	2021			2020		
	Gross \$'000	Impairment \$'000	Net \$'000	Gross \$'000	Impairment \$'000	Net \$'000
Consolidated						
Current	53,838	-	53,838	44,749	-	44,749
Past due 31-60 days	2,589	-	2,589	6,671	-	6,671
Past due 61-90 days	1,462	-	1,462	3,567	-	3,567
Past due > 90 days	8,845	(1,126)	7,719	9,751	(1,088)	8,663
Total	66,734	(1,126)	65,608	64,738	(1,088)	63,650
University						
Current	44,090	-	44,090	44,752	-	44,752
Past due 31-60 days	3,978	-	3,978	6,671	-	6,671
Past due 61-90 days	2,996	-	2,996	3,567	-	3,567
Past due > 90 days	9,505	(866)	8,639	9,096	(816)	8,280
Total	60,569	(866)	59,703	64,086	(816)	63,270

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

Receivables past due but not considered impaired are \$11.8m (2020: \$18.9m) for the Group, and \$15.6m (2020: \$18.5m) 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 2021 \$'000	Actual 2020 \$'000	Actual 2021 \$'000	Actual 2020 \$'000
Balance at beginning of financial year	1,088	1,401	816	939
Additional provisions made during the year	695	855	695	357
Provisions reversed during the year	(12)	(1,168)	-	(480)
Receivables written-off during the period	(645)	-	(645)	-
Balance at the end of the financial year	1,126	1,088	866	816

Notes to the Financial Statements (continued)

For the year ended 31 December 2021

10 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 2021

10 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 2021

10 Property, plant and equipment (continued)

	Consolidated							Total \$'000
	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	-	-	31,042	531,890	-	355,803	467,601	1,386,336
Valuation	1,084,084	2,015,771	-	-	24,272	9,124	-	3,133,251
Balance as at 1 January 2020	1,084,084	2,015,771	31,042	531,890	24,272	364,927	467,601	4,519,587
Additions	2,375	3,089	14	26,305	2,249	13,031	97,000	144,063
Disposals	(2,750)	(47,170)	-	(8,176)	(509)	(4,024)	-	(62,629)
Transfers	-	465,619	6,334	21,422	-	-	(493,376)	-
Net revaluation increments	-	-	-	-	294	429	-	722
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 31 December 2021	1,419,664	2,351,475	38,010	593,218	26,165	376,547	181,880	4,986,959
Accumulated depreciation								
Cost	-	-	25,969	402,597	-	339,463	-	768,029
Valuation	-	106,102	-	-	-	-	-	106,102
Balance as at 1 January 2020	-	106,102	25,969	402,597	-	339,463	-	874,131
Disposals	-	(8,478)	-	(4,336)	-	(4,024)	-	(16,838)
Depreciation expense	-	90,913	1,664	38,468	-	14,178	-	144,225
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 31 December 2021	-	22,490	29,446	469,360	-	353,103	-	874,399
Net book value								
As at 1 January 2020	1,084,084	1,909,669	5,073	129,293	24,272	25,464	467,601	3,645,456
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 31 December 2021	1,419,664	2,328,985	8,564	123,858	26,165	23,444	181,880	4,112,560

Notes to the Financial Statements (continued)

For the year ended 31 December 2021

10 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	-	-	27,381	519,102	-	355,803	467,577	1,369,863
Valuation	1,084,084	2,015,771	-	-	24,272	9,124	-	3,133,251
Balance as at 1 January 2020	1,084,084	2,015,771	27,381	519,102	24,272	364,927	467,577	4,503,114
Additions	2,375	3,089	14	26,270	2,249	13,031	96,336	143,365
Disposals	(2,750)	(47,170)	-	(8,165)	(509)	(4,024)	-	(62,617)
Transfers	-	465,619	6,334	21,076	-	-	(493,029)	-
Net revaluation increments	-	-	-	-	294	428	-	722
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 31 December 2021	1,419,664	2,351,475	34,349	579,469	26,161	376,547	181,627	4,969,292
Accumulated depreciation								
Cost	-	-	22,681	391,782	-	339,463	-	753,926
Valuation	-	106,102	-	-	-	-	-	106,102
Balance as at 1 January 2020	-	106,102	22,681	391,782	-	339,463	-	860,028
Disposals	-	(8,478)	-	(4,323)	-	(4,024)	-	(16,825)
Depreciation expense	-	90,913	1,549	37,585	-	14,178	-	144,224
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 31 December 2021	-	22,490	25,927	457,064	-	353,103	-	858,584
Net book value								
As at 1 January 2020	1,084,084	1,909,669	4,700	127,320	24,272	25,464	467,577	3,643,086
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 31 December 2021	1,419,664	2,328,985	8,422	122,405	26,161	23,444	181,627	4,110,708

Notes to the Financial Statements (continued)

For the year ended 31 December 2021

10 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. A revaluation surplus for land of \$338.3m and buildings of \$161.6m were recognised in the revaluation reserve in 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.

Notes to the Financial Statements (continued)

For the year ended 31 December 2021

10 Property, plant and equipment (continued)

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.

11 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 2021

11 Intangible assets (continued)

	Consolidated		
	Software	Capital work in progress	Total
	\$'000	\$'000	\$'000
Gross carrying amount			
Balance as at 1 January 2020	135,615	6,763	142,378
Additions	1,533	13,088	14,621
Disposals	(781)	-	(781)
Transfers	10,688	(10,688)	-
Balance as at 31 December 2020	147,055	9,163	156,218
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
Accumulated amortisation and impairment			
Balance as at 1 January 2020	114,318	-	114,318
Disposals	(1)	-	(1)
Amortisation expense	13,542	-	13,542
Balance as at 31 December 2020	127,859	-	127,859
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
Net book value			
As at 1 January 2020	21,297	6,763	28,060
As at 1 January 2021	19,196	9,163	28,359
As at 31 December 2021	18,898	3,208	22,106

Notes to the Financial Statements (continued)

For the year ended 31 December 2021

11 Intangible assets (continued)

	University		Total
	Software	Capital work in progress	
	\$'000	\$'000	\$'000
Gross carrying amount			
Balance as at 1 January 2020	131,083	6,763	137,846
Additions	1,534	13,088	14,622
Disposals	(782)	-	(782)
Transfers	10,688	(10,688)	-
Balance as at 31 December 2020	142,523	9,163	151,686
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
Accumulated amortisation and impairment			
Balance as at 1 January 2020	111,360	-	111,360
Disposals	(1)	-	(1)
Amortisation expense	13,216	-	13,216
Balance as at 31 December 2020	124,576	-	124,576
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
Net book value			
As at 1 January 2020	19,723	6,763	26,486
As at 1 January 2021	17,947	9,163	27,110
As at 31 December 2021	17,953	3,208	21,161

12 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 2021	Actual 2020	Actual 2021	Actual 2020
	\$'000	\$'000	\$'000	\$'000
Trade payables	184,372	144,420	159,812	136,654
Related company payables	-	-	7,308	1,304
Total payables	184,372	144,420	167,120	137,958

Notes to the Financial Statements (continued)

For the year ended 31 December 2021

13 Deferred Revenue

	Consolidated		University	
	Actual 2021 \$'000	Actual 2020 \$'000	Actual 2021 \$'000	Actual 2020 \$'000
Current liabilities				
Deferred revenue	85,522	85,937	82,522	85,937
Research contract obligations	157,584	146,384	135,391	125,205
Deferred revenue - current	240,106	232,321	217,913	211,142

This note should be read in conjunction with note 3.

Included in deferred revenue for FY21, is \$10.9m of externally funded revenue (2020: \$11.9m). This recognises the proportionate progress of research activity for those projects impacted by the pandemic.

14 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 2021 \$'000	Actual 2020 \$'000	Actual 2021 \$'000	Actual 2020 \$'000
Current liabilities				
Accumulated annual leave	54,553	46,758	50,331	42,377
Retirement allowance	17,134	20,127	17,134	20,127
Long service leave	714	579	714	579
Total employee entitlements - current	72,401	67,464	68,179	63,083
Non-current liabilities				
Sick leave	902	1,436	830	1,410
Retirement allowance	56,636	63,117	56,636	63,117
Long service leave	2,466	2,872	2,466	2,872
Total employee entitlements - non-current	60,004	67,425	59,932	67,399

Notes to the Financial Statements (continued)

For the year ended 31 December 2021

15 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 2021 \$'000	Actual 2020 \$'000	Actual 2021 \$'000	Actual 2020 \$'000
Current liabilities				
Non-interest bearing loan	444	628	444	628
Interest bearing loan from controlled entity	-	-	52,027	54,027
Interest bearing loan facility	-	100,000	-	100,000
Total loans and borrowings - current	444	100,628	52,471	154,655
Non-current liabilities				
Unsecured				
Non-interest bearing loan	24,007	1,193	24,007	1,193
Interest bearing loan facility	45,000	37,500	45,000	37,500
Total loans and borrowings - non-current	69,007	38,693	69,007	38,693

Reconciliation of the opening and closing balance of the financial liabilities

	1 January 2021 \$'000	Cash flows \$'000	Changes in fair values \$'000	31 December 2021 \$'000
Consolidated/University				
Current non-interest bearing loans and borrowings	628	(184)	-	444
Current interest bearing loans and borrowings	100,000	(100,000)	-	-
Non-current non-interest bearing loans and borrowings	1,193	34,833	(12,019)	24,007
Non-current interest bearing loans and borrowings	37,500	7,500	-	45,000
Total liabilities from financing activities	139,321	(57,851)	(12,019)	69,451

Non-interest bearing loan

On 30 June 2011, the University acquired a winery, which included property, plant and equipment from the K & J Goldwater Family Trust. Consideration for the acquisition was made in three parts being a cash payment, a gift by way of reduction in the purchase price and an interest free loan with a term of 10 years. In June 2021, the interest free loan was fully repaid.

In 2020, the University secured a \$200m NZD loan from Crown Infrastructure Partners. This loan will partially fund the refurbishment of the Social Science Building. As at 31 December 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 current effective interest rate is 3.46% which is the market rate for an arm's length loan with similar characteristics. The loan is recognised at fair value of \$23m. The difference between the fair value of \$23m and the \$35m received (\$12m), was recognised as non-exchange deferred revenue (refer note 4).

Notes to the Financial Statements (continued)

For the year ended 31 December 2021

15 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 10% on call, 60% 1 year and 30% over 1 year as at July 2021 (2020: 10% on call, 60% 1 year and 30% over 1 year as at January 2020).

Interest bearing loan facility

The University has a total interest bearing loan facility of \$300m, with \$100m maturing 20 June 2022, \$100m maturing 20 June 2023 and \$100m maturing 20 June 2024. As at 31 December 2021 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 2021 (2020: \$2.0m).

Fair values

The carrying amount of current and non current interest bearing loans and borrowings approximate their fair value. The fair value has been calculated by discounting the expected future cash flows at prevailing market interest rates ranging from 1.30% to 1.45% (2020: 0.82% to 1.03%).

The carrying amount of non-current non-interest bearing loans and borrowings approximate their fair value. The fair value has been calculated by discounting the expected future cash flows at the prevailing market interest of 3.46%.

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 23.

16 Provisions

Restructuring

The Voluntary Leave Scheme ("VLS") has arisen from the 2020 University's Business Recovery Programme. All employees impacted by the VLS scheme will have left the University by the end of 2022. Refer to note 1.6 "Impact of Covid-19".

The Student Service Function Review ("SSFR") is 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 are expected to leave 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. However, a change in the market conditions related to the Covid-19 impact of border closures, has resulted in reduced student numbers and subsequently, in the rental expense being greater than the rental revenue received. 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 2021

16 Provisions (continued)

	Consolidated		University	
	Actual 2021 \$'000	Actual 2020 \$'000	Actual 2021 \$'000	Actual 2021 \$'000
Termination Benefits - SSFR	616	-	616	-
Termination Benefits - VLS	6,805	39,223	6,805	39,223
Onerous Contracts	2,952	-	2,952	-
Total current portion	10,373	39,223	10,373	39,223
Non-current portion				
Termination Benefits	-	1,130	-	1,130
Onerous Contracts	6,256	-	6,256	-
Total non-current portion	6,256	1,130	6,256	1,130

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 2021	-	40,353	-	40,353
Additional provisions	616	-	9,208	9,824
Amounts used	-	(33,527)	-	(33,527)
Unused amounts reversed	-	(21)	-	(21)
Balance as at 31 December 2021	616	6,805	9,208	16,629

17 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 lease various offices, premises, motor vehicles and equipment 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 2021

17 Operating leases and capital commitments (continued)

	Consolidated		University	
	Actual 2021 \$'000	Actual 2020 \$'000	Actual 2021 \$'000	Actual 2020 \$'000
Not later than one year	33,016	36,737	33,016	36,737
Later than one year and not later than five years	143,170	135,154	143,170	135,154
Later than five years	517,322	545,194	517,322	545,194
Total operating lease commitments	693,508	717,085	693,508	717,085
Operating lease commitments by type				
Properties	645,864	717,085	645,864	717,085
Motor vehicles	47,644	-	47,644	-
Total operating lease commitments by type	693,508	717,085	693,508	717,085

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 2021 \$'000	Actual 2020 \$'000	Actual 2021 \$'000	Actual 2020 \$'000
Not later than one year	3,741	3,789	3,741	3,789
Later than one year and not later than five years	4,286	6,581	4,286	6,581
Later than five years	-	405	-	405
Total non-cancellable operating leases	8,027	10,776	8,027	10,776

Capital commitments

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

	Consolidated		University	
	Actual 2021 \$'000	Actual 2020 \$'000	Actual 2021 \$'000	Actual 2020 \$'000
Property Services projects	302,679	185,466	302,679	185,466
Other capital expenditure	7,353	1,392	7,353	1,392
Total capital commitments	310,032	186,858	310,032	186,858

Notes to the Financial Statements (continued)

For the year ended 31 December 2021

18 Contingencies

As at 31 December 2021 the Group had no material contingent liabilities or assets (2020: Nil).

19 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 available-for-sale investments revaluation reserve is used to recognise changes in the fair value and exchange differences arising on translation of investments classified as available-for-sale financial assets, such as equities.

Notes to the Financial Statements (continued)

For the year ended 31 December 2021

19 Reserves (continued)

	Consolidated		University	
	Actual 2021 \$'000	Actual 2020 \$'000	Actual 2021 \$'000	Actual 2020 \$'000
Reserves includes				
Land and buildings	2,169,856	1,683,174	2,169,856	1,683,174
Works of art and special library collections	23,731	23,731	23,731	23,731
Cash flow hedge reserve	54	(656)	71	(759)
Foreign currency translation reserve	(53)	(291)	-	-
Statutory reserve - international entities	94	94	-	-
Available-for-sale investments revaluation reserve	55,239	29,794	-	-
Total reserves	2,248,921	1,735,846	2,193,658	1,706,146
Land and buildings				
Balance at beginning of financial year	1,683,174	1,730,586	1,683,174	1,730,586
Transferred to general equity	(13,289)	(47,412)	(13,289)	(47,412)
Impairment charge	-	-	-	-
Revaluation increments/(decrements)	499,971	-	499,971	-
Balance at end of financial year	2,169,856	1,683,174	2,169,856	1,683,174
Works of art and special library collections				
Balance at beginning of financial year	23,731	23,009	23,731	23,009
Revaluation increments/(decrements)	-	722	-	722
Balance at end of financial year	23,731	23,731	23,731	23,731
Cash flow hedge reserve				
Balance at beginning of financial year	(656)	(149)	(759)	(149)
Gain/(loss) recognised	936	110	1,081	(366)
Transfers to initial carrying amount of hedged item	(226)	(617)	(251)	(244)
Balance at end of financial year	54	(656)	71	(759)
Available-for-sale investments revaluation reserve				
Balance at beginning of financial year	29,794	31,909	-	-
Revaluation increments/(decrements)	26,084	(2,115)	-	-
Transfer to general equity	(639)	-	-	-
Balance at end of financial year	55,239	29,794	-	-

Notes to the Financial Statements (continued)

For the year ended 31 December 2021

20 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.

	2021 Special purpose funds \$'000	2021 Restricted purpose funds \$'000	2021 Total \$'000	2020 Special purpose funds \$'000	2020 Restricted purpose funds \$'000	2020 Total \$'000
Consolidated						
Balance at beginning of financial year	18,646	327,052	345,698	19,015	288,343	307,358
Income	-	66,730	66,730	130	62,645	62,775
Less funds released from restrictions	129	23,380	23,509	499	23,936	24,435
Net surplus / (deficit)	(129)	43,350	43,221	(369)	38,709	38,340
Balance at end of financial year	18,517	370,402	388,919	18,646	327,052	345,698
University						
Balance at beginning of financial year	18,645	24,364	43,009	19,014	24,245	43,259
Income	-	5,470	5,470	130	6,116	6,246
Less funds released from restrictions	129	5,059	5,188	499	5,998	6,496
Net surplus / (deficit)	(129)	411	282	(369)	119	(250)
Balance at end of financial year	18,516	24,775	43,291	18,645	24,364	43,009

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 2021

21 Investments

21.1 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 (2020: \$1m) relates to shares held in Auckland UniServices Limited, which represents a 100% interest in the Company (2020: 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 2021, The University of Auckland (Hangzhou) Innovation Institute Company. The value of the shareholding is \$1.00 (2020: \$1.00). The 100% interest in Auckland UniServices (HK) Limited (AUHK) was liquidated during the year.

Investment in controlled entities of \$18.9m (2020: \$18.6m) 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 \$321.2m (2020: \$288.9m). Of these \$5.3m (2020: \$6.2m) are available to the University for general expenditure and \$315.9m (2020: \$282.7m) 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.

21.2 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:

	2021 \$'000	2020 \$'000
Investments in associates	4,910	11,176
Investments in associates	4,910	11,176

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

The balance above includes investments in the following entities: SapVax LLC (domiciled in the USA), Objective Acuity Ltd, Cirrus Materials Science Ltd, Codify Asset Solutions Ltd (formerly Compliance Audit Systems Ltd) and Junofem Ltd.

21.3 Other investments

Auckland UniServices Limited has acquired shares in Actigaze Ltd, Alimetry Ltd, Apimatic Ltd, Aravive Corporations (formerly Ruga Corp), Ceryx Medical Ltd, CoDa Therapeutics, Dotterel Technologies Ltd, Double Helix Analysis Ltd, Energia Potior Ltd, Exss Ltd, Formus Labs Ltd, Heartlab Ltd, Mote Ltd, Opum Technologies Ltd, Orbis Diagnostics Ltd, Poweron Ltd, Quantifi Photonics Ltd, Rain Therapeutics Inc, Rosterlab Ltd, Sensor Holdings Ltd, Soul Machines Limited, Southern Photonics Ltd, Strutfit Ltd, Tamorx Ltd, Tectonus Ltd, The Insides Company Ltd, Tinnitus Tunes Ltd, Toku Eyes Ltd, Vortex Power Systems Ltd and VReady Ltd.

These entities are neither controlled entities nor associates and are treated as financial assets in note 23.

Notes to the Financial Statements (continued)

For the year ended 31 December 2021

22 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 some of 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 some of 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 2021 the University donated \$287.0k (2020: \$289.0k) to the Foundation.

The Foundation pays grants and donations to the University on non arms length terms, for nil consideration. During 2021, the trustees approved grants to the University amounting to \$31.9m (2020: \$29.7m), and at reporting date grants payable to the University amounted to \$59.0m (2020: \$47.0m).

Key management personnel compensation

	Consolidated/University	
	Actual 2021 \$'000	Actual 2020 \$'000
Council members*	429	326
University Executive Team***	2,981	3,189
Total key management personnel compensation	3,410	3,515
Full-time equivalent members**		
Council members*	3	3
University Executive Team	7.40	7.80
Total full-time equivalent personnel	10.40	10.80

* 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 \$95k for their services (2020: nil). Council members who are also employed by the University in other roles were paid \$334k (2020: \$326k) 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.

***During 2021, three members of the 2020 University Executive Team left the University.

Notes to the Financial Statements (continued)

For the year ended 31 December 2021

23 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.

23.1 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 remain 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 2021

23 Financial instruments (continued)

23.1 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;
- loans and receivables;
- financial liabilities measured at amortised cost; and
- available-for-sale financial assets.

The classification depends on the purpose of the financial asset or liability and is determined at the time of initial recognition.

The carrying value is equivalent to the fair value for all financial assets and liabilities.

Financial assets at fair value through surplus or deficit

The Group holds investments which have been designated 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 23.2. 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 designate 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.

Loans and receivables

Loans and receivables 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 that are classified as loans and receivables. Loans and receivables are measured at amortised cost using the effective interest method less any impairment. Interest income is recognised by applying the effective interest rate.

Financial liabilities measured 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 measured at fair value through surplus or deficit

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

Available-for-sale financial assets

Available-for-sale financial assets are those non-derivative financial assets that are designated as available-for-sale or are not classified as loans and receivables, held to maturity or financial assets at fair value through surplus and deficit. 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 recycled to the surplus or deficit.

Notes to the Financial Statements (continued)

For the year ended 31 December 2021

23 Financial instruments (continued)

23.1 Financial instrument categories (continued)

	Consolidated		University	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Financial Assets				
Derivatives that are hedge accounted				
Derivative financial instrument assets	(188)	2,344	71	(759)
Total derivatives that are hedge accounted	(188)	2,344	71	(759)
At fair value through surplus or deficit				
New Zealand fixed interests*	51,868	46,148	-	-
International fixed interests*	35,467	30,926	-	-
Australasian equities*	38,029	35,978	-	-
International equities*	117,114	89,320	-	-
Emerging markets*	20,245	19,314	-	-
New Zealand property*	32,301	25,980	-	-
Private equity*	37,363	18,150	-	-
Investment in associates*	4,910	11,176	-	-
University's share of investments held by UniServices*	-	-	22,771	16,862
Convertible notes	1,619	3,060	-	-
Total at fair value through surplus or deficit	338,916	280,052	22,771	16,862
Loans and receivables				
Cash and cash equivalents	33,079	66,968	9,116	22,433
Short term bank deposits	72,836	38,738	54,291	24,447
Long term bank deposits*	14,044	17,118	-	-
Receivables	65,608	63,650	59,703	63,271
Advances to third parties*	-	279	-	279
Total loans and receivables	185,567	186,753	123,110	110,430
Available-for-sale financial assets				
Shares*	67,239	38,721	-	-
Total available-for-sale financial assets	67,239	38,721	-	-
Financial liabilities				
Financial liabilities at fair value through surplus or deficit				
Non-interest bearing loan	24,451	1,821	24,451	1,821
Total financial liabilities at fair value through surplus or deficit	24,451	1,821	24,451	1,821
Financial liabilities at amortised cost				
Payables	184,372	144,420	167,120	137,958
Borrowings:				
- interest bearing loan facility (revolving credit)	45,000	138,693	45,000	138,693
- loan from controlled entity	-	-	52,027	54,027
Total financial liabilities at amortised cost	229,372	283,113	264,147	330,678

* 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 2021

23 Financial instruments (continued)

23.2 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.
- Valuation techniques with significant non-observable inputs (level 3) – Financial instruments valued using models where one or more significant inputs are not 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 available-for-sale assets 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 available-for-sale investments 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.

The following table analyses the basis of the valuation of classes of financial instruments measured at fair value in the statement of financial position:

	(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	117,114	-	-	117,114
Emerging markets	-	20,245	-	20,245
New Zealand property	-	32,301	-	32,301
Private equity	-	-	37,363	37,363
Convertible notes	-	-	1,619	1,619
Shares	4,945	-	62,294	67,239
Derivative financial instruments - foreign exchange contracts	-	(188)	-	(188)
Total financial assets	160,088	139,693	101,276	401,057
Financial liabilities				
Non-interest bearing loan	24,451	-	-	24,451
Total financial liabilities	24,451	-	-	24,451

Notes to the Financial Statements (continued)

For the year ended 31 December 2021

23 Financial instruments (continued)

23.2 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 2020				
Financial assets				
NZ fixed interest	-	46,148	-	46,148
International fixed interest	-	30,926	-	30,926
Australasian equities	35,978	-	-	35,978
International equities	89,320	-	-	89,320
Emerging markets	-	19,314	-	19,314
New Zealand property	-	25,980	-	25,980
Private equity	-	-	18,150	18,150
Convertible notes	-	-	3,060	3,060
Shares	-	-	38,721	38,721
Derivative financial instruments - foreign exchange contracts	-	2,344	-	2,344
Total financial assets	125,298	124,712	59,931	309,941
Financial liabilities				
Non-interest bearing loan	1,821	-	-	1,821
Total financial liabilities	1,821	-	-	1,821
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
Financial liabilities				
Non-interest bearing loan	24,451	-	-	24,451
Total financial liabilities	24,451	-	-	24,451

Notes to the Financial Statements (continued)

For the year ended 31 December 2021

23 Financial instruments (continued)

23.2 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

University 2020

Financial assets

University's share of investments held by UniServices	-	-	16,862	16,862
Derivative financial instruments - foreign exchange contracts	-	(759)	-	(759)
Total financial assets	-	(759)	16,862	16,103

Financial liabilities

Non-interest bearing loan	1,821	-	-	1,821
Total financial liabilities	1,821	-	-	1,821

There were no transfers between the different levels of the fair value hierarchy.

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	Total
	\$'000	\$'000	\$'000	\$'000
Consolidated 2021				
Balance at 1 January 2021	18,150	3,060	38,721	59,931
Transfers into/(out) level 3	17,122	(1,069)	2,377	18,430
Distributions received	(4,226)	-	-	(4,226)
Gains or losses recognised in surplus or deficit	6,316	(380)	40	5,976
Gains and losses recognised in other comprehensive revenue and expense	-	8	26,084	26,092
Balance at 31 December 2021	37,362	1,619	67,222	106,203

Total gains or losses for the period included in surplus or deficit for assets held at the end of the reporting period.

	University's share of investments held by UniServices
	\$'000
University 2021	
Balance at 1 January 2021	16,862
Gains and losses recognised in other comprehensive revenue and expense	5,909
Balance at 31 December 2021	22,771

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

Notes to the Financial Statements (continued)

For the year ended 31 December 2021

23 Financial instruments (continued)

23.3 Financial instrument risks

Market risk

Currency risk

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

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 SIPOs forward contracts are entered into to hedge specific proportions of the currency risk. The SIPOs 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 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 2021 value of \$1.6m (2020: \$2.5m).

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

Approximately 9% (2020: 6%) of Auckland UniServices Limited revenues are denominated in foreign currencies, whilst 12% (2020: 19%) 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 2021.

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 and 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 and 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.

Notes to the Financial Statements (continued)

For the year ended 31 December 2021

23 Financial instruments (continued)

23.3 Financial instrument risks (continued)

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.

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 (2020: committed borrowing facility of \$300m). The University has complied with all banking covenants under this facility. The University's maturity analysis is presented below.

	Total \$'000	Mature within 1 year \$'000	Mature within 1-5 years \$'000	Mature within 5-10+ years \$'000
Consolidated 2021				
Payables	(184,372)	(184,372)	-	-
Non-interest bearing loan	(24,451)	(444)	(1,332)	(22,675)
Interest bearing loan facility	(45,000)	-	(45,000)	-
Cash and cash equivalents	33,079	33,079	-	-
Bank term deposits	86,880	72,836	14,044	-
Total financial instruments	(133,864)	(78,901)	(32,288)	(22,675)
Consolidated 2020				
Payables	(144,420)	(144,420)	-	-
Non-interest bearing loan	(1,821)	(628)	(1,193)	-
Interest bearing loan facility	(137,500)	(100,000)	(37,500)	-
Cash and cash equivalents	66,968	66,968	-	-
Bank term deposits	55,856	38,738	17,118	-
Total financial instruments	(160,917)	(139,342)	(21,575)	-

Notes to the Financial Statements (continued)

For the year ended 31 December 2021

23 Financial instruments (continued)

23.3 Financial instrument risks (continued)

	Mature within 1 year \$'000	Mature within 1-5 years \$'000	Mature within 5-10+ years \$'000	Total \$'000
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)

University 2020				
Payables	(137,958)	-	-	(137,958)
Loan from controlled entities	(54,027)	-	-	(54,027)
Non-interest bearing loan	(628)	(1,193)	-	(1,821)
Interest bearing loan facility	(100,000)	(37,500)	-	(137,500)
Cash and cash equivalents	22,433	-	-	22,433
Bank term deposits	24,447	-	-	24,447
Total financial instruments	(245,733)	(38,693)	-	(284,426)

Sensitivity analysis

	Consolidated		University	
	Actual 2021 \$'000	Actual 2020 \$'000	Actual 2021 \$'000	Actual 2020 \$'000
Value at Risk	(5.37%)	(6.41%)	0.74%	0.74%
Assets available	433,588	355,702	54,291	24,447
Estimated impact on assets available	(23,267)	(22,800)	404	182

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 2021. 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 2021

23 Financial instruments (continued)

23.3 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 2021

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 of the University and group 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 77 to 122, that comprise the statement of financial position as at 31 December 2021, 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 38 to 71.

In our opinion:

- ▶ The financial statements of the University and group on pages 77 to 122:
 - ▶ Present fairly, in all material respects:
 - ▶ The financial position as at 31 December 2021; 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 38 to 71:
 - ▶ 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 2021; and
 - ▶ Complies with generally accepted accounting practice in New Zealand.

Our audit was completed on 14 March 2022. 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 Crown Entities Act 2004 and the Education and Training Act 2020.

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 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.



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- ▶ 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 37 and 72 to 76 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.

A handwritten signature in blue ink that reads 'Brent Penrose'.

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

Glossary

Abbreviation	Expanded 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
CCR	Centre for Cancer Research
CDES	Career Development and Employability Services
CF	Curriculum Framework
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
EPA	Environmental Protection Authority
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
NIH	National Institutes of Health
NIWA	National Institute of Water and Atmospheric Research
ORSI	Office of Research Strategy and Integrity
PBRF	Performance-Based Research Fund
QS	Quacquarelli Symonds
SDGs	Sustainable Development Goals
SLT	Senior Leadership Team
STEM	Science, Technology, Engineering and Mathematics
TEC	Tertiary Education Commission
THE	Times Higher Education
UEC	University Executive Committee
U21	Universitas 21
WUN	Worldwide Universities Network





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