



Massey University

Annual Report 2008



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“By 2020 Massey will be acknowledged as New Zealand’s defining university and as a world centre of tertiary learning.”

Steve Maharey, Vice-Chancellor
Massey University Defining, The Road to 2020

Mission Statement

Massey University is committed to meeting the needs of New Zealand and New Zealanders, enhancing access to university study for diverse populations, preparing students for life-long learning, and meeting international standards of excellence in research and teaching. Massey University is an integrated multi-campus institution of higher learning that creates new knowledge and understanding; synthesises, applies and disseminates knowledge; develops advanced learning and scholarly abilities for a national and international student body; and promotes free and rational inquiry. We offer high-quality learning experiences that empower people and their communities to prosper in an increasingly knowledge-dependent and technologically advanced world.

Massey University is driven by a spirit of community relevance and engagement, while maintaining intellectual independence. We will use our multi-campus structure to meet the needs of our constituent regional communities, while our flexible delivery and distance (extramural) education capabilities give a national and international reach to our educational programmes.

Massey University recognises and respects the significance of mana whenua within its regions and the range of Māori organisations contributing to Māori development and advancement. We have demonstrated our commitment to Māori development by providing Māori academic leadership, research opportunities and educational qualifications that assist in the achievement of Māori aspirations.

Our integrated academic structures and organisational arrangements enable and support interdisciplinary and cross-disciplinary research and academic programmes. We pride ourselves on the relevance of our programmes; on our openness to students of diverse backgrounds spanning age, geographic location, educational background, ethnicity and culture; on the support we provide for our students; and on the relationship we have built with our alumni.



REPORT FROM THE **Chancellor**

Massey University is currently in arguably the most important period of its 81-year history as an institution. Certainly in the 35 years since it became a university, there has not been a time of so many challenges and opportunities. The tertiary education and research sectors are in a period of flux and uncertainty, as is the entire international community.

Massey, as New Zealand's only truly national university and with its innovative culture and focus on the underlying drivers of the country's economy, is well positioned to play a significant role in helping New Zealand to make the most of the opportunities created by the current uncertainty. In doing so, I expect Massey's national and international standing to grow. I am honoured to have been elected Chancellor by the University Council and I relish the chance to work with the Council and the new Vice-Chancellor, Steve Maharey, to grow Massey's reputation and contribution to New Zealand.

I wish to pay tribute to the outgoing Chancellor Nigel Gould for the tremendous amount of time, energy and expertise he brought to the role over the past six years. Massey is indebted to you, Nigel.

My background is in research and organisational management and governance, in both the public and private sectors. I am also a proud Massey graduate and have been a firm supporter of the University since my time as a student.

My role as Chancellor is to oversee the governance framework within which the University operates, thereby providing the basis for the Vice-Chancellor and his Senior Leadership Team to set and achieve the goals that will turn a world-class institution into a world-leading one.

The Vice-Chancellor has brought to Massey a vision and a drive and a strategy that I and the Council welcome and endorse.

As I said, when I was elected Chancellor, I am committed to elevating Massey to the top echelon of international universities and the fundamental building block to achieving that is to provide a superior experience for students and a making Massey a workplace of choice for staff.

I realise the challenges we face are numerous and substantial, but with a strong Council and a refreshed executive we are well prepared to reach for our Goals.

A handwritten signature in blue ink, appearing to be 'RB', followed by a long horizontal stroke.

Dr Russell Ballard

Chancellor (2008-), Massey University



REPORT FROM THE

Former Chancellor

The emerging positive trends highlighted in my 2007 report have further strengthened and this annual report provides many examples of Massey University's achievements during a satisfying and exciting year.

The trend of stable domestic student participation continued. However levels of international student participation decreased at greater than anticipated levels with international students now representing only 11 per cent of the student population. With more than 34,000 students, Massey makes a significant contribution to the tertiary environment. A particularly unique aspect of this contribution is the accessibility it offers to the more than 16,000 students who participate in the University's distance learning services. This unique contribution is also reflected in the comparative maturity of its student population, with in excess of 60 per cent aged 25 or over. While the distant learning participation makes a major contribution to this statistic it also reflects the continued growth in postgraduate participation in the University's academic programmes.

The University's prime focus remains academic but there has been continued expansion into complementary activities. During 2008 for the first time income from research contracts and other commercial activities exceeded \$100m – more than a quarter of the total operating revenue and almost as much as the total fees paid by domestic and international students. This reflects very much the developing role the University makes to the national economy.

The reported net surplus of \$5.4m is down on both the previous year's achievement and the budgeted target. It was impacted by the necessity to make an almost \$5m further provision for future employee entitlements, which when adjusted for, better reflects the university's growing financial strength. It is also further evident within the University's balance sheet, which discloses an increase during the year by \$20m of the University's financial assets which at year end totalled almost \$100m. Our financial statements have again been qualified with respect to the valuation of land and buildings as at 31 December 2007. We continue to disagree with the stance taken by our auditors in respect of the valuation for the 2007 financial year. Based on the three yearly valuation as at 31 December 2008 the value of land decreased over the three year period, suggesting that the qualification was not well founded.

Within the University 2008 was a year of significant management change. Following Professor Judith Kinnear's retirement as Vice-Chancellor at the commencement of the year, Professor Ian Warrington led the management team as the University's Acting Vice-Chancellor until the arrival of the Hon. Steve Maharey in early October. The University's management benefited greatly from both Professor Warrington's focus on the University's day to day operations, while Mr Maharey was able to contribute when time permitted to Massey University's longer term focus and in particular changes that would be necessary for the achievement of the University's long term vision.

In retiring from the role I thank all who have supported me during this period and who have combined to ensure that with the University's cohesive and experienced Council, its well balanced, invigorated and qualified management team, and its absolute clarity of direction, Massey University can look forward with great confidence to an exciting and rewarding future.

A handwritten signature in dark ink, appearing to read 'Nigel Gould'.

Nigel Gould,

Chancellor (2002-2008), Massey University



REPORT FROM THE **Vice-Chancellor**

I am writing this contribution to Massey's annual report six months after taking up my position as Vice-Chancellor. I was impressed with Massey before joining the University and I am more impressed today.

Over the past six months I have often been asked to talk about my first impressions of Massey. I have found it useful to begin my comments by showing audiences our new *definingNZ* magazine that showcases the diverse and fascinating work being undertaken by staff and students.

On the cover of the first issue, published in January, is the design that won the Supreme Award at the 20th Montana World of Wearable Arts Awards. The designer was Massey University design graduate Nadine Jaggi.

The cover of the February issue draws attention to Massey's extramural programme by telling the story of Antonia Prebble, who plays a leading role in the television drama *Outrageous Fortune*. Antonia is studying English while pursuing her acting career.

In March *definingNZ* turned its attention to Massey's agri-food tradition by featuring award winning wine-maker Chris Harrison who is based in Hawkes Bay on the cover.

I take audiences beyond the covers of these magazines to tell them about articles on the relevance of Haydn to CEOs, Massey's new aircraft that will keep the University at the forefront of pilot training, the work of Professor Tony Parker in industrial design, research on domestic violence, evolution, Māori rugby, new books published by staff – the list goes on and covers every aspect of intellectual endeavour.

Once my audiences have grasped the range of work going on at Massey I draw their attention to our outstanding research tradition as demonstrated by Professor David Parry, 2008 winner of the Rutherford Medal. I talk about Massey's commitment to teaching as illustrated by Dr Lisa Emerson, winner of the Prime Minister's Award for Tertiary Teaching Excellence.

I emphasise the strong relationships we have with stakeholders and partners and our work on major issues such as environmental sustainability. I make it clear that we are a university determined to make a difference.

I point to the University's efforts to generate new revenue to ensure we can continue providing outstanding teaching and ground-breaking research.

I find that people are very interested in details like Massey being the tenth biggest user of information technology in the country; that we have major campuses in Wellington, Palmerston North and Albany; that we have more Māori students than any other university; and that we teach students all over the world.



I have found it very easy to tell the story of a unique university that has made and will continue to make a defining contribution to New Zealand and the world.

In closing, I would like to thank the Council, staff, students, alumni, and friends of the University for their support over the past few months. Former Chancellor, Nigel Gould, provided generous and sage advice while I was getting started. I am enjoying forming a partnership with our new Chancellor Dr Russ Ballard.

I want also thank in particular my predecessor Professor Judith Kinnear for her contribution to Massey and to Professor Ian Warrington for providing outstanding leadership during 2008.

The University has started this new phase in its history in good heart and with a genuine sense of optimism. Given world events, we will need to temper our ambition with realism – but make no mistake I remain ambitious.

Steve Maharey

Vice-Chancellor, Massey University

2008 YEAR IN REVIEW

Campuses and Colleges

ALBANY CAMPUS

Postgraduate enrolments at Albany hit 30 per cent of total student headcount.

Record number of doctoral graduates at Albany graduation, with 20 PhDs and including a record three Pasifika PhDs.

Construction begins in August on new \$30 million library building.

Opening of new Human Nutrition Research Centre – Te Wahanga Rangahau Kai – at the Institute of Food, Nutrition and Human Health in November.

Pacific historian Distinguished Professor Kerry Howe retires after 38 years at Massey.



Staff at Massey University Albany awarded close to \$3.8 million in 2008 Marsden grants.

- Professor Kerry Chamberlain	\$645,000
- Dr Carlo Laing	\$454,000
- Dr Steffen Lippert	\$300,000
- Dr Wayne Patrick	\$300,000
- Professor Paul Rainey	\$880,000
- Professor Mick Roberts	\$462,000
- Professor Peter Schwerdtfeger	\$780,000

Above: Pasifika PhD graduates Opeti Taliai and Maria Kerslake, two of the record three Pasifika doctoral graduates, and of the record 20 total PhDs who graduated from the Albany campus in April.



MANAWATU CAMPUS

A new \$25 million food pilot plant was opened by Agriculture Minister Jim Anderton (pictured). The complex is used for research and teaching as well as commercially, enabling companies to benefit from both the state-of-the-art equipment and the expertise of the largest cluster of food technologists in New Zealand. More than 100 visitors from across the food industry attended the launch.

The Government agreed to a process that will allow the sale of Blair Tennant Hall and for the University to take full ownership of the Hokowhitu site, where the College of Education is based, enabling the University to determine the site's long-term future.

Vice-Chancellor Steve Maharey hosted a series of open days for staff, at the historic Tiritea homestead. No longer the residence of the University's Vice-Chancellor, Tiritea will remain a part of the Massey heritage, with its central location making it a possible location for part of the University's art collection and other memorabilia.

University House was officially opened as the base for senior staff with national responsibilities and as working space for members of the Senior Leadership Team visiting from Albany and Wellington.

A total of 23 past and present Massey University students were members of the New Zealand team at the Beijing Olympics. The Massey University Elite Sports Travel Award was launched, providing financial assistance to world-class student athletes representing New Zealand at international events.

The Massey Medical Centre won the MidCentral District Health Board's Health Award for excellence in youth health services.





WELLINGTON CAMPUS

Completion of campus development plan outlined, including increasing consolidation on the Tasman Street site, new Library, purpose-built facilities for the health research centres, redeveloped facilities for the College of Creative Arts, removal of the old Wellington High School gymnasium, and new student accommodation in close proximity to the campus.

Two distinguished alumni, Dame Margaret Bazley and Grant Davidson, were awarded honorary doctorates at the May graduation ceremonies at which more than 600 students graduated.

The first Writers Read series run by the College of Humanities and Social Sciences. Readings included extracts by Massey tutor Mary McCallum, whose work won two prizes at the Montana Book Awards. Massey also organised a series of five public lectures including the annual Whanganui-a-tara lecture delivered by the Children's Commissioner and former Massey academic Cindy Kiro.

The appointment of a regional Māori Community Liaison Coordinator strengthened relationships with mana whenua and key Māori stakeholders and community networks. A buddy system was established for Pasifika students.



The campus has been enhanced by the completion of the marae carving project, the creation of information commons in the Library and refurbishments for the College of Business and for the School of Visual and Material Culture in the College of Creative Arts.

Above: Vice-Chancellor Steve Maharey is welcomed to the Wellington campus.

“Academic staff recognised for their excellence include Professor Janet Hoek, Dr Heather Kavan and Dr Hamish Anderson receiving Vice-Chancellor’s Awards for teaching excellence.”

COLLEGE OF BUSINESS

The College met a milestone on the road to AACSB (Associate of Advance Collegiate Schools of Business) accreditation when it completed the self evaluation report. The audit visit will take place in June 2009.

A Dean’s List was launched to recognise the talent of top performing business undergraduates. Students achieving an A- or above for their academic year were honoured.



The College engaged with the community providing support to activities including the Young Enterprise Scheme (pictured), Global Enterprise Challenge, NZ Business Week and the National University Business Case Competition.

Researchers secured external funding for groundbreaking projects including noise-induced hearing loss, work on venture capitalists and intellectual property (Marsden Fund) and a project into health literacy (Health Research Council of New Zealand).

International appointments included Professor Claire Massey being re-elected to the board of the International Council for Small Business, Dr Craig Pritchard was elected programme chair of the Critical Management Studies Interest Group of the Academy of Management and Professor Martin Young was appointed to the global curriculum advisory panel of the Financial Planning Standards Board, the first New Zealander to serve in this capacity.

Academic staff recognised for their excellence include Professor Janet Hoek, Dr Heather Kavan and Dr Hamish Anderson receiving Vice-Chancellor’s Awards for teaching excellence. Professor Tony Vitalis received a Massey Research Medal for Supervision as well as being honoured by the New Zealand Ergonomics Society and Professor Anne de Bruin secured a Fulbright Scholarship to the US.

The first group of business students from China’s Wuhan University was welcomed to Massey’s Manawatu campus. The 39 students, all finance majors, are part of the 2+2 Pathway Programme arranged by the two universities in 2006. The programme will involve cohorts of students from the Wuhan World Trade Organisation School studying for two years at home then move to New Zealand for two years to complete their business degrees at Massey.

“Massey also featured prominently in the Designers Institute of New Zealand BeST Awards in October.”

COLLEGE OF CREATIVE ARTS

Following the success of the inaugural Blow Creative Arts Festival in 2007, Blow 08 further advanced this event in the Wellington creative calendar. The festival showcased and raised the profile of the talented college staff, graduating students and invited national and international experts, in a programme that included exhibitions, animation screenings, performances, symposia, workshops, public lectures and the renowned graduate fashion show.



College graduate Nadine Jaggi was awarded the supreme prize at the World of Wearable Arts Awards. Her intricate leather creation *Ornitho-Maia* or bird mother (pictured) involved more than a year's work, and was created using hand-dyed, hand-sewn, embossed and carved leather to create a unique feathered-look design. Ms Jaggi, who now works as a costume designer for Weta Workshop in Wellington, graduated in 2004 with a Bachelor of Design, with first class honours majoring in fashion.

Fashion designer Kate Sylvester was welcomed into the College of Creative Arts Hall of Fame, alongside product designer Mark Pennington from Formway Design in Petone, and (posthumously) artist printmaker Gordon Walters. Their portraits join those of Rebecca Taylor, Len Lye, and Richard Taylor in the foyer of the old Museum Building.

Industrial design graduate Alexander Wastney won first prize at the Dyson Product Design Awards for his compact and durable sports therapy table. Open to final-year students studying design, technology or engineering and

to graduates in their first five years in the workforce, the aim of the Dyson Awards is to reward the new generation of emerging designers who best demonstrate innovative and inspiring solutions to everyday problems.

Massey also featured prominently in the Designers Institute of New Zealand BeST Awards in October. The awards recognise New Zealand's best graphic, product and spatial designers; Massey students won 29 awards - including 10 gold – making it the most awarded tertiary institution in the country.

Led by the Litmus research initiative at Massey University Wellington and Claire Doherty, curator, writer and Director of Situations at the University of the West of England, Bristol, One Day Sculpture was a New Zealand-wide series of 20 newly-commissioned artworks by national and international artists, each of which occurred during a discrete 24-hour period. It began in June and will be produced over 12 months in partnership with arts institutions and curators across New Zealand.



COLLEGE OF EDUCATION

A new international partnership was signed between the College of Education and education provider Cempaka Schools in Malaysia, which will see the University's Graduate Diploma in Teaching (Secondary) offered to students in Malaysia from 2009.

Associate Professor Tracy Riley, from the School of Curriculum and Pedagogy was appointed to the steering committee of the Professional Association for Gifted Education – a new national association established to support professionals working with gifted and talented pupils.

Dr Bobbie Hunter (pictured, with daughter Jodie) received a top international award for her doctoral research on teaching mathematics, marking only the second time the award has been won by a New Zealander.

College of Education Researchers Dr Penny Haworth and Professor Joy Cullen working with the Napier Free Kindergarten Association launch an educational DVD highlighting the benefits of peer relationships in children, as part of a project funded by the Ministry of Education.

Students of the University's new four-year teaching programme are the first to study under the College of Education's unique new qualification, designed to better prepare teachers for the challenges of the modern-day classroom. Graduates will be equipped with a dual qualification, receiving a Bachelor of Education (Teaching) Primary and a Diploma in Education Studies.





COLLEGE OF HUMANITIES AND SOCIAL SCIENCES

In March, Professor Barrie Macdonald retired as Pro Vice-Chancellor of the College of Humanities and Social Sciences, and is honoured by the University Council with the title of Professor Emeritus.

Assistant Vice-Chancellor (Māori and Pasifika) Professor Mason Durie is the first New Zealander to be awarded the distinguished Mark Sheldon Prize by the Royal Australian and New Zealand College of Psychiatrists in June for his long-term commitment to mental health. He is also awarded an honorary doctorate from his alma mater, the University of Otago in September.

Dr Lisa Emerson (pictured) received the Prime Minister's Supreme Award at the National Tertiary Teaching Excellence Awards held at Parliament in July.

Creative writing tutor Mary McCallum won two awards at the Montana New Zealand Book Awards in July for her first novel *The Blue* – the Hubert Church Best First Book Award for Fiction, and the Readers' Choice Award.

Canadian historian Professor Susan Mumm was appointed Pro Vice-Chancellor of the College of Humanities and Social Sciences. She took up the post in January 2009.

The University launched its first humanities Professorial lecture series at the Manawatu campus, organised by Professor Cynthia White from the School of Language Studies and Associate Professor Glyn Harper from the Centre for Defence Studies.



“Distinguished Professor David Parry was awarded the supreme award in science for the nation, Rutherford Medal, by the Royal Society of New Zealand.”

COLLEGE OF SCIENCES

Last year saw the re-focusing of the applied programmes leading to new degrees and qualifications in AgriCommerce, AgriScience, Environmental Management and Logistics and Supply Chain Management. These developments are a direct reflection of the resurgence in the support of the land-based and related sector nationally.

Distinguished Professor David Parry was awarded the supreme award in science for the nation, Rutherford Medal, by the Royal Society of New Zealand.

Distinguished Professor Gaven Martin was awarded the Hector Medal by the same society and Professor Mick Roberts was elected to a Fellowship of that society.

Professor Harjinder Singh and Dr Vyacheslav Filichev won University Research Medals for Individual and Early Career respectively. Professor Singh also won the William C Haines Dairy Science Award, a prestigious worldwide commendation.



Matt Brodie (pictured) was named overall runner-up in the MacDiarmid Young Scientists of the Year Award, winning the Future Sciences and Technology category.

The offering of the Bachelor of Food Technology through a partnership with Singapore Polytechnic was an important new initiative.

2008

The University Council



Council members outside University House, from left: Dr Susan Baragwanath, Stephen Kòs, Bruce Ullrich, Professor Ray Winger, Dr Colin Anderson, Dr Russell Ballard, Alison Paterson, Chris Kelly, Ralph Springett, Nigel Gould, Steve Maharey

Inset: Andrea Davies, Mavis Mullins, Professor Sylvia Rumball, Royna Fifield, Brad Heap, Professor Ngatata Love



Chancellor

Nigel Gould, JP, BCA *Well.*, FCA

Pro-Chancellor

Stephen Kós, QC, LLB (Hons) *Well.*, LLM *Cantab.*

Vice-Chancellor

Steve Maharey, CNZM, BA, MA (Hons)

Members appointed by the Minister of Education

Alison Paterson, QSO, FCA, FlntD

Dr Russell Ballard, CNZM, MAgrSc, PhD *Flor.*,
FNZIM

Stephen Kós, QC, LLB (Hons) *Well.*, LLM *Cantab.*

Professor Ngatata Love, PCNZM, JP, BCom, BCA
(Hons), PhD *Well.*, ACIS ANZIM

Elected Permanent Member of Academic Staff

Dr Colin Anderson, MA *Auck.*, PhD *Auck.*

Elected Academic Staff of the Academic Board

Professor Ray Winger, MS, PhD *Wisc.*, FNZIFST
FIFST *UK.*, MAIFST

Professor Sylvia Rumball, CNZM, MSc *NZ.*, PhD
Auck., FNZIC

Permanent Member of General Staff

Andrea Davies, BBS, MBA

Representatives of the Federation of Student Associations at Massey University Incorporated

Ralph Springett (President of EXMSS)

Royna Fifield, BA (Joint EMXSS/MUSAF
Appointment)

Brad Heap, BSc (Student Representative)

Elected members from the Court of Convocation

Dr Susan Baragwanath, BA *Otago.*, MA *Lond.*,
DLitt (Honoris causa), DipEd, FRGS

Bruce Ullrich, OBE, MBA, BCom *Cant.*, ACA
FlntD

Vice-Chancellor's appointees

Chris Kelly, MVSc, MACVSc

Mavis Mullins, MNZM, MBA

2008

Officers and Senior Leadership Team

OFFICERS OF THE UNIVERSITY

Chancellor (2008-)

Dr Russell Ballard, CNZM, MAgrSc, PhD *Flor.*, FNZIM

Chancellor (2002-08)

Nigel Gould, JP, BCA *Well.* FCA

Pro-Chancellor

Stephen Kós, QC, LLB (Hons) *Well.*, LLM *Cantab.*

Vice-Chancellor

Steve Maharey, CNZM, BA, MA (Hons)

University Registrar

Stuart Morriss, MPP *Well.*, BAgrSc, DipBusStud.

SENIOR LEADERSHIP TEAM

Vice-Chancellor

Steve Maharey, CNZM, BA, MA (Hons)

Deputy Vice-Chancellor

Professor Ian Warrington, MHortSc (Hons), DSc, DLitt (Honoris causa) FRSNZ, FNZSHS

Regional Chief Executives:

Albany and International

Professor John Raine, BE (Hons) *Cant.*, PhD *Cant.*, CEng, FIMechE., FIPENZ, MSAE

Manawatu

Professor Ian Warrington, MHortSc (Hons), DSc, DLitt (Honoris causa) FRSNZ, FNZSHS

Wellington

Professor Andrea McIlroy, BA *Well.*, MBA, PhD, DipTchg

Pro Vice-Chancellors:

College of Business

Professor Lawrence Rose, BA *Bradley*, MA *Northern Illinois*, PhD *Texas A & M*, FFin

College of Creative Arts

Professor Sally Morgan, BA (Hons), *Sheff Hallam*, MA *Warw.*, KASKA *Antwerp*

College of Education

Professor James Chapman, MA *Well.*, PhD *Alta.*, DipTchg, FIARLD

College of Humanities and Social Sciences

Professor Susan Mumm, BA (Hons) *Sask.*, MA *Sask.*, DPhil *Sus.*, FRHS *

College of Sciences

Professor Robert Anderson, ONZM, MAgSc, PhD *C'nell*, DDA, FNZIAS

Assistant Vice-Chancellors:

External Relations

Sue Foley

Finance, IT, Strategy and Commercial

Dr John Griffiths, BBS (Hons), MCom (Hons) *C.Sturt*, PhD *Monash*, CA, AFNZIM

Māori and Pasifika

Professor Mason Durie, CNZM, MBChB *Otago*, DPsych *McGill*, DLitt, LLD (Honoris causa) *Otago*, FRANZCP, FRSNZ,

People and Organisational Development

Alan Davis, LLB *Cantab.*, MBA *Well.*

Academic and Research

Professor Nigel Long, MSc *Auck.*, PhD *Qld*, FNZPsS

University Registrar

Stuart Morriss, MPP *Well.*, BAgSc, DipBusStud.



Members of the University's Senior Leadership Team, from left: Professor Robert Anderson, Professor Lawrence Rose, Professor Sally Morgan, Professor Susan Mumm, Professor James Chapman, Alan Davis, Sue Foley, Steve Maharey, Dr John Griffiths, Professor Nigel Long, Professor Mason Durie, Stuart Morriss, Professor John Raine, Professor Ian Warrington and Professor Andrea McIlroy.

2008

Directory

Bankers

Bank of New Zealand

Auditor

Audit New Zealand on behalf of the Auditor-General

Valuer

Quotable Value New Zealand

Legal Advisors

Buddle Findlay, Wellington

Cooper Rapley, Palmerston North

Russell McVeagh, Wellington

Andrea Craven, Palmerston North

Kensington Swan, Wellington

Davenport Harbour Lawyers, Auckland

AJ Park, Wellington

Insurers

Vero Insurance New Zealand Limited

Axiom Risk Insurance Management Limited

QBE Insurance (International) Ltd

Internal Auditor

PricewaterhouseCoopers

FINANCIAL REVIEW 2008

Introduction

Further consolidation marked the 2008 year as the University worked its way through a new capped funding regime, a levelling off of student numbers and while awaiting the arrival of a new Vice-Chancellor.

The financial result for the University only was a surplus of \$5.4 million after allowing for an increase in employee entitlements of \$4.9 million. This was as a result of much lower interest rates which increased the amount required to be provided for. The basis for this is a calculation performed by an independent actuary. The operating surplus before employee entitlements was \$10.3 million. The budgeted surplus for 2008 was \$6.7 million. The bottom line result compares with a 2007 surplus of \$9.2 million which included IFRS adjustments. The operating surplus for 2007 i.e. before IFRS adjustments was \$4.1 million.

Student numbers at 18,738 equivalent full time students (EFTS) were lower than target of 19,169 by 431. International student numbers dropped again but domestic EFTS were close to target. Higher unemployment levels were beginning to become evident towards the end of 2008 and there was the start of a possible trend of higher distant learning student enrolments.

Income Statement

The university surplus of \$5.4 million, (1.3% of revenue) is less than last year's IFRS adjusted figure of \$9 million, (2.4% of revenue). The operating surplus for 2008 at \$10.6 million (i.e. before allowing for the increased employee entitlements) compares favourably with the 2007 equivalent of \$4.1 million. The loss of 319 international students compared to target while less than the shortfall from 2007 was nonetheless still a significant reduction in expected revenue of about \$3.7 million.

The result was short of the 3% of revenue that the Tertiary Advisory Monitoring Unit (TAMU) of the Tertiary Education Commission recommends but is acceptable when the effect of the extra employee entitlements is factored in. The University however needs to significantly increase its surplus to ensure that it can reinvest for the future.

The table below sets out several TAMU measures that are used to monitor the financial health of tertiary institutions.

Measure		TAMU Targets (%)	2008	
			University (%)	Group (%)
Surplus	1	3.0	1.4	1.4
Operating Surplus	2		2.7	2.6
Cash Cover	3	8.0	22.5	22.4
Return on Assets	4	1.0	0.5	0.5

Note:

- 1 Surplus as a percentage of total revenue
- 2 Surplus excluding one off items as a percentage of total revenue
- 3 Liquid funds as a percentage of annual cash outgoings
- 4 Surplus as a percentage of assets

Major variances against the budget and last year's performance are discussed below:

1. Total Operating Revenue

Revenue increased 5.5% over 2007 and was up on budget by 3.9%. Revenue from government grants was up on budget due mainly to unbudgeted tripartite funding and up on last year due to additional Performance Based Research Fund revenue (PBRF). Student fees were slightly under budget and last year due to lower student numbers. Better contract and trading revenue than both budget and 2007 was also experienced. Interest revenue was sharply up on budget due to higher interest rates and more cash in hand because of lower capital spending. Interest rates were moving down at year end and the outlook for 2009 interest income is not nearly as promising.

2. Total Cost of Operations

The university budgeted for an increase in cost over 2007 of 2.3%. In the event costs were up on 2007 by 6.7% and up on budget by 4.3%. This included the unbudgeted tripartite funding as well as the increase in employee entitlements which together amounted to 1.9%. The balance of the increases was spread over Depreciation, Other direct costs which reflected the increased cost of Contract and trading activities in line with the extra revenue and Trust funds expenditure.

Balance Sheet

The University's Balance Sheet has now passed \$1 billion with the latest revaluation of Land and Buildings. It is noteworthy that while buildings increased in value, land values actually fell as compared with three years ago.

1. Working capital

Current assets are up 32% on last year and 47.7% on budget. This is as a result of higher cash invested because of slower capital spending. Non current assets are up due to the revaluation effects noted above. Current liabilities were down on budget by 15% because the change in Receipts in advance made at the end of 2007 was not included due to the timing. Receipts in Advance were however higher than last year by 7.3%.

2. Non current assets and liabilities

Non current liabilities were up on last year due to the impact of the increase in employee entitlements but lower than budget due to the shift in classification of suspensory loans to Equity done after the budget was finalised. Public equity has increased due to the revaluation.

Statement of Cashflows

Ending cash for the year was less than the previous year by \$7.2 million but better than budget by \$3.1 million. Higher operating cashflows than last year and budget was offset by greater purchases of investments. Equity injections relating to the two Centres of Research excellence formed bulk of the financing activities.

Conclusion

Massey University consolidated its financial situation in 2008. More work remains to ensure that the road to 2020 is a smooth one. Emphasis will be placed on a “value for money” approach to make sure that the University’s activities are all contributing appropriately to the greater good.

A handwritten signature in dark ink, appearing to read 'T Sew Hoy', is positioned above the printed name.

T Sew Hoy

Director – Finance Operations

SUMMARY FACTS AND FIGURES

	Notes	2008	2007	2006	2005	2004	2003
Students							
Equivalent full-time students (EFTS)	1	18,738	19,432	20,475	21,850	23,326	23,342
Change over previous year (%)		(3.57%)	(5.09%)	(6.29%)	(6.33%)	(0.07%)	(8.43)%
Total student enrolments		34,413	35,491	37,022	39,657	41,436	41,662
Change over previous year (%)		(7.05%)	(10.51%)	(6.64%)	(4.49%)	(0.54%)	4.82%
Examination pass rate							
- internal student (passed/sat)		89.1%	89.0%	89.4	90.0%	89.1%	87.1%
- extramural study (passed/sat)		90.6%	91.0%	90.1	90.1%	90.1%	89.8%
Staff							
College academic staff (full-time equivalent)		1114	1,188	1,214	1,255	1,307	1,283
Student: staff ratio		16.8:1	15.8:1	16.3:1	16.8:1	17.3:1	17.5:1
Total general staff (full-time equivalent)	2	1,457	1,522	1,490	1,574	1,583	1,601
Total general: college academic staff		1.31	1.28	1.23	1.25	1.21	1.25
Financial Performance							
Net cost of services per EFTS		\$14,565	\$13,356	\$12,991	\$12,231	\$11,827	\$10,431
Net operating surplus/(deficit) (\$000)		5,375	9,053	(1,322)	3,694	14,762	14,282
Return on total assets		0.50%	0.92%	(0.15%)	0.53%	2.48%	2.44%
Return on total income		1.33%	2.39%	(0.37%)	1.05%	4.20%	4.40%
Financial Position							
Capital expenditure per EFTS		\$1,977	\$1,475	\$2,165	\$2,652	\$1,605	\$1,846
Short-term liquidity		1.43:1	1.12:1	0.96:1	0.85:1	1.13:1	0.99:1
Working capital ratio		1.44:1	1.13:1	1.02:1	0.91:1	1.19:1	1.05:1
Debt to equity		2.63%	2.76%	3.15%	1.31%	1.37%	0.37%
Change in equity		7.21%	0.77%	0.96%	0.57%	2.61%	8.22%

Note:

- 1 EFTS funded includes Ministry of Education funded plus full-fee/international, but excludes NZ School of Music.
- 2 General staff includes technical and casual and excludes contract and trading.

2006 to 2008 are reported under IFRS; prior years have not been amended.

STATEMENT OF RESPONSIBILITY

In the financial year ended 31 December 2008, the Council and management of Massey University were responsible for:

- the preparation of the financial statement, statement of service performance, and the judgements used therein
- establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting.

In the opinion of the Council and management of Massey University the financial statements for the financial year fairly reflect the financial position and operations of Massey University.



R Ballard

Chancellor



S Maharey

Vice-Chancellor



JR Griffiths

Assistant Vice-Chancellor – Finance, IT, Strategy and Commercial

20 April 2009

AUDIT NEW ZEALAND

Mana Arotake Aotearoa

AUDIT REPORT

TO THE READERS OF MASSEY UNIVERSITY AND GROUP'S FINANCIAL STATEMENTS AND PERFORMANCE INFORMATION FOR THE YEAR ENDED 31 DECEMBER 2008

The Auditor-General is the auditor of Massey University (the University) and group. The Auditor-General has appointed me, David Walker, using the staff and resources of Audit New Zealand to carry out the audit of the financial statements and statement of service performance of the University and group, on his behalf, for the year ended 31 December 2008.

Qualified Opinion – comparative information

As stated in the accounting policies, the University recognises its land and buildings at fair value. In its 31 December 2007 financial statements the University had not revalued its land and building assets despite indicators that there was likely to have been a material increase in fair value. This is a departure from the requirements of the New Zealand Equivalent to International Accounting Standard No.16 Property, Plant and Equipment (NZ IAS 16). Accordingly, we were unable to determine whether the carrying value of the land and buildings at 31 December 2007 was materially misstated.

In our opinion:

- Except for the departure from NZ IAS 16 which relates only to the comparative information as outlined above, the financial statements of the University and group on pages 27 to 67:
- comply with generally accepted accounting practice in New Zealand; and
- fairly reflect the University and group's financial position as at 31 December 2008.

In our opinion:

- The financial statements of the University and group on pages 27 to 67 fairly reflect the results of operations and cash flows for the year ended 31 December 2008; and
- The performance information of the University and group on pages 68 to 84 fairly reflects its service performance achievements measured against the performance targets adopted for the year ended on that date.

The audit was completed on 30 April 2008, and is the date at which our opinion is expressed.

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

Basis of Opinion

We carried out the audit in accordance with the Auditor-General's Auditing Standards, which incorporate the New Zealand Auditing Standards. However, the scope of our audit was limited due to the limitation in evidence over comparative information.

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

Material misstatements are differences or omissions of amounts and disclosures that would affect a reader's overall understanding of the financial statements and statement of service performance. We were unable to determine whether there were material misstatements in relation to land and buildings in the comparative year because the scope of our work was limited, as we referred to in our opinion.

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

Audit procedures generally include:

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

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

We evaluated the overall adequacy of the presentation of information in the financial statements and statement of service performance. We did not obtain all the information and explanations we required because of the limitation in evidence over the comparative information, as explained above.

Responsibilities of the Council and the Auditor

The Council is responsible for preparing financial statements in accordance with generally accepted accounting practice in New Zealand. Those financial statements must fairly reflect the financial position of the University and group as at 31 December 2008. They must also fairly reflect the results of operations and cash flows for the year ended on that date. The Council is also responsible for preparing performance information that fairly reflects the service performance achievements for the year ended 31 December 2008. The Council's responsibilities arise from the Education Act 1989 and the Crown Entities Act 2004.

We are responsible for expressing an independent opinion on the financial statements and statement of service performance and reporting that opinion to you. This responsibility arises from section 15 of the Public Audit Act 2001 and the Crown Entities Act 2004.

Independence

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

In addition to the audit we have carried out an assignment in the following area:

- auditing the Chief Executive Officer's declaration on the Performance Based Research Fund external research income.

This is compatible with those independence requirements. Other than the audit and this assignment, we have no relationship with or interests in the University or any of its subsidiaries.



David Walker
Audit New Zealand
On behalf of the Auditor-General
Auckland, New Zealand

Matters Relating to the Electronic Presentation of the Audited Financial Statements, Performance Information

This audit report relates to the financial statements and performance information of Massey University and group for the year ended 31 December 2008 included on Massey University and group's website. Massey University and group's Council is responsible for the maintenance and integrity of Massey University and group's website. We have not been engaged to report on the integrity of Massey University and group's website. We accept no responsibility for any changes that may have occurred to the financial statements and performance information since they were initially presented on the website.

The audit report refers only to the financial statements and performance information named above. It does not provide an opinion on any other information which may have been hyperlinked to or from the financial statements and performance information. If readers of this report are concerned with the inherent risks arising from electronic data communication they should refer to the published hard copy of the audited financial statements and performance information as well as the related audit report dated 30 April 2009 to confirm the information included in the audited financial statements and performance information presented on this website.

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

STATEMENT OF ACCOUNTING POLICIES

for the year ended 31 December 2008

The Reporting Entity

Massey University was established as a university under the Massey University Act 1963 (founding legislation).

These financial statements have been prepared in accordance with the Crown Entity Act 2004 and Section 220 of the Education Act 1989. The financial statements have been prepared in accordance with NZ GAAP. They comply with New Zealand equivalents to IFRS, and other applicable financial reporting standards, as appropriate for public benefit entities.

Massey University is not aware of any material adjustment as a result of new standards coming into effect in 2008.

Massey University has not adopted any standards that have been issued, but are not yet effective. Amendments to NZ IAS 1 are effective from 1 January 2009, there are changes to the level of detail required to be disclosed in the Income Statement. Massey University will adopt these amendments as necessary, but to date has yet to decide on the level of detail to be presented and the format.

The financial statements of Massey University are for the year ended 31 December 2008. The financial statements were authorised for issue by Council on 20 April 2009.

Massey University comprises the following areas of significant activity for teaching, research and community service:

Colleges of

- Business
- Creative Arts
- Education
- Humanities & Social Sciences
- Sciences.

The group consists of Massey University and its subsidiaries, Massey University Foundation (100% owned), Massey Ventures Limited (100% owned), and Estendart Limited, E Centre Limited, Bio Caveo and Polybatics Limited (all 100% owned by Massey Ventures Limited) and Magritek (23.62%) and New Zealand Vet Pathology (22.19%) owned by Massey Ventures Limited. New Zealand School of Music is 50% owned.

Massey University (and its subsidiaries) was established as a tertiary education provider and researcher. Accordingly, Massey University (and its subsidiaries) have designated themselves as public benefit entities. All applicable public benefit entity exemptions have been adopted.

All the above-mentioned companies have a balance date of 31 December.

Measurement Base

The financial statements have been prepared on a historical cost basis, modified by the revaluation of certain property, plant and equipment.

Accounting Policies

The following accounting policies which materially affect the measurement of financial performance and financial position have been applied.

1. Basis of Consolidation

The Consolidated Financial Statements are prepared from the financial statements of the University and all subsidiaries as at 31 December 2008 using the purchase method. Corresponding assets, liabilities, revenues, expenses and cashflows are added together on a line-by-line basis.

Massey University consolidates as subsidiaries in the consolidated financial statements all entities where Massey University has the capacity to control their financing and operating policies so as to obtain benefits from the activities of the entity.

Any joint venture the University has an interest in is accounted for using the proportionate method of consolidation.

Massey University accounts for an investment in an associate in the group financial statement using the equity method.

2. Budget Figures

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

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

3. Allocation of Overheads

Administrative and indirect teaching and research costs are allocated to significant activities on the basis of total equivalent full-time students (EFTS) in each college. Exceptions to this rule are allocated on the following basis:

- (i) regional facilities management – by floor space
- (ii) Recreation Centre – by internal full-time students
- (iii) student services – by internal equivalent full-time students
- (iv) annual leave – by general staff numbers for general staff and from academic department leave records for academic staff.

4. Revenues

Government grants are recognised as income on entitlement.

Student fees are recognised as income on entitlement.

Trust funds, including donations of a capital nature, are recognised as income when money is received, or entitlement to receive money is established.

Income for research that is externally funded is recognised in the Cost of Services Summary (see Note 3) as “Charges for services” on a percentage of completion basis. Research funds relating to incomplete portions of externally funded research activities at year end are included in the balance sheet as “Receipts in advance”.

5. Foreign Currencies

Both the functional and presentation currency of Massey University and its subsidiaries is New Zealand dollars, rounded to the nearest thousand dollars. Translations in foreign currencies are initially recorded in the functional currency at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date.

6. Cash and Cash Equivalents

Cash and cash equivalents represent funds held to meet short-term commitments and include cash in hand, deposits held at call with the bank, other short-term highly liquid investments and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

7. Trade and Other Receivables

Trade and other receivables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

A provision for impairment of receivables is established when there is objective evidence that the University will not be able to collect all amounts according to the original term of the receivables.

8. Inventories

Inventories are valued at the lower of cost (using the first-in first-out basis) or net realisable value. All consumables are charged direct to expenditure.

9. Biological Assets

Biological assets are valued at fair value less estimated point of sale costs, and agricultural produce is valued at fair value less estimated point-of-sale costs at point of harvest. All consumables are charged direct to expenditure. Fair value is the market value at balance date.

10. Property Plant and Equipment

(i) Valuation

Asset Category	Valuation By	Frequency	Last Valuation
Land and buildings	Quotable Value New Zealand	Triennially	31 December 2008
Leasehold improvements	Valued at historical cost		
Equipment and furniture	Valued at historical cost		
Computers and research equipment	Valued at historical cost		
Motor vehicles	Valued at historical cost		
Aircraft	Valued at historical cost		
Library collection	Valued at historical cost		

Land is valued at fair value on the basis of highest and best use.

Buildings (which include land improvements and reticulated services) are valued at depreciated replacement cost on the basis of highest and best use.

The Optimised Depreciated Replacement Cost (ODRC) begins with assessing the replacement cost of the assets as the date of valuation less an allowance for any physical and economic obsolescence to date and for any over-design. The balance of the RC less all forms of obsolescence and over-design represents the fair value of the asset.

Highest and Best Use is defined as the most probable use of the asset that is physically possible, appropriately justified, legally permissible, financially feasible, and which results in the highest value.

Additions between valuations are recorded at cost.

Capital work in progress is valued on the basis of expenditure incurred and certified gross progress claim certificates up to balance date.

The level at which individual assets are capitalised as property plant and equipment is \$2,000.

(ii) Depreciation

The depreciation rates used in the preparation of these statements are as follows:

Asset Class	Depreciation Rate	Method
Buildings	15 to 100 years	Straight line
Leasehold improvements	10%	Straight line
Equipment and furniture	5%–33%	Straight line
Computers and research equipment	25%	Straight line
Motor vehicles	20%–25%	Straight line
Aircraft	6%	Straight line
Library collection (current use)	10%	Straight line

Land, permanently retained library collections, art collections and archives are not depreciated.

Leasehold improvements are depreciated based upon their estimated useful life and the term of lease.

Work in progress is not depreciated. The total cost of a project is transferred to the relevant asset class upon completion and then depreciated.

(iii) Crown-owned Assets

Crown owned land and buildings used by Massey University are included as part of Massey University's fixed assets. These were first recognised on 31 December 1989. Although legal title has not been transferred, Massey University has assumed all the normal risks and rewards of ownership, but may have to negotiate with the Crown for any sale.

In order to fairly and accurately record the value of all Land and Buildings occupied by Massey University, it is necessary to incorporate the Crown owned land and buildings on the Massey University Asset Register.

(iv) Impairment

The carrying values of property plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. Massey University has three cash-generating units, being the three main campuses. Impairment of property plant and equipment is recognised when:

- replacement cost is identified as less than net book value
- the carrying amount exceeds its recoverable amount
- items of property plant and equipment become obsolete
- damage occurs to property plant and equipment.

(v) Disposal / Derecognition of Assets

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

Any gain or loss arising on derecognition on the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the Income Statement in the year the item is derecognised.

11. Employee Entitlements

Annual leave for academic and general staff has been accrued. In addition, an accrual has been made for retirement gratuities and long service leave for both academic and general staff. Both retirement gratuities and long-service leave have been accrued on the following basis.

- Leave and gratuities that have vested in the employee (an entitlement has been established) have been measured at nominal value using remuneration rates current at reporting date. This is included as a current liability.

- Leave and gratuities that have not yet vested in the employee (no entitlement has been established) have been measured using the present value measurement basis, which discounts expected future cash outflows. This is treated as a non-current liability.

Duty leave overseas for academic staff has not been accrued as this leave is a commitment subject to eligibility and is not an entitlement.

Sick leave has not been accrued as the University has a “Wellness Policy”, hence no sick leave is available to carry forward.

Obligations for contributions to superannuation schemes are accounted for as defined contribution schemes and are recognised as an expense in the statement of financial performance.

12. Goods and Services Tax (GST)

The financial statements are prepared on a GST exclusive basis, with the exception of accounts receivable and accounts payable.

13. Taxation

Tertiary education institutions are exempt from the payment of income tax as they are treated by the Inland Revenue Department as charitable organisations. Accordingly, no charge for income tax has been provided for. Massey University’s subsidiaries are also exempt from paying income tax.

14. Leases

Finance leases effectively transfer to Massey University substantially all the risks and benefits incidental to ownership of the leased item. These are capitalised at the lower of fair value of the asset or the present value of the minimum lease payments. The leased assets and corresponding lease liabilities are disclosed and the leased assets are depreciated over the period Massey University is expected to benefit from their use.

Operating lease payments, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased items, are included in the determination of the operating profit in equal instalments over the lease term.

15. Financial Instruments

Massey University classifies its financial assets into the following categories: financial assets at fair value through profit or loss, loans and receivables, and financial assets at fair value through equity. Management determines the classification of its investments at initial recognition and re-evaluates this designation every reporting date. Financial assets are initially measured at fair value, with any transaction costs being expensed immediately.

The fair value of financial instruments traded in an active market is based on quoted market prices as at balance date. The quoted market price used is the current mid price.

Financial assets at fair value through profit and loss are classified in this category if acquired principally for the purpose of selling in the short term. Assets in this category are classified as current assets if they are expected to be realised within 12 months of balance date.

Financial assets in this category include Massey University Foundation's managed fund.

Loan and Receivables

These are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition they are measured at amortised cost using the effective interest method. Loans to third parties and receivables are classified as trade and other receivables in the balance sheet. Bank deposits with a maturity of more than 3 months are classified as other financial assets.

Financial Assets at Fair Value Through Equity.

Financial assets at fair value through equity are those financial assets that are not classified in either of the above categories. This category encompasses shares held for strategic purposes. After initial recognition these investments are measured at their fair value.

Massey University's investment in its subsidiary and associate companies is held at cost.

At the end of each financial year Massey University assesses whether there is any impairment of its financial assets; any impairment is written off to expenses in the Income Statement.

Borrowings

Borrowings are initially recognised at their fair value. After initial recognition, all borrowings are measured at amortised cost using the effective interest method.

16. Trade and Other Payables

Trade and other payables are carried at amortised cost. Due to their short-term nature they are not discounted. They represent liabilities for goods and services provided to Massey University prior to the end of the financial year that are unpaid, and arise when Massey University becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and usually paid within 30 days of recognition.

17. Borrowing Costs

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

18. Investment Property

Any property held that is not held to meet service delivery objectives is classified as investment property. Investment property is measured initially at its cost, including transaction costs.

After recognition, Massey University measures all investment property at fair value as determined annually by Kerry Stewart of Quotable Value New Zealand Limited. Gains or losses arising from a change in fair value of an investment property are recognised in the Income Statement.

19. Joint Ventures

A joint venture is a contractual arrangement whereby two parties undertake an economic activity that is subject to joint control. For a jointly controlled entity Massey University recognises in its financial statements assets it controls, the liabilities and expenses it incurs, and the share of income that it earns from the joint venture.

20. Changes in Accounting Policy

There have been no changes in accounting policies and the policies have been applied on a basis consistent with prior years.

INCOME STATEMENT

for the year ended 31 December 2008

		<i>University</i>			<i>Consolidated</i>	
		Budget	Actual	Actual	Actual	Actual
	Notes	2008	2008	2007	2008	2007
		(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
Government grants	1, 3	167,934	173,607	160,548	176,179	162,999
Student fees	3	108,288	107,087	107,816	108,085	108,833
Interest	3	4,100	7,467	6,274	7,571	6,244
Charges for services	3	97,357	103,856	95,476	104,083	96,908
Trust funds	3, 25	2,526	2,578	2,972	2,578	2,972
Other gains/(losses)	3, 4	-	509	1,260	125	1,260
Total Operating Revenue		380,205	395,104	374,346	398,621	379,215
Staff-related costs	2, 5	218,095	229,407	217,976	232,694	221,710
Depreciation	2, 18	34,024	34,733	33,075	34,830	33,197
Other direct costs	2, 7	117,661	121,484	110,369	121,702	111,528
Finance costs	6	1,980	2,007	2,003	2,014	2,007
Trust funds	25	1,776	2,098	1,719	2,098	1,721
Total Cost of Operations		373,536	389,729	365,142	393,338	370,163
Net Surplus/(Deficit)		6,669	5,375	9,204	5,283	9,053

The Statement of Accounting Policies and Notes to the Financial Statements form part of and are to be read in conjunction with these statements.

STATEMENT OF CHANGES IN EQUITY

for the year ended 31 December 2008

		<i>University</i>			<i>Consolidated</i>	
		Budget	Actual	Actual	Actual	Actual
	Notes	2008	2008	2007	2008	2007
		(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
Public equity as at 1 January	24	837,135	861,048	854,343	861,129	854,575
Equity at 1 January		837,135	861,048	854,343	861,129	854,575
Net surplus/(loss)		6,669	5,375	9,204	5,283	9,053
Increases/(decreases) in revaluation	23, 24	-	53,517	-	53,517	-
Impairments	23, 24	-	(877)	(2,578)	(877)	(2,578)
Fair value – shares	24	-	(79)	79	(79)	79
Total Recognised Revenues and Expenses for the Period		6,669	57,936	6,705	57,844	6,554
Capital funding	24	-	4,108	-	4,213	-
Public Equity as at 31 December	24	843,804	923,092	861,048	923,186	861,129

The Statement of Accounting Policies and Notes to the Financial Statements form part of and are to be read in conjunction with these statements.

BALANCE SHEET

as at 31 December 2008

		<i>University</i>			<i>Consolidated</i>	
		Budget 2008 (\$000)	Actual 2008 (\$000)	Actual 2007 (\$000)	Actual 2008 (\$000)	Actual 2007 (\$000)
	Notes					
ASSETS						
Current Assets						
Cash and cash equivalents	11	39,720	42,795	50,043	44,438	51,383
Trade and other receivables	12	27,700	22,784	23,998	23,832	25,399
Inventories	13	1,160	1,120	1,163	1,120	1,254
Biological	14	4,040	3,459	3,580	3,459	3,580
Other financial assets	15	-	35,165	250	35,165	250
Non-current assets held for sale	16	-	1,933	2,228	1,933	2,228
Total Current Assets		72,620	107,256	81,262	109,947	84,094
Non-current Assets						
Investment property	17	3,272	2,480	3,272	2,480	3,272
Trade and other receivables	12	12,128	1,523	1,514	148	152
Other financial assets	15	13,884	19,290	28,542	19,314	28,777
Biological	14	499	559	499	559	499
Property, plant and equipment	18	888,377	921,217	868,073	921,587	868,542
Total Non-current Assets		918,160	945,069	901,900	944,088	901,242
Total Assets		990,780	1,052,325	983,162	1,054,035	985,336
LIABILITIES AND EQUITY						
Current Liabilities						
Trade and other payables	19	26,120	22,152	22,644	22,990	23,897
Borrowings	20	300	405	377	405	377
Employee entitlements	21	15,450	20,126	19,117	20,211	19,177
Receipts in advance	22	46,000	32,027	29,860	32,721	30,625
Total Current Liabilities		87,870	74,710	71,998	76,327	74,076
Non-current Liabilities						
Borrowings	20	34,164	24,586	25,023	24,560	25,023
Employee entitlements	21	24,942	28,889	24,010	28,914	24,025
Receipts in advance	22	-	1,048	1,083	1,048	1,083
Total Non-current Liabilities		59,106	54,523	50,116	54,522	50,131
Total Liabilities		146,976	129,233	122,114	130,849	124,207
Public Equity	24	843,804	923,092	861,048	923,186	861,129
Total Liabilities and Public Equity		990,780	1,052,325	983,162	1,054,035	985,336

The Statement of Accounting Policies and Notes to the Financial Statements form part of and are to be read in conjunction with these statements.

STATEMENT OF CASH FLOWS

for the year ended 31 December 2008

		<i>University</i>			<i>Consolidated</i>	
		Budget 2008 (\$000)	Actual 2008 (\$000)	Actual 2007 (\$000)	Actual 2008 (\$000)	Actual 2007 (\$000)
Notes						
CASHFLOWS FROM OPERATING ACTIVITIES						
Cash was provided from:						
government grants		167,934	174,343	160,895	176,980	163,311
student income		109,288	122,926	123,203	124,113	124,195
other income		95,536	92,388	80,899	96,059	84,646
interest on operating income		4,100	6,710	6,017	6,834	6,119
trust funds		2,526	1,729	2,048	1,729	2,048
		379,384	398,096	373,062	405,715	380,319
Cash was applied to:						
payments to employees and suppliers		335,693	329,586	316,035	336,960	323,771
net GST movements		-	15,316	13,498	15,767	13,122
interest paid		1,980	2,047	1,912	2,274	1,925
		337,673	346,949	331,445	355,001	338,818
Net Cashflow from Operating Activities	8	41,711	51,147	41,617	50,714	41,501
CASHFLOWS FROM INVESTING ACTIVITIES						
Cash was provided from:						
withdrawal of investments		-	515	9,000	474	9,010
sale of fixed assets		2,000	176	502	253	502
		2,000	691	9,502	727	9,512
Cash was applied to:						
purchase of investments		-	27,006	228	27,016	6,111
purchase of fixed assets		49,899	36,950	28,608	37,050	28,674
		49,899	63,956	28,836	64,066	34,785
Net Cashflow from Investing Activities		(47,899)	(63,265)	(19,334)	(63,339)	(25,273)

The Statement of Accounting Policies and Notes to the Financial Statements form part of and are to be read in conjunction with these statements.

		<i>University</i>			<i>Consolidated</i>	
		Budget 2008	Actual 2008	Actual 2007	Actual 2008	Actual 2007
	Notes	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
CASHFLOWS FROM FINANCING ACTIVITIES						
Cash was provided from:						
capital injections		-	4,108	-	4,238	-
loans repaid		-	-	-	-	-
loans raised		-	-	-	-	232
		-	4,108	-	4,238	232
Cash was applied to:						
loans repaid		806	409	447	475	483
loans raised		-	-	5,919	-	-
		806	409	6,366	475	483
Net Cashflow from Financing Activities		(806)	3,699	(6,366)	3,763	(251)
Net Increase/(Decrease) in Cash Held		(6,994)	(8,419)	15,917	(8,862)	15,977
Net foreign exchange gains/(losses)			1,171	(142)	1,171	(142)
Cash brought forward		46,714	50,043	34,268	52,129	35,548
Ending Cash Carried Forward	11	39,720	42,795	50,043	44,438	51,383

The GST (net) component of operating activities reflects the net GST paid and received with the Inland Revenue Department. The GST (net) component has been presented on a net basis, as the gross amounts do not provide meaningful information for financial statement purposes. Refer Accounting Policy 12.

The Statement of Accounting Policies and Notes to the Financial Statements form part of and are to be read in conjunction with these statements.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

for the year ending 31 December 2008

1. Government Grants

The Ministry of Education provides income to the University by way of a grant, which is based on equivalent full-time students (EFTS). Funding is provided by means of a tuition subsidy according to different cost categories for the courses being offered.

2. Cost of Operations

- *Staff-related costs* – includes direct staff-related costs allocated to colleges, support services and regions. Employee entitlements relating to actuarial calculations are shown separately.
- *Depreciation* – includes all depreciation on all assets held by the University.
- *Other direct costs* – includes all direct costs of operating and maintaining the University. It also includes the cost of research, including salaries and wages.

3. Revenue Disclosure

	Notes	<i>University</i>		<i>Consolidated</i>	
		Actual	Actual	Actual	Actual
		2008	2007	2008	2007
		(\$000)	(\$000)	(\$000)	(\$000)
Government grants:					
student		120,668	129,451	122,668	131,902
other		52,939	31,097	53,511	31,097
Student fees:					
domestic students		71,093	65,711	71,959	66,728
international students		35,994	42,105	36,126	42,105
Charges for services:					
research		63,564	59,384	63,564	59,384
other		40,292	36,092	40,519	37,524
Interest		7,467	6,274	7,571	6,244
Trust funds	25	2,578	2,972	2,578	2,972
Other gains/(losses)	4	509	1,260	125	1,260
Total Revenue		395,104	374,346	398,621	379,215

4. Other Gains and (Losses)

		<i>University</i>		<i>Consolidated</i>	
		2008	2007	2008	2007
	Notes	(\$000)	(\$000)	(\$000)	(\$000)
Livestock fair value gains/(losses)	14	229	1,313	229	1,313
Forestry fair value gains/(losses)	14	60	(48)	60	(48)
Disposal of equipment gains/(losses)		(159)	33	(159)	33
Changes in fair value of investment property gains/(losses)	17	(792)	104	(792)	104
Fair value on Tyndall Equities gains/(losses)		-	-	(384)	-
Foreign exchange gains/(losses)		1,171	(142)	1,171	(142)
Total Gains/(Losses)		509	1,260	125	1,260

5. Staff-related Costs

		<i>University</i>		<i>Consolidated</i>	
		2008	2007	2008	2007
		(\$000)	(\$000)	(\$000)	(\$000)
Salaries and wages		212,537	207,169	215,682	210,903
Superannuation		6,158	5,781	6,186	5,781
Long-service leave and retirement allowance		4,890	127	4,890	127
Other		5,822	4,899	5,936	4,899
Total		229,407	217,976	232,694	221,710

6. Finance Costs

		<i>University</i>		<i>Consolidated</i>	
		2008	2007	2008	2007
		(\$000)	(\$000)	(\$000)	(\$000)
Interest expenses		2,007	2,003	2,014	2,007
Total Finance Costs		2,007	2,003	2,014	2,007

7. Income Statement Disclosures

	<i>University</i>		<i>Consolidated</i>	
	2008 (\$000)	2007 (\$000)	2008 (\$000)	2007 (\$000)
The net surplus/(loss) is after charging:				
Audit fees	156	95	207	147
Audit fees for NZ IFRS transition	-	15	-	41
Other services provided by principal auditor: PBRF Audit	8	8	8	8
Internal audit fees	194	173	194	173
Bad debts written off	522	9	529	12
Increase/(reduction) in provision for bad debts	(74)	(279)	(55)	(287)
Rental expense on operating leases	5,029	3,683	5,885	4,534
Scholarships	10,492	9,701	10,633	9,713
Energy	6,366	5,730	6,445	5,795
Repairs and maintenance	20,971	20,841	20,989	20,874
Travel and accommodation	12,029	10,341	12,123	10,437
Computing and telecommunications	10,230	10,019	10,336	10,092
Advertising/marketing/public relations	3,884	3,939	3,905	3,989
Contracted services	20,422	17,820	20,598	17,833
Other operating expenses	31,255	28,274	29,905	28,166
Total Other Expenses	121,484	110,369	121,702	111,528

8. Reconciliation of the Net Surplus on Operations with the Net Cashflows from Operating Activities

		<i>University</i>		<i>Consolidated</i>	
		2008	2007	2008	2007
	Notes	(\$000)	(\$000)	(\$000)	(\$000)
Surplus/(deficit) on operations		5,375	9,204	5,283	9,053
Add non-cash items					
Depreciation	19	34,733	33,075	34,830	33,197
Asset Disposals	4	159	-	345	-
Other (gains)/losses – forestry fair value	4	(60)	-	(60)	-
Other (gains)/losses – livestock fair value	4	(229)	-	(229)	-
Impairments on investment – other		751	-	624	-
Impairments on investment property	17	792	(104)	792	(101)
Bad debts	7	522	-	522	-
Provision for doubtful debts	12	(74)	-	(74)	95
Foreign exchange (gains)/losses	4	(1,171)	142	(1,171)	142
Debit balance – ex FV shares direct to equity		285	-	285	-
(Decrease)/increase in annual leave provisions	21	4,879	85	4,879	85
Total Non-cash Items		40,587	33,198	40,743	33,418
Movements in working capital					
Decrease/(increase) in prepayments	12	79	8	79	8
Decrease/(increase) in trade and other receivables		687	3,944	1,985	4,371
Decrease/(increase) in stocks and biological assets	13, 14	393	135	319	110
Increase /(decrease) in accounts payable		1,894	647	234	737
Increase /(decrease) in receipts in advance		2,132	(5,519)	2,071	(6,196)
Total Movement in Working Capital		5,185	(785)	4,688	(970)
Net Cashflow from Operating Activities		51,147	41,617	50,714	41,501

9. Summary of Financial Assets and Liabilities

University 2008

Classification of Financial Assets & Liabilities	Loan and Receivables	Assets Held to Maturity	Assets at Fair Value through Profit & Loss	Assets Available for Sale	Liabilities at Fair Value through Profit & Loss	Other Liabilities at Mortised Cost	Total
Financial Assets							
Cash & cash equivalents	42,795	-	-	-	-	-	42,795
Trade & other receivables	17,171	-	-	-	-	-	17,171
Prepayments	5,613	-	-	-	-	-	5,613
Loans & loans to related parties	1,523	-	-	-	-	-	1,523
Short-term deposits with maturities of 4-12months	35,165	-	-	-	-	-	35,165
Term deposits maturing between 1 to 5 years	5,980	-	-	-	-	-	5,980
Shares in subsidiaries	-	-	-	510	-	-	510
Unlisted shares	-	-	-	608	-	-	608
Funds invested in Massey University Foundation	-	-	10,269	-	-	-	10,269
Fair value through equity – shares	-	-	1,923	-	-	-	1,923
Fair value through income statement – managed funds	-	-	-	-	-	-	-
Total Financial Assests	108,247	-	12,192	1,118	-	-	121,557
Financial Liabilities							
Trade & other payables	-	-	-	-	-	13,533	13,533
Accrued expenses	-	-	-	-	-	8,596	8,596
Borrowings – term loans	-	-	-	-	-	24,991	24,991
Total Financial Liabilities	-	-	-	-	-	47,120	47,120

University 2007

Classification of Financial Assets & Liabilities	Loan and Receivables	Assets Held to Maturity	Assets at Fair Value through Profit & Loss	Assets Available for Sale	Liabilities at Fair Value through Profit & Loss	Other Liabilities at Mortised Cost	Total
Financial Assets							
Cash & cash equivalents	50,043	-	-	-	-	-	50,043
Trade & other receivables	18,306	-	-	-	-	-	18,306
Prepayments	5,692	-	-	-	-	-	5,692
Loans & loans to related parties	1,514	-	-	-	-	-	1,514
Short-term deposits with maturities of 4-12months	250	-	-	-	-	-	250
Term deposits maturing between 1 to 5 years	14,750	-	-	-	-	-	14,750
Shares in subsidiaries	-	-	-	610	-	-	610
Unlisted shares	-	-	-	167	-	-	167
Funds invested in Massey University Foundation	-	-	10,614	-	-	-	10,614
Fair value through equity – shares	-	-	2,401	-	-	-	2,401
Fair value through income statement – managed funds	-	-	-	-	-	-	-
Total Financial Assests	90,555	-	13,015	777	-	-	104,347
Financial Liabilities							
Trade & other payables	-	-	-	-	-	13,351	13,351
Accrued expenses	-	-	-	-	-	9,107	9,107
Borrowings – term loans	-	-	-	-	-	25,400	25,400
Total Financial Liabilities	-	-	-	-	-	47,858	47,858

Consolidated 2008

Classification of Financial Assets & Liabilities	Loan and Receivables	Assets Held to Maturity	Assets at Fair Value through Profit & Loss	Assets Available for Sale	Liabilities at Fair Value through Profit & Loss	Other Liabilities at Mortised Cost	Total
Financial Assets							
Cash & cash equivalents	44,438	-	-	-	-	-	44,438
Trade & other receivables	18,219	-	-	-	-	-	18,219
Prepayments	5,613	-	-	-	-	-	5,613
Loans & loans to related parties	148	-	-	-	-	-	148
Short-term deposits with maturities of 4-12months	35,165	-	-	-	-	-	35,165
Term deposits maturing between 1 to 5 years	6,105	-	-	-	-	-	6,105
Shares in subsidiaries	-	-	-	-	-	-	-
Unlisted shares	-	-	-	1,027	-	-	1,027
Funds invested in Massey University Foundation	-	-	-	-	-	-	-
Fair value through equity – shares	-	-	1,923	-	-	-	1,923
Fair value through income statement – managed funds	-	-	10,259	-	-	-	10,259
Total Financial Assests	109,688	-	12,182	1,027	-	-	122,897
Financial Liabilities							
Trade & other payables	-	-	-	-	-	14,359	14,359
Accrued expenses	-	-	-	-	-	8,608	8,608
Borrowings – term loans	-	-	-	-	-	24,965	24,965
Total Financial Liabilities	-	-	-	-	-	47,932	47,932

Consolidated 2007

Classification of Financial Assets & Liabilities	Loan and Receivables	Assets Held to Maturity	Assets at Fair Value through Profit & Loss	Assets Available for Sale	Liabilities at Fair Value through Profit & Loss	Other Liabilities at Mortised Cost	Total
Financial Assets							
Cash & cash equivalents	51,383	-	-	-	-	-	51,383
Trade & other receivables	19,707	-	-	-	-	-	19,707
Prepayments	5,692	-	-	-	-	-	5,692
Loans & loans to related parties	152	-	-	-	-	-	152
Short-term deposits with maturities of 4-12months	250	-	-	-	-	-	250
Term deposits maturing between 1 to 5 years	15,050	-	-	-	-	-	15,050
Shares in subsidiaries	-	-	-	-	-	-	-
Unlisted shares	-	-	-	231	-	-	231
Funds invested in Massey University Foundation	-	-	-	-	-	-	-
Fair value through equity – shares	-	-	2,401	-	-	-	2,401
Fair value through income statement – managed funds	-	-	11,095	-	-	-	11,095
Total Financial Assests	92,234	-	13,496	231	-	-	105,961
Financial Liabilities							
Trade & other payables	-	-	-	-	-	13,727	13,727
Accrued expenses	-	-	-	-	-	9,984	9,984
Borrowings – term loans	-	-	-	-	-	25,400	25,400
Total Financial Liabilities	-	-	-	-	-	49,111	49,111

10. Shares in Subsidiaries

Name of entity: Creative Campus Enterprises Limited
 Principal activity: Accommodation Management
 Ownership: 100%
 Owner: Massey University
 Contribution: nil (2007: \$82,209)
 Fair Value of Investment: nil

Creative Campus Enterprises Limited ceased trading as at 31 December 2007; the company was wound up and removed from the Companies Office Register in 2008. The fair value of Massey University's investment in Creative Enterprises Limited as approximated by the net assets of the company as at 31 December 2008 is nil (2007: \$(22,569)).

Name of entity: Massey Ventures Limited
 Principal activity: Holding Company
 Ownership: 100%
 Owner: Massey University
 Contribution: \$79,000 (2007: \$(314,624))
 Fair Value of Investment: \$(162,000)

The fair value of Massey University's investment in Massey University Ventures Limited as approximated by the net assets of the company as at 31 December 2008 is \$(162,000) (2007: \$(531,823)).

Name of entity: Massey University Foundation
 Principal activity: Investment
 Ownership: 100%
 Owner: Massey University
 Contribution: \$(642,000) (2007: \$238,000)
 Fair Value of Investment: \$10,269,000

The fair value of Massey University's investment in Massey University Foundation as approximated by the net assets of the entity as at 31 December 2008 is \$10,269,000 (2007: \$10,614,000).

11. Cash and Cash Equivalents

	<i>University</i>		<i>Consolidated</i>	
	2008 (\$000)	2007 (\$000)	2008 (\$000)	2007 (\$000)
Cash at bank and in hand	7,212	4,320	7,916	5,660
Short-term deposits with maturities of 3 months or less	35,583	45,723	36,522	45,723
Total Cash and Cash Equivalents	42,795	50,043	44,438	51,383

The carrying value of short-term deposits with maturity dates of three months or less approximates their fair value. Refer to Note 15 for weighted average effective rates for cash and cash equivalents.

	2008 (\$000)	2007 (\$000)
Included in cash at bank and in hand were the following currencies:		
United States of America	10,717	5,107
Australia	26	1,735
Great Britain	13	193
Euros	310	321

All currencies shown as valued in NZD as at 31 December.

12. Accounts Receivable and Accruals

	<i>University</i>		<i>Consolidated</i>	
	2008	2007	2008	2007
	(\$000)	(\$000)	(\$000)	(\$000)
Trade debtors	13,718	14,331	14,832	15,124
Other amounts receivable	3,942	4,456	4,108	5,341
Related parties receivables	200	270	-	6
Prepayments	5,613	5,692	5,613	5,692
Loans	148	164	148	164
Loans to related parties	1,375	1,362	-	-
	24,996	26,275	24,701	26,327
Less provision for doubtful debts	(689)	(763)	(721)	(776)
	24,307	25,512	23,980	25,551
Less non-current portion				
Loans	148	152	148	152
Loans to related parties	1,375	1,362	-	-
Total non-current portion	1,523	1,514	148	152
Current Portion	22,784	23,998	23,832	25,399

Loans to related parties are on call and at 0% interest, and approximate their fair value.

The carrying value of trade and other trade receivables (excluding loans to related parties) approximate their fair value. Impairment of a receivable is established when there is objective evidence that the amount will not be able to be collected. This includes defaults on payments and significant financial difficulty

The age of trade debtors overdue, whose payment has not been negotiated, but not impaired, is as follows.

	<i>University</i>		<i>Consolidated</i>	
	2008	2007	2008	2007
	(\$000)	(\$000)	(\$000)	(\$000)
< 3 Months	12,244	12,204	13,358	12,976
> 3 Months	1,474	2,127	1,474	2,148
Carrying Amount	13,718	14,331	14,832	15,124

As at 31 December 2008 and 2007, all overdue receivables have been assessed for impairment and appropriate provisions have been applied. Massey University does not hold any collateral as security or other credit enhancements over receivables that are past due or impaired.

Movements in the provision for impairment of receivables are as follows.

	University		Consolidated	
	2008	2007	2008	2007
	(\$000)	(\$000)	(\$000)	(\$000)
At 1 January	763	1,041	776	1,091
Additions made during the year	-	114	-	80
Receivables written off during the year	(74)	(392)	(55)	(395)
At 31 December	689	763	721	776

13. Inventories

	University		Consolidated	
	2008	2007	2008	2007
	(\$000)	(\$000)	(\$000)	(\$000)
Material and stores	1,120	1,163	1,120	1,254
Total	1,120	1,163	1,120	1,254

The carrying amount of inventories identified as held for distribution as at 31 December 2008 amounted to \$687,337 (2007: \$762,445): The carrying amount of inventories pledged as securities for liabilities is nil (2007: nil).

14. Biological Assets

	University		Consolidated	
	2008	2007	2008	2007
	(\$000)	(\$000)	(\$000)	(\$000)
Livestock				
Opening balance	3,580	3,612	3,580	3,612
Increase due to purchase	286	217	286	217
Gains/(losses) arising from changes in fair value	229	1,313	229	1,313
Decreases due to sales	(636)	(1,562)	(636)	(1,562)
Closing Balance	3,459	3,580	3,459	3,580
Forestry				
Opening balance	499	547	499	547
Gains/(losses) arising from changes in fair value	60	(48)	60	(48)
Closing Balance	559	499	559	499
Current	3,459	3,580	3,459	3,580
Non-current	559	499	559	499
Total	4,018	4,079	4,018	4,079

Massey University owns 106 hectares of *pinus radiata* forest, which are at varying stages of maturity.

No forests have been harvested in this period (2007: nil).

Forestry is valued as at 31 December 2008 at fair value, using a model supplied by an independent valuer. Fair value is the market value less the estimated point of sale costs.

Massey University is not materially exposed to financial risks from changing timber prices.

15. Other Financial Assets

	<i>University</i>		<i>Consolidated</i>	
	2008 (\$000)	2007 (\$000)	2008 (\$000)	2007 (\$000)
Current Portion				
Loans and receivables	-	-	-	-
Short-term deposits with maturities of 4–12 months	35,165	250	35,165	250
Total Current Portion	35,165	250	35,165	250
Non-current Portion				
Loans and receivables	5,980	14,750	6,105	15,050
Fair value through equity – shares	1,923	2,401	1,923	2,401
Fair value through income statement – managed fund	-	-	10,259	11,095
Unlisted shares	608	167	1,027	231
Funds invested in Massey University Foundation	10,269	10,614	-	-
Shares in subsidiaries	510	610	-	-
Total Non-current Portion	19,290	28,542	19,314	28,777

There were no impairment provisions for other financial assets.

Unlisted shares: No market exists for the unlisted shares and these are shown at cost.

	<i>University</i>		<i>Consolidated</i>	
	2008 (\$000)	2007 (\$000)	2008 (\$000)	2007 (\$000)
Maturity analysis and effective interest rate:				
Short-term deposits with maturities of 3 months or less	35,583	45,723	36,522	45,723
Weighted average interest rate	4.31%	8.64%	4.38%	8.64%
Short-term deposits with maturities of 4–12 months	35,165	250	35,165	250
Weighted average interest rate	8.25%	8.76%	8.25%	8.76%
Term deposits maturing between 1–2 years	5,980	9,000	6,105	9,000
Weighted average interest rate	8.54%	8.92%	8.52%	8.92%
Term deposits maturing after 2 years but less than 5 years	-	5,750	-	5,750
Weighted average interest rate	0%	8.64%	0%	8.64%
	76,728	60,723	77,792	60,723

The fair values of Term Deposits are as follows.

	<i>University</i>		<i>Consolidated</i>	
	2008 (\$000)	2007 (\$000)	2008 (\$000)	2007 (\$000)
Fair value on Term Deposits (>3 months):				
Fair value as at 31 December	42,499	15,000	42,499	15,000

16. Non-current Assets Held for Sale

	<i>University</i>		<i>Consolidated</i>	
	2008 (\$000)	2007 (\$000)	2008 (\$000)	2007 (\$000)
Non-current assets held for sale are:				
Land	979	1,117	979	1,117
Buildings	954	1,111	954	1,111
Total Non-current Assets Held for Sale	1,933	2,228	1,933	2,228

The Council approved the sale of Ruawharo Campus on 7 July 2006. The site was still used as a campus until early 2007. Originally this site was under contract for sale subject to zoning changes which the local council subsequently rejected. This property remains for sale and is currently being marketed.

17. Investment Property

	<i>University</i>		<i>Consolidated</i>	
	2008 (\$000)	2007 (\$000)	2008 (\$000)	2007 (\$000)
Balance at 1 January	3,272	3,168	3,272	3,168
Fair value gains on valuation	(792)	104	(792)	104
Balance at 31 December	2,480	3,272	2,480	3,272

Massey University investment properties are valued annually at fair value, effective 31 December 2008.

All investment properties were valued based on open market evidence.

Land and Buildings were valued by Kerry Stewart FPINZ, FPINZ of Quotable Value New Zealand Limited.

18. Property, Plant and Equipment

University 2008

	Cost/ Valuation 01 Jan 2008	Accumulated Depreciation & Impairment 01 Jan 2008	Carrying Amount 01 Jan 2008	Additions	Disposals at Cost	Depreciation on Disposals	Impairments	Revaluations	Depreciation Recovered on Revaluation	Depreciation	Cost/ Valuation 31 Dec 2008	Accumulated Depreciation & Impairment 31 Dec 2008	Carrying Amount 31 Dec 2008
Land	203,506	-	203,506	715	-	-	-	(23,900)	-	-	180,321	-	180,321
Buildings	591,694	36,133	555,561	26,184	222	221	(877)	22,699	55,013	19,331	639,478	230	639,248
Leasehold improvement	4,328	1,214	3,114	271	32	8	-	-	-	436	4,567	1,642	2,925
Aircraft	1,804	208	1,596	-	-	1	-	-	-	96	1,804	303	1,501
Furniture	2,161	1,523	638	51	17	16	-	-	-	192	2,195	1,699	496
Equipment	127,988	93,486	34,502	9,784	1,667	1,386	-	-	-	7,699	136,105	99,799	36,306
Implements	184	165	19	20	-	-	-	-	-	5	204	170	34
Vehicles	3,106	2,642	464	179	118	88	-	-	-	127	3,167	2,681	486
Art	1,558	-	1,558	-	-	-	-	-	-	-	1,558	-	1,558
Library	65,689	31,863	33,826	6,073	-	-	-	-	-	6,847	71,762	38,710	33,052
Work in progress	33,289	-	33,289	(7,999)	-	-	-	-	-	-	25,290	-	25,290
	1,035,307	167,234	868,073	35,278	2,056	1,720	(877)	(1,201)	55,013	34,733	1,066,451	145,234	921,217

University 2007

	Cost/ Valuation 01 Jan 2007	Accumulated Depreciation & Impairment 01 Jan 2007	Carrying Amount 01 Jan 2007	Additions	Disposals at Cost	Depreciation on Disposals	Impairments	Revaluations	Depreciation Recovered on Revaluation	Depreciation	Cost/ Valuation 31 Dec 2007	Accumulated Depreciation & Impairment 31 Dec 2007	Carrying Amount 31 Dec 2007
Land	202,789	-	202,789	1720	1,003	-	-	-	-	-	203,506	-	203,506
Buildings	563,524	17,488	546,036	32,103	1,355	119	(2,578)	-	-	18,764	591,694	36,133	555,561
Leasehold improvement	4,280	797	3,483	48	-	-	-	-	-	417	4,328	1,214	3,114
Aircraft	1,874	114	1,760	-	70	7	-	-	-	101	1,804	208	1,596
Furniture	1,927	1,353	574	234	-	-	-	-	-	170	2,161	1,523	638
Equipment	116,778	86,948	29,830	12,470	1,260	741	-	-	-	7,279	127,988	93,486	34,502
Implements	175	163	12	9	-	-	-	-	-	2	184	165	19
Vehicles	3,026	2,631	395	200	120	110	-	-	-	121	3,106	2,642	464
Art	1,527	-	1,527	31	-	-	-	-	-	-	1,558	-	1,558
Library	60,021	25,642	34,379	5,668	-	-	-	-	-	6,221	65,689	31,863	33,826
Work in progress	55,603	-	55,603	(22,314)	-	-	-	-	-	-	33,289	-	33,289
	1,011,524	135,136	876,388	30,169	3,808	977	(2,578)	-	-	33,075	1,035,307	167,234	868,073

Transfers from Work in Progress to the Asset Register were \$43,277 (2007: \$52,483).

Consolidated 2008

	Cost/ Valuation 01 Jan 2008	Accumulated Depreciation & Impairment 01 Jan 2008	Carrying Amount 01 Jan 2008	Additions	Disposals at Cost	Depreciation on Disposals	Impairments	Revaluations	Depreciation Recovered on Revaluation	Depreciation	Cost/ Valuation 31 Dec 2008	Accumulated Depreciation & Impairment 31 Dec 2008	Carrying Amount 31 Dec 2008
Land	203,506	-	203,506	715	-	-	-	(23,900)	-	-	180,321	-	180,321
Buildings	591,694	36,133	555,561	26,184	222	221	(877)	22,699	55,013	19,331	639,478	230	639,248
Leasehold improvement	4,341	1,217	3,124	279	32	8	-	-	-	439	4,588	1,648	2,940
Aircraft	1,804	208	1,596	-	-	1	-	-	-	96	1,804	303	1,501
Furniture	2,197	1,535	662	56	18	16	-	-	-	198	2,235	1,717	518
Equipment	128,739	93,826	34,914	9,860	1,960	1,606	-	-	-	7,781	136,699	100,001	36,639
Implements	184	165	19	20	-	-	-	-	-	5	204	170	34
Vehicles	3,176	2,688	488	179	146	98	-	-	-	133	3,209	2,723	486
Art	1,558	-	1,558	-	-	-	-	-	-	-	1,558	-	1,558
Library	65,689	31,863	33,826	6,073	-	-	-	-	-	6,847	71,762	38,710	33,052
Work in progress	33,289	-	33,289	(7,999)	-	-	-	-	-	-	25,290	-	25,290
	1,036,177	167,635	868,543	35,367	2,378	1,950	(877)	(1,201)	55,013	34,830	1,067,088	145,502	921,587

Consolidated 2007

	Cost/ Valuation 01 Jan 2007	Accumulated Depreciation & Impairment 01 Jan 2007	Carrying Amount 01 Jan 2007	Additions	Disposals at Cost	Depreciation on Disposals	Impairments	Revaluations	Depreciation Recovered on Revaluation	Depreciation	Cost/ Valuation 31 Dec 2007	Accumulated Depreciation & Impairment 31 Dec 2007	Carrying Amount 31 Dec 2007
Land	202,789	-	202,789	1,720	1,003	-	-	-	-	-	203,506	-	203,506
Buildings	563,524	17,488	546,036	32,103	1,355	119	(2,578)	-	-	18,764	591,694	36,133	555,561
Leasehold improvement	4,286	798	3,488	55	-	-	-	-	-	419	4,341	1,217	3,124
Aircraft	1,874	114	1,760	-	70	7	-	-	-	101	1,804	208	1,596
Furniture	1,954	1,361	593	243	-	-	-	-	-	174	2,197	1,535	662
Equipment	117,489	87,186	30,304	12,520	1,270	741	-	-	-	7,381	128,739	93,826	34,914
Implements	175	163	12	9	-	-	-	-	-	2	184	165	19
Vehicles	3,096	2,663	433	200	120	110	-	-	-	135	3,176	2,688	488
Art	1,527	-	1,527	31	-	-	-	-	-	-	1,558	-	1,558
Library	60,021	25,642	34,379	5,668	-	-	-	-	-	6,221	65,689	31,863	33,826
Work in progress	55,603	-	55,603	(22,314)	-	-	-	-	-	-	33,289	-	33,289
	1,012,338	135,415	876,924	30,235	3,818	977	(2,578)	-	-	33,197	1,036,177	167,635	868,542

Impairment losses of \$877,562 (2007: \$2,578,000) have been recognised for impairment of operational buildings that were demolished or removed to make way for future campus developments. Massey University does not have any financing leases.

Asset values included in the balance sheet as at 31 December 2008 include all land and buildings as occupied and utilised by Massey University. The exception to this is the land on Riverside Farm (leases from Sydney Campbell Foundation).

Legal ownership of land and buildings is detailed as follows (at balance sheet values).

	<i>Land</i>		<i>Buildings</i>	
	2008	2007	2008	2007
	(\$000)	(\$000)	(\$000)	(\$000)
i) Massey University owned	104,821	107,321	386,730	334,068
ii) Crown owned (includes buildings on Crown-owned land)	75,500	96,185	252,519	221,493
	180,321	203,506	639,249	555,561

Land and buildings were valued by Kerry Stewart FNZIV, FPINZ of Quotable Value New Zealand Limited.

The BNZ holds a registered mortgage over the Albany Campus, please refer to Note 20.

19. Trade and Other Payables

	<i>University</i>		<i>Consolidated</i>	
	2008	2007	2008	2007
	(\$000)	(\$000)	(\$000)	(\$000)
Trade payables	297	993	968	1,089
Other payables	13,184	11,720	13,391	12,638
Accrued expenses	8,596	9,107	8,608	9,984
Amounts due to related parties	52	638	-	-
Building retentions	23	186	23	186
Total Trade Payables	22,152	22,644	22,990	23,897

Trade and other payables are non-interest bearing and are normally settled on 30 day terms; therefore the carrying value of trade and other payables approximates their fair value.

20. Borrowings

	<i>University</i>		<i>Consolidated</i>	
	2008	2007	2008	2007
	(\$000)	(\$000)	(\$000)	(\$000)
Current				
Loans	405	377	405	377
Total Current Borrowings	405	377	405	377
Non-current				
Loans	24,586	25,023	24,560	25,023
Total Non-current Borrowings	24,586	25,023	24,560	25,023

Fixed-rate debt: Massey University debt of \$24,991,635 is issued at fixed rates of interest against which the BNZ holds a registered mortgage over the Albany Campus, which is included in Note 18.

	2008 (\$000)	2007 (\$000)	2008 (\$000)	2007 (\$000)
Maturity analysis and effective interest rates:				
Less than 1 year	405	377	405	377
Weighted average interest rate	6.71%	8.01%	6.71%	8.01%
Later than 1 year but less than 5 years	24,586	25,023	24,560	25,023
Weighted average interest rate	6.71%	7.69%	6.71%	7.69%
Total Borrowings	24,991	25,400	24,965	25,400

The fair values of non-current borrowings are as follows.

	University		Consolidated	
	2008 (\$000)	2007 (\$000)	2008 (\$000)	2007 (\$000)
Fair value on borrowings:				
Fair Value as at 31 December	25,220	25,021	25,220	25,021

21. Employee Entitlements (Parent and Consolidated)

	University		Consolidated	
	2008 (\$000)	2007 (\$000)	2008 (\$000)	2007 (\$000)
Accrued pay	1,929	718	1,933	718
Annual leave	17,357	17,396	17,438	17,456
Long service leave	1,404	1,102	1,429	1,117
Retirement gratuities	28,325	23,911	28,325	23,911
Total	49,015	43,127	49,125	43,202
Current	20,126	19,117	20,211	19,177
Non-current	28,889	24,010	28,914	24,025
Total	49,015	43,127	49,125	43,202

The long-service leave and retirement gratuities were independently assessed as at 31 December 2008 by Mr P. Cosseboom FIA, a Fellow of the New Zealand Society of Actuaries with Eriksen & Associates.

An actuarial valuation involves the projection, on a year-by-year basis, of the long-service and retirement gratuities liabilities, based on accrued services, in respect of current employees.

These liabilities are estimated in respect of their incidents according to assumed rates of death, disablement, resignation and retirement allowing for assumed rates of salary progression. Of these assumptions, the discount, salary progression and resignation rates are most important. The projected cashflow is then discounted back to the valuation date at the valuation discounted rates.

Discount rates range from 4.05% to 5.13% for nine years and beyond (2007: 5.72% to 7.43%).

Salary progression allows for a 2.75% increase per year (2007: 2.75%).

The demographic assumptions were based on the experience of the Government Superannuation Fund.

22. Receipts in Advance

	<i>University</i>		<i>Consolidated</i>	
	2008 (\$000)	2007 (\$000)	2008 (\$000)	2007 (\$000)
Student fees	12,607	12,312	12,935	12,312
Receipts other	20,468	18,631	20,834	19,396
Total Receipts in Advance	33,075	30,943	33,769	31,708
Current	32,027	29,860	32,721	30,625
Non-current	1,048	1,083	1,048	1,083
Total Receipts in Advance	33,075	30,943	33,769	31,708

The current portion of receipts in advance is expected to be recognised as income during 2009.

The carrying value of current receipts in advance approximates their fair value.

The noncurrent portion of receipts in advance was not discounted to net present value and approximates their fair value.

23. Asset Revaluation Reserves (University)

	<i>University</i>		<i>Consolidated</i>	
	2008 (\$000)	2007 (\$000)	2008 (\$000)	2007 (\$000)
Land & Buildings				
Balance 1 January	337,505	340,083	337,505	340,083
Movement	52,640	(2,578)	52,640	(2,578)
Balance 31 December	390,145	337,505	390,145	337,505

24. Public Equity

		<i>University 2008</i>				<i>Consolidated 2008</i>			
	Notes	Opening Balance 01.01.08 (\$000)	Movements (\$000)	Operating Surplus/ Deficit (\$000)	Closing Balance 31.12.08 (\$000)	Opening Balance 01.01.08 (\$000)	Movements (\$000)	Operating Surplus/ Deficit (\$000)	Closing Balance 31.12.08 (\$000)
Trust funds	25	17,268	-	480	17,748	17,268	-	480	17,748
Asset revaluation reserves	23	337,505	52,640	-	390,145	337,505	52,640	-	390,145
Special reserves		26,973	(9)	-	26,964	26,973	81	-	27,054
Fair value to equity		79	(79)	-	-	79	(79)	-	-
General reserves		479,223	4,117	4,895	488,235	479,304	4,179	4,756	488,239
Total		861,048	56,669	5,375	923,092	861,129	56,821	5,236	923,186

		University 2007				Consolidated 2007			
		Opening Balance		Operating Surplus	Closing Balance	Opening Balance		Operating Surplus	Closing Balance
	Notes	01.01.07 (\$000)	Movements (\$000)	Deficit (\$000)	31.12.07 (\$000)	01.01.07 (\$000)	Movements (\$000)	Deficit (\$000)	31.12.07 (\$000)
Trust funds	25	16,017	-	1,253	17,268	16,015	-	1,251	17,268
Asset revaluation reserves	23	340,083	(2,578)	-	337,505	340,083	(2,578)	-	337,505
Special reserves		26,973	-	-	26,973	26,973	-	-	26,973
Fair value to equity		-	79	-	79	-	79	-	79
General reserves		471,272	-	7,951	479,223	471,502	-	7,802	479,304
Total		854,343	(2,499)	9,204	861,048	854,575	(2,499)	9,053	861,129

25. Trust Funds

		University 2008			Consolidated 2008		
		Opening Balance		Closing Balance	Opening Balance		Closing Balance
		01.01.08 (\$000)	Movement (\$000)	31.12.08 (\$000)	01.01.08 (\$000)	Movement (\$000)	31.12.08 (\$000)
Helen Akers Bequest		836	(65)	771	836	(65)	771
MU Common Fund		9,995	476	10,471	9,995	476	10,471
Sasakawa Foundation		5,747	6	5,753	5,747	6	5,753
Delahunty Trust		525	44	569	525	44	569
Norwood Trust		69	6	75	69	6	75
A G East Memorial Trust		26	16	42	26	16	42
Tony Drakeford Memorial Trust		70	(3)	67	70	(3)	67
Other Trusts		-	-	-	-	-	-
Total Trust Funds		17,268	480	17,748	17,268	480	17,748

		University 2007			Consolidated 2007		
		Opening Balance		Closing Balance	Opening Balance		Closing Balance
		01.01.07 (\$000)	Movement (\$000)	31.12.07 (\$000)	01.01.07 (\$000)	Movement (\$000)	31.12.07 (\$000)
Helen Akers Bequest		860	(24)	836	860	(24)	836
MU Common Fund		8,779	1,216	9,995	8,779	1,216	9,995
Sasakawa Foundation		5,740	7	5,747	5,740	7	5,747
Delahunty Trust		483	42	525	483	42	525
Norwood Trust		64	5	69	64	5	69
A G East Memorial Trust		24	2	26	24	2	26
Tony Drakeford Memorial Trust		65	5	70	65	5	70
Other Trusts		-	-	-	-	-	-
Total Trust Funds		16,015	1,253	17,268	16,015	1,253	17,268

Although these items are trusts, Massey University has control over them and obtains benefits associated with ownership of them. They have therefore been treated as equity in the Parent and Consolidated Statement of Financial Position. Details of trust funds are as follows.

Helen Akers Bequest – funds bequeathed from the Estate of Helen Akers to provide scholarships for students.

Massey University Property Foundation – foundation established to support the Department of Finance, Banking and Property Studies and the Real Estate industry.

Massey University Common Fund – pool of funds used for holding and paying out scholarships and prize monies to students.

Sasakawa Foundation – scholarships provided from the Sasakawa Foundation, Japan, for students.

Delahunty Trust – trust fund established to provide research grants to foster primary industry accounting research to students living in New Zealand.

Norwood Trust – prizes for students for achievements in trade courses.

A G East Memorial Trust – educational scholarships for technical and trade courses.

Tony Drakeford Memorial Trust – educational scholarships for commerce courses.

26. Joint Venture

Massey University's interest in the New Zealand School of Music (NZSM) joint venture is accounted for as a jointly controlled entity.

Massey University's interest in NZSM is as follows.

	<i>Consolidated</i>	
	2008	2007
	(\$000)	(\$000)
Current assets	1,799	1,124
Non-current assets	163	116
Current liabilities	853	(715)
Non-current liabilities	25	15
Income	3,818	3,605
Expense	3,394	3,274

Joint Venture Commitment and Contingencies

There were no commitments or contingent liabilities arising from Massey University's involvement in the joint venture.

27. Council Members' Fees Paid During 2008 Year

	2008	2007
N. Gould	25,350	25,350
S. Kos	11,200	11,200
R. Ballard	8,960	8,960
A. Paterson	8,960	8,960
R Springett	4,640	-
B Heap	4,160	-
E. Hawes	-	4,000
P. Falloon	-	4,320
B. Ullrich	4,960	4,160
N. Love	2,400	3,040
R Fitfield	3,840	-
V. Tawhai	-	4,000
S. Baragwanath	3,520	3,040
C. Kelly	5,120	4,000
M. Mullins	1,920	2,720
Total	85,030	83,750

28. Related Party Information

Members of Council

During the year Massey purchased goods and services from, or sold goods and services to:

- Mr N. Gould, a Councillor of Massey University, is a shareholder and a director of the following organisations:
 - Byrd Services Limited: sales to Massey University \$34,143 (2007: \$34,151); amount owing at year end nil (2007: nil)
 - Communicate Consultants Limited: sales to Massey University nil (2007: \$6,407); amount outstanding at year end nil (2007: nil)
- Wellington 10th Trust, of which Professor N. Love, a Councillor of Massey University, is a trustee: Massey University supplied services at a cost of \$337,500 (2007: \$337,500) with nil (2007: nil); owing by Massey University at the end of the year.
- Land Corp Farming Ltd, of which Mr C. Kelly, a Councillor of Massey University, is CEO: Massey University supplied goods and services at a cost of \$30,431 (2007: \$7,435); amount owing at year end nil (2007: nil).
- Polybatics Ltd, of which Mr C. Kelly, a Councillor of Massey University, is a director: Massey University supplied goods and services at a cost of nil (2007: \$14,625); amount owing at year end nil (2007: nil)
- Agricultural ITO, of which Mr C. Kelly, a Councillor of Massey University, is a director: Massey University supplied goods and services at a cost of \$1,360 (2007: \$721); amount owing at year end nil (2007: nil).
- Bioprotection Technologies, of which Mr C. Kelly, a Councillor of Massey University, is a director: Massey University supplied goods and services at a cost of nil (2007: \$648); amount owing at year end nil (2007: nil).

- Land Corp Farming Ltd, of which Mrs M. Mullins, a Councillor of Massey University, is a director: Massey University supplied goods and services at a cost of nil (2007: \$7,435); amount owing at year end nil (2007: nil).
- NZ Landcare Trust, of which Mrs M. Mullins, a Councillor of Massey University, is a trustee: Massey University supplied goods and services at a cost of \$163,574 (2007: nil); amount owing at year end nil (2007: nil).

All goods were supplied under normal commercial terms.

There were no transactions between Massey University and other Councillors.

Key Management Personnel

	<i>University</i>		<i>Consolidated</i>	
	2008 (\$000)	2007 (\$000)	2008 (\$000)	2007 (\$000)
Remuneration				
Short-term employment benefits	3,363,162	3,188,280	3,363,162	3,188,280
Post-employment benefits	151,995	139,515	151,995	139,515
Council fees	85,030	83,750	140,130	114,750
	3,600,187	3,411,545	3,655,287	3,442,545

Key personnel include the Council, Vice-Chancellor and senior executive who report directly to the Vice-Chancellor.

Remuneration Bands in \$000	Number of Staff
100 – 109	167
110 – 119	65
120 – 129	55
130 – 139	40
140 – 149	27
150 – 159	23
160 – 169	8
170 – 179	7
180 – 189	4
190 – 199	3
200 – 209	2
210 – 219	4
220 – 229	3
230 – 239	1
240 – 249	2
250 – 259	1
260 – 269	0
270 – 279	2
280 – 289	0
290 and over	0
	414

The above table does not include the Vice-Chancellor's income, which is reported directly to the SSC in their annual return.

Material Related Party Transactions

Professor J. Chapman, a Pro Vice-Chancellor of Massey University, has an interest in Sterling Human Resources Ltd; they provided goods and services to Massey University at a cost of \$73,224 (2007: \$161,912). The amount outstanding at balance date was nil (2007: nil).

Professor I. Warrington, Deputy Vice-Chancellor and Regional Chief Executive Manawatu, is a Director of Bio Commerce Centre; they provided \$27,147 of services to Massey University and Massey provided them \$1,689.

All goods were supplied under normal commercial terms.

There were no other transactions between Massey University and key personnel.

The Crown

The Government influences the roles of the University as well as being a major source of revenue.

Creative Campus Enterprises Limited

Creative Campus Enterprises Limited ceased trading as at the 31 December 2007; the company was wound up and removed from the Companies Office Register in 2008.

New Zealand School of Music (NZSM) Limited

During the year Massey University entered into transactions with NZSM Limited. All transactions were conducted on an arm's length basis using commercial terms.

Massey University charged NZSM Limited \$2,015,906 (2007: \$2,781,000), including GST for rental, postage, salaries, computing, communications, printing, payroll and financial services. The amount owed to Massey University by NZSM Limited at the year end was \$4,675 (2007: \$425,000), payable under normal trading terms.

NZSM Limited charged Massey University \$172,000 (2007: \$230,000), including GST for music performances and other music-related services. The amount owed to NZSM Limited by Massey University at the end of the year was \$80,000 (2007: \$113,000), payable under normal trading terms.

Massey University provided an equity contribution in cash of nil (2007: nil).

Massey University Foundation (MUF)

During the year Massey University incurred a net loss from Massey University Foundation of \$168,000 (2007 net return: \$494,000), being a return on funds managed by Massey University Foundation.

Massey University Ventures Limited (MVL)

During the year Massey University entered into no transactions with Massey University Ventures Limited.

Massey University Ventures Limited has a loan from Massey University of \$1,375,503 (2007: \$1,361,928).

Estendart Limited

During the year Massey University entered into transactions with Estendart Limited. All transactions were conducted on an arm's length basis using commercial terms.

Massey University charged Estendart Limited \$287,382 (2007: \$108,961), including GST for rental, postage, insurance and fixed assets. The amount owed to Massey University by Estendart Limited as the year end was nil (2007: \$16,175), payable under normal trading terms.

Estendart Limited charged Massey University \$195,276 (2007: \$107,824), including GST for professional services. The amount owed to Estendart Limited by Massey University at the end of the year was \$12,055 (2007: \$46,252), payable under normal trading terms.

E-Centre Limited

During the year Massey University entered into transactions with E-Centre Limited. All transactions were conducted on an arm's length basis using commercial terms.

Massey University charged E-Centre Limited \$238,515 (2007: \$252,802), including GST for rental, security and cleaning. The amount owed to Massey University by E-Centre Limited as the year end was \$19,135 (2007: \$25,280), payable under normal trading terms.

E-Centre Limited charged Massey University nil (2007: \$750), including GST for NZTE funds, consumables and contracted services. The amount owed to E-Centre Limited by Massey University at the end of the year was nil (2007: \$750), payable under normal trading terms.

Bio Caveo

During the year Massey University entered into no transactions with Bio Caveo.

Magritek Limited

During the year Massey University entered into no transactions with Magritek Limited.

Polybatics Limited

During the year Massey University entered into no transactions with Polybatics Limited.

New Zealand Vet Pathology (NZVPL) Limited

During the year Massey University entered into transactions with NZVPL. All transactions were conducted on an arm's length basis using commercial terms.

Massey University charged NZVPL \$149,401 (2007: \$158,877), including GST for rental, postage, insurance and other services. The amount owed to Massey University by NZVPL as the year end was \$126,261 (2007: nil), payable under normal trading terms.

NZVPL charged Massey University \$168,358 (2007: \$183,693), including GST for professional services. The amount owed to NZVPL by Massey University at the end of the year was nil (2007: \$12,000), payable under normal trading terms.

29. Statement of Commitments

	Projected Total Cost of Project (\$000)	Expenditure to 31.12.07 (\$000)	Unspent Commitment (\$000)
Total Project Commitments 2008	56,222	21,764	34,458
Total Project Commitments 2007	33,145	18,979	14,166

In addition, the University had operating commitments in respect of service contracts, leases of land, buildings and equipment, and photocopier rental as follows.

	<i>University</i>		<i>Consolidated</i>	
	Actual 2008 (\$000)	Actual 2007 (\$000)	Actual 2008 (\$000)	Actual 2007 (\$000)
Operating Leases				
Due not later than 1 year	3,670	3,342	3,933	3,553
Due later than 1 year and not later than 5 years	7,483	7,550	8,536	8,323
Due later than 5 years	4,917	4,458	5,303	5,038
Total	16,070	15,350	17,772	16,914
Other Commitments				
Due not later than 1 year	2,763	2,683	2,763	2,683
Due later than 1 year and not later than 5 years	4,766	3,942	4,766	3,942
Due later than 5 years	441	365	441	365
Total	7,970	6,990	7,970	6,990

30. Statement of Contingent Liabilities

As at 31 December 2008 Massey University had the following contingent liabilities (University and Consolidated):

- There were 10 employee personal grievances against the University proceeding as at 31 December 2008.
- The Contingent Liability was assessed at \$130,000 (2007: \$187,500).

31. Post Balance Date Events

There are no significant post balance date events (2007: nil).

32. Financial Instrument Risks

Massey University has a series of policies to manage risks associated with financial instruments. Massey University is risk adverse and seeks to minimise exposure from Treasury activities. Massey University has established Council-approved liability management and investment policies. These policies do not allow any transactions that are speculative in nature to be entered into.

Market Risk

Credit Risk

Credit risk is the risk that a third party will default on its obligation to Massey University, causing Massey University to incur a loss. Massey University has no significant concentrations of credit risk as it has a large number of credit customers, mainly students.

Massey University invests funds only in deposits with registered banks, and its investment policy limits the amount of credit exposure to any one bank. Investment funds are spread over a number of banks and vary between short and long term.

Maximum exposures to credit risk at balance date are:

	University		Consolidated	
	2008	2007	2008	2007
	(\$000)	(\$000)	(\$000)	(\$000)
Bank deposits	83,940	65,043	85,708	66,383
Receivables and prepayments	24,307	25,512	23,980	25,551

The above maximum exposures are net of any recognised provision for losses on these financial instruments. No collateral is held on the above amounts.

Bank deposits are represented by the following:

		University		Consolidated	
		2008	2007	2008	2007
		(\$000)	(\$000)	(\$000)	(\$000)
	Credit Rating				
ASB Bank Limited	A+ (Strong)	7,000	10,000	7,000	10,000
Bank of New Zealand (BNZ)	AA (Very Strong)	21,495	18,048	23,263	19,388
Kiwibank Limited	AA- (Very Strong)	34,000	22,865	34,000	22,865
ANZ National Bank Limited	AA (Very Strong)	15,695	8,380	15,695	8,380
Westpac New Zealand Limited	AA (Very Strong)	5,750	5,750	5,750	5,750
		83,940	65,043	85,708	66,383

Standard and Poor's Credit Ratings sourced from the Reserve Bank of New Zealand: www.rbnz.govt.nz/nzbanks

Liquidity Risk

Liquidity risk is the risk that Massey University will encounter difficulty raising funds to meet commitments as they fall due. Prudent liquidity risk management implies maintaining sufficient cash and ensuring the availability of funding through an adequate amount of committed credit facilities. Massey University aims to maintain flexibility in funding by keeping committed credit lines available.

Massey University aims at having a minimum cash holding of \$20million, together with the availability of undrawn facilities of \$30million.

Massey University manages its borrowings in accordance with its funding and financial policies.

The maturity profiles of Massey University's interest-bearing investments are disclosed in Note 15.

Currency Risk

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

Massey University minimises this risk over expenditure by holding funds in the major currencies that it does business in, in foreign currency accounts. The amount on deposit is determined by the amount that is expected to be incurred against that currency over the next 12 months. Holdings of foreign currencies are disclosed in Note 11.

Where a one-off major capital expense involving foreign currency is identified, then a review of current trends and amount held in that currency is undertaken. If appropriate, then forward cover may be undertaken.

Interest Rate Risks

The interest rates on Massey University's investments are disclosed in Note 15 and borrowings Note 20.

Fair Value Interest Rate Risk

Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market rates. Massey University is limited by statute in its ability to manage this risk. If interest rates on investments had fluctuated by plus or minus 0.5%, the effect would have been to increase/decrease the surplus by \$383,641. Interest rates on borrowings are fixed and not subject to fluctuation for the duration of the fixed maturity chosen.

Cashflow Interest Rate Risk

Cashflow interest rate risk is the risk that cashflows from a financial instrument will fluctuate because of changes in market rates. Borrowings and investments made at variable interest rates expose Massey University to cashflow interest rate risk. Apart from some deposits at call for liquidity purposes, Massey University does not have any variable interest rates.

Other Price Risk

Other Price risk is the risk that the value of a financial instrument will fluctuate as a result of market changes in market price. Massey University does not hold any other financial instruments of significance subject to this risk.

33. Critical Accounting Estimates and Assumptions

In preparing the financial statements Massey University has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances. There were no estimates or assumptions that will have a significant impact on the carrying amounts of assets and liabilities within the next financial year.

Long-Service Leave and Retirement Gratuities

In order to assess Massey University's liability in respect of long-service leave and retirement gratuities, an actuarial report was prepared by Eriksens Actuarial in accordance with NZ IAS 19. (Refer to Note 21 for assumptions).

34. Critical Judgements in Applying Massey University Accounting Policies

Management has exercised the following critical judgements in applying Massey University policies for the year ended 31 December 2008.

Impairment of Trade Receivables

Trade debtors have been reviewed fully and impairments provided as necessary.

Impairment of Property Plant and Equipment

When considering whether any impairment of property plant and equipment existed, the cash-generating unit for Massey University is taken to be at campus level. At balance date a review was undertaken and no impairments were disclosed.

Carrying Value of Land and Buildings

There is land that is owned by the Crown that is recorded on the Massey University Asset Register.

In order to fairly and accurately record the value of all land and buildings occupied by Massey University, it is necessary to incorporate the Crown owned land and buildings on the Massey University Asset Register.

To ensure that the carrying value of the University's land and buildings are correctly recorded it has been determined that such assets are valued by an independent registered valuer on a regular basis or as deemed necessary. This year a full valuation of all such property was undertaken by Darroch Valuations, a division of Quotable Value New Zealand Limited, which has been incorporated in the 2008 financial results.

STATEMENT OF SERVICE PERFORMANCE

The Massey University Investment Plan 2008 – 2010 states specific performance indicators and measures under each of the University's nine strategic priorities. The performance indicators are intended to cover all of the activities of the University. Performance against these indicators is reported in the Statement of Service Performance. The Appendices provide additional information and detail on the University's profile.

STRATEGIC PRIORITY 1:

Enhanced academic outcomes for Māori and Pasifika from the implementation of Massey University's Māori and Pasifika Strategies.

Performance Highlights 2008:

- Important progress has been made with implementation of the KIA MAIA Strategy. A range of initiatives have been undertaken and initial outcomes have been achieved including: intervention points to improve student success have been identified; professional networks have been strengthened and focused initiatives are in place; research activities have enhanced support to doctoral students; and regional community networks have highlighted areas where Massey can contribute to community capability building.
- Important progress has also been made with implementation of the Pasifika@Massey Strategy. There have been initial discussions to extend the Pacific curriculum offerings; joint research initiatives are being explored; there is agreement for Pasifika graduation ceremonies to be held on all campuses from next year onwards; and community networks have been extended and strengthened.
- A Pacific Island Peoples' Health Plan is being developed by the Massey Medical Centre. The plan aims to identify any inequalities between Pasifika and non-Pasifika in a suite of measurable health outcomes.
- Professor Mason Durie has been awarded the *Mark Sheldon Prize* in acknowledgement of his lifelong and outstanding contributions to increasing the knowledge base in indigenous mental health and empowering Māori through education, research and academic excellence. He is the first New Zealander to be presented with the award.
- Dr Nick Roskrige has been appointed to the Environmental Risk Management Authority's Māori Advisory Group.
- Qualification completion rates for Māori students exceeded 2008 targets and improved on 2007 levels overall.

Performance Indicators	2008 Target	2008 Actual
Implementation of Kia Maia investment initiatives by 2010	Development & Implementation	Achieved & Ongoing
Implementation and extension of the Pasifika@Massey strategy by 2010	Development & Implementation	Achieved & Ongoing

Performance Indicators	Notes	2008 Target	2008 Actual	2007 Actual
Māori qualification level completion rate over 5 years (%)	1, 2			
- All levels		18%	20%	18%
- Undergraduate		16%	17%	17%
- Postgraduate (excl. Doctorates)		31%	32%	32%
Māori course completion rate (research degree level) (%)	3	-	96%	94%
Pasifika qualification level completion rate for 1 EFTS & under over 2 years (%)	1, 4, 5	15%	17%	6%

Performance Indicators	Notes	2008 Target	2008 Actual	2007 Actual
Pasifika qualification level completion date over 5 years (%)	1, 2			
- All levels		22%	18%	21%
- Undergraduate		17%	15%	18%
- Postgraduate (excl. Doctorates)	5	43%	35%	45%
Pasifika qualification retention rate year 1 to year 2 (%)	4			
- All levels		48%	47%	51%
- Undergraduate		46%	46%	52%
- Postgraduate (excl. Doctorates)		53%	69%	71%

Note:

1. Qualification Completion Indicators: Completion records are only generated if and when a student applies to graduate. Consequently, where a student has completed but not yet applied to graduate, the completion is not included in the performance data.
2. 2008 Target and Actual relate to the 2002 cohort of students. 2007 Actual relates to the 2001 cohort of students.
3. This indicator measures course completions by Māori students for courses at research degree level. This indicator is a new indicator and as such the focus for 2008 has been on the collection of base historical data to enable appropriate university-level targets to be set in future years. 2008 Actual relates to 2007 courses. 2007 Actual relates to 2006 courses
4. 2008 Target and Actual relate to the 2005 cohort of students. 2007 Actual relates to the 2004 cohort of students.
5. The cohort size for this performance indicator is relatively small and this can cause variations in performance between years.

STRATEGIC PRIORITY 2:

Improved educational success for life-long learners from the continuous improvement of Massey's university-level distance education provision.

Performance Highlights:

- The strategic redevelopment goals for distance education have been defined. Initial priority is focused on the implementation of a new learning management system which has been selected and endorsed at the highest levels of the University community.
- Massey University attained accredited member status of the International Council for Distance Education (ICDE) which is the leading professional organisation throughout the world for distance education institutions.
- The Director of the Centre for Academic Development and eLearning (CADEL) was elected as President of the Australasian Council for Open, Distance and eLearning (ACODE) for a two-year term.
- Dr Lisa Emerson and Dr Hamish Anderson received awards at the National Tertiary Teaching Excellence Awards.
- Dr Terry Stewart won the Distance Education Association of New Zealand (DEANZ) Award for his innovative work in supporting distance education through scenario-based learning.
- An eLearning tool, Adobe Connect software, was developed and has proven to be a successful tool for distance teaching and will be utilised as an university wide eLearning tool.
- Student satisfaction rates for extramural students exceeded target and improved on 2007 levels.

Performance Indicators	2008 Target	2008 Actual
Implement strategic redevelopment goals for distance education by 2013	Development	Achieved & Ongoing
Explore the opportunity to provide a wider range of academic programmes in under-served regions and populations	Feasibility	Not Achieved. Progress in this particular area is primarily dependent on implementing the redevelopment goals and investing in support and infrastructure. Progress will be expected to take place in the coming year.
Invest in infrastructure for distance education	Development of Investment Programme	Achieved

Performance Indicators	Notes	2008 Target	2008 Actual	2007 Actual
Extramural qualification level completion rate over 5 years (%)	1, 2, 3			
- All levels		-	15%	16%
- Undergraduate		-	11%	11%
- Postgraduate		-	33%	36%
Extramural retention rate year 1 to year 2 (%)	4	48%	55%	55%
Extramural student satisfaction with services (% students rating services good/very good)		73%	78%	72%
Number of qualifications offered to students overseas via distance learning	3	1	1	-

Note:

1. Qualification Completion Indicators: Completion records are only generated if and when a student applies to graduate. Consequently, where a student has completed but not yet applied to graduate, the completion is not included in the performance data.
2. 2008 Target and Actual relate to the 2002 cohort of students. 2007 Actual relates to the 2001 cohort of students.
3. This indicator is a new indicator and as such the focus for 2008 has been on the collection of base historical data to enable appropriate university-level targets to be set in future years.
4. 2008 Target and Actual relate to the 2005 cohort of students. 2007 Actual relates to the 2004 cohort of students.

STRATEGIC PRIORITY 3:

Improved educational outcomes for learners from strengthening of Massey University's (e)Learning Capacity.

Performance Highlights 2008:

- Massey University has selected a new Learning Management System (LMS) for implementation during the period 2009 – 2011. The new LMS provides a strategic opportunity for programme and paper redesign to enhance the student learning environment.
- Massey University was one of the lead organizations in the creation of Mahara, an open source e-portfolio builder, which won a national award.
- An eLearning tool, Adobe Connect software, was developed and has been proven to be a successful tool for distance teaching and will be utilised as an university wide eLearning tool.
- The Postgraduate Diploma in Discursive Therapies was introduced as an international web-based programme starting from 2009.
- The theme for 2008 VC's Symposium on teaching and learning was: *Learning for Tomorrow, Today: Defining Teaching at Massey University*. The Symposium programme identified and explored the elements of the modern teaching environment, focusing on current and future trends including pedagogical, technological, and blended learning options and solutions.

Performance Indicators	2008 Target	2008 Actual
Redesign of papers to support the electronic delivery of selected programmes by 2010	Development	Achieved & Ongoing
Invest in infrastructure for (e)learning	Development of Investment Programme	Achieved
Develop a research programme to evaluate the impact of information and communications technologies on learners by 2009	Development	Not Achieved. This is one of the action points supported as part of the redevelopment goals for distance education. Progress will be expected to take place in the coming year.

Performance Indicators	Notes	2008 Target	2008 Actual	2007 Actual
Proportion of papers that have an (e)learning component (%)		45%	40%	37%
Student satisfaction with online learning environment (% students rating services good/very good)	1	70%	67%	76%

Note:

1. The wording for the 2008 survey question has changed to "Student satisfaction with effectiveness of the online learning environment" and this could have contributed to the percentage reduction from 2007 to 2008.

STRATEGIC PRIORITY 4:

Enhanced contribution to economic transformation and social development through a focused and differentiated academic portfolio.

Performance Highlights 2008:

- A project to define the distinctive academic profile for each campus (“What we teach Where”) commenced, and comprehensive strategic and financial analysis of the academic portfolio is also being carried out.
- The Auckland campus hosted a meeting of regional tertiary education CEOs to discuss the proposed TEC review of Auckland region tertiary education provision.
- The Assistant Vice-Chancellor (Albany) is an active member of the Auckland Regional Tertiary Education Facilitation working party. He also participated in the Tertiary Providers Forum to identify which TEOs will offer polytechnic and university studies north of the Harbour Bridge.
- The Wellington campus staff participated in discussions with Weltec and Whitireia Polytechnic to address regional needs.
- The Manawatu campus staff facilitated and participated in a number of meetings with stakeholders including: “Vision for our region in 2030” through Vision Manawatu; “Projections for PN, 2006-2031”, a Palmerston North City Council hosted consultation event; “General Student Support National Sector Group” (Ministry of Education, Inland Revenue and Ministry for Social Development); and a presentation on key university activities to the Horizons Regional Council Strategy and Policy Committee.
- The University has been an active participant on the New Zealand Vice-Chancellors’ Committee Graduate Destination Survey Review Group. In 2008, the group redesigned the Graduate Destination Survey toward a longitudinal survey of all New Zealand university graduates which will investigate long-term graduate outcomes.
- Colleges undertook review of the delivery of postgraduate programmes which has resulted in a reduction of duplications, more streamlined delivery across campuses and improved support for students.
- The College of Business completed and submitted a Self Evaluation Review document to the Chair of the Peer Review Team to progress on the AACSB international accreditation.
- To encourage secondary school students into degree studies and professional careers, an expansion of the STAR programme is in the planning phase, and an In-zone careers promotion programme has been implemented.

Performance Indicators	2008 Target	2008 Actual
Strategic positioning and review of College and campus academic programmes over the planning period	Review & Implementation	Achieved & Ongoing
Examine the network of provision in Auckland, Wellington and the central North Island over the planning period	Feasibility	Achieved & Ongoing
Explore the opportunity to provide a wider range of academic programmes in under-served regions and populations via distance learning	Feasibility	Not Achieved. Progress in this particular area is primarily dependent on implementing the redevelopment goals and investing in support and infrastructure. Progress will be expected to take place in the coming year.

Performance Indicators	2008 Target	2008 Actual
Examine areas of recognised research strength to further align postgraduate provisions and review programme provision in marginal areas over the planning period	Feasibility & Implementation	Achieved & Ongoing
Seek AACSB international accreditation by 2010	Development	Achieved & Ongoing
Develop mechanisms to better understand the outcomes for graduates by 2009	Feasibility	Achieved & Ongoing
Expand programmes to encourage secondary school students into degree studies and professional careers over the planning period	Feasibility	Achieved & Ongoing

Performance Indicators	Notes	2008 Target	2008 Actual	2007 Actual
Proportion of qualifications reviewed (%)		20%	15.5%	10.2%
Student progression into degrees from other TEOs (number of)	1			
- ITP		390	-	388
- PTE/OTEP		130	-	120
- Wananga		100	-	80
EFTS by qualification level (%)				
- Sub-degree		5%	4%	4%
- Undergraduate		72%	72%	73%
- Postgraduate		18%	18%	18%
- Doctorates		5%	5%	5%

Note:

1. 2008 Target and Actual relate to progression of 2007 students. 2007 actual relates to progression of 2006 students. Results for 2008 were not available from the Tertiary Education Commission at the time of publication.

STRATEGIC PRIORITY 5:

Enhanced contribution to economic transformation and social development through strategic collaboration with industry, communities and other providers.

Performance Highlights 2008:

(please also refer to highlights under Strategic Priority 6)

- A new Food Pilot Plant was officially opened by the Minister of Agriculture, Hon Jim Anderton, in July. The certified facility will be used for student teaching and research projects, and will also be available for industry projects.
- Collaboration continues between the University and industries to maximize the effectiveness in commercialisation of discoveries originating within Massey. Battery technology and encapsulated omega-3 biotechnology are some of the examples of this collaboration.
- Massey University's Blow 08 Nga hau e wha Creative Arts Festival ran from 7 to 22 November 2008. The exhibitions were hosted in Wellington and Auckland and showcased the University talent that has made Massey the preferred choice of University for those wanting a distinguished career in art or design.
- The Joint Centre for Disaster Research (in collaboration with Institute of Geological and Nuclear Sciences) raised the University's profile amongst local and national bodies involved in emergency management.
- Through the KIA MAIA Strategy, there has been a strengthening of relationships with Māori providers of health and social services.
- A partnership with Landcare has contributed to significant outputs through the NZ Centre for Ecological Economics.
- Planning for an expanded whole-of-University School of Public Health has commenced.
- A Centre for Excellence in Research on Children's Literacy and a Centre for Excellence in Mathematics Education were established.
- The National Centre for Tertiary Teaching Excellence (Ako Aotearoa) continues to be developed as a centre for research excellence.
- Colleges reviewed existing centres for research excellence and identified possible development of new centres.
- The exploratory study of the establishment of a national College of Agriculture and Life Sciences was completed and options are currently being considered.
- University staff attended a meeting of scientific and educational institutions convened by the Labour Department to set up a Science and Technology Cluster for the lower North Island.
- The University was represented by the AVC (Auckland) on the Board of Directors of Committee for Auckland and the Auckland Plus Skills Leadership Group.
- The establishment of a database of Wellington stakeholders has improved the University's ability to make appropriate contacts with business, governmental and community groups in the Wellington region.
- Massey University continued to work closely with Smales Farm throughout 2008 to enhance research and consulting engagement with Smales Farm tenants at the Auckland campus.

- Massey University's Auckland campus hosted the Global Enterprise Challenge in 2008, and sponsored the Westpac Enterprise North Shore Business Excellence Awards, the AIMES Awards, and the Global Enterprise Challenge.
- Massey University was the naming rights sponsor and co-organiser of the Massey University North Shore Pasifika Festival and the Massey University Harbour Sport Excellence Awards.
- Massey University hosted the national finals of the inter-university Deloitte Business Case competition.
- Massey University continued to support activities for senior high school students to experience and learn about enterprise and business, such as the Young Enterprise Scheme and the Global Enterprise Challenge.

Performance Indicators	2008 Target	2008 Actual
Further enhance and develop partnerships with industry and our communities of interest	Feasibility & Development	Achieved & Ongoing
Offer specialist services to other providers and explore collaborative arrangements where these can offer economies of scale over the planning period	Feasibility	Not Achieved. Progress in this particular area is primarily dependent on implementing the redevelopment goals and investing in support and infrastructure. Progress will be expected to take place in the coming year.
Establish, and/or further develop new centres for research excellence over the planning period	Development & Establishment	Achieved & Ongoing
Explore the establishment of a national College of Agriculture and Life Sciences	Feasibility	Achieved

Performance Indicators	Notes	2008 Target	2008 Actual	2007 Actual
Proportion of qualification reviews including engagement with relevant stakeholders (%)		100%	100%	100%
Number of academic qualifications offered in partnership with other providers		20	16	19
Number of research programmes/contracts offered in partnership with other providers	1	54	156	-

Note:

1. Partnerships included here are only those where Massey is the first party (the lead-contractor) to the programme/contract. This indicator is a new indicator and as such the focus for 2008 has been on the collection of base historical data to enable appropriate university-level targets to be set in future years.

STRATEGIC PRIORITY 6:

Enhanced national research capability and economic growth from the advancement of Massey University's research capability, performance and reputation.

Performance Highlights 2008:

- The University's total research and consulting income exceeded target for 2008 and improved significantly on 2007.
- Massey University has been successful in winning a competitive funding bid for the establishment of two new research Professorships in Biochar (carbon that can be incorporated into soil) and Pyrolysis (processing of biomass feedstock into biochar) from the Ministry of Agriculture and Fisheries. This is the first step in building a world-class centre of excellence in biochar research and use. There is scope for collaboration with other New Zealand and overseas universities, state science companies, and industry including engineering, energy, agriculture, forestry, and fertiliser manufacturing and distribution companies as well as with regional government and community groups.
- Massey University is a member of a new joint venture which aims to help New Zealand farmers manage the costly effects of the animal wasting Johne's disease which is estimated to cost up to \$88 million a year in lost production. The Johne's Disease Research Consortium (JDRC) is a combined industry and Government initiative which will unite and accelerate Johne's disease research.
- In the recently announced Marsden Grants from the Royal Society of New Zealand, eleven research projects led by Massey staff have been awarded grants totalling \$5.4 million in funding over the next three years from a total pool of \$54 million.
- Massey has been successful in the latest Foundation for Research, Science and Technology (FRST), Building an Inclusive Society portfolio funding round, being awarded \$3.75 million of the total \$8.1 million, for the *Pathways to Resilience* project. This Massey-led project is considered to be the most comprehensive study to be undertaken on troubled young New Zealanders, with a focus on support and interventions for struggling youth.
- In another recently announced Tertiary Education Commission inaugural Encouraging and Supporting Innovation Fund, Massey University has been awarded \$600,000 to develop a knowledge hub which is to be known as the *Knowledge HERE* (Manufacturing Knowledge Hub for Education and Research). This particular hub model is a New Zealand first, and may even be a world first.
- Massey has been successful in the latest Health Research Council annual funding round 2007/2008 receiving \$6.4 million (out of the \$59 million available) in funding for health research over the next three years.
- In July, Massey's \$6.5 million food pilot plant was officially opened on the Manawatu campus by the Minister of Agriculture, the Hon Jim Anderton. The plant will be used for research and teaching as well as commercially, enabling companies to benefit from both the state-of-the-art equipment and the expertise of the largest cluster of food technologists in New Zealand.
- In June, a \$250,000 BRCSRA (Building Research Capability in Strategically Relevant Areas) funded Cell Culture Central laboratory was opened at the Institute of Veterinary, Animal and Biomedical Sciences on the Manawatu Campus. Cell Culture Central has been established to enhance access to fundamental research techniques by applied veterinary and animal scientists.
- Massey University Research Medallists and Vice-Chancellor's Teaching Excellence awardees were honoured at the annual Massey University Research Medals and Vice-Chancellor's Awards for Excellence in Teaching.

- Professor Warren Williams has been appointed as the AgResearch Professorial Fellow in Plant Breeding at Massey University. This position has been established in partnership with AgResearch and is an initiative of the Agriculture and Life Sciences Partnership for Excellence (Partners: Massey and Lincoln Universities with key agricultural industry groups).
- Distinguished Professor David Parry, Institute of Fundamental Sciences, is this year's recipient of New Zealand's top science honour, the Rutherford Medal for Science and Technology. Former Head of the Institute of Fundamental Sciences and a Fellow of the Royal Society of New Zealand, Professor Parry is a world-renowned biophysicist based at the Institute of Fundamental Sciences in Palmerston North.
- Research Management Plans were produced by colleges as part of the implementation of the University's Strategic Policy on Research Capability.
- Professor Martin Young has been appointed as the co-chair of the Financial Management Association International (FMAI)'s first Asian conference to be held in Xiamen, China in 2009. The FMAI is the global leader in developing and disseminating knowledge about financial decision making.
- The Australia and New Zealand Communication Association conference was hosted by the Department of Communication, Journalism & Marketing on Massey's Wellington campus in July 2008. This was the first time this conference has been held in New Zealand.
- Massey has a process for filtering disclosures utilising an external panel of experts. Policies were developed on intellectual property and benefit sharing. A patent database is also in place. Key indicators for intellectual property development were established including: number of new discoveries, number of patents registered and the number / value of licenses or Intellectual property sales

Performance Indicators	2008 Target	2008 Actual
Implement the University's Strategic Policy on Research Capability by 2012	Implementation	Achieved & Ongoing
Strengthen collaborative networks with relevant national and international partners over the planning period	Feasibility & Development	Achieved & Ongoing
Update and implement College research plans post 2006-PBRF	Development & Implementation	Achieved
Develop appropriate mechanisms for commercialisation of Massey University 'intellectual property by 2009	Development	Achieved & Ongoing
Develop an enterprise capability for expanding private sector research and development connections	Development	Partly Achieved & Ongoing
Further develop intellectual property capture processes by 2008	Development	Achieved & Ongoing
Establish and monitor key performance indicators for intellectual property development	Development	Achieved & Ongoing

Performance Indicators	Notes	2008 Target	2008 Actual	2007 Actual
Total research and consulting income (excluding PBRF) (\$m)		57	63	56
PBRF income (\$m)		37	45	41
Research degree completions (Number)	1	765	418	522
Total number of Quality Assured research publications	2	1,660	3,612	-

Note:

1. 2008 Actual relates to 2007 completions. 2007 Actual relates to 2006 completions. The 2008 target for research degree completions was based on 2006 base historical data which was inflated by the one-off data cleansing exercise associated with the PBRF.
2. This indicator is a new indicator and as such the focus for 2008 has been on the collection of base historical data to enable appropriate university-level targets to be set in future years.

STRATEGIC PRIORITY 7:

Enhanced economic growth for New Zealand and Massey University through the optimisation of commercial activities.

Performance Highlights 2008:

- Papers addressing the future structure of Massey Ventures and commercialisation with the University have been prepared. An approved commercialisation framework will be implemented in early 2009.
- Collaboration continues between the University and industries to maximize the effectiveness in commercialisation of discoveries originating within Massey. Battery technology and encapsulated omega-3 biotechnology are some of the examples of this collaboration.
- Options for addressing other revenue streams for the university are being explored and are due for consideration by the Senior Leadership Team in the first quarter of 2009.
- The Academic Board approved a proposal to support for-credit professional development papers. The papers will form part of the University's strategy for professional development and short courses.

Performance Indicators	2008 Target	2008 Actual
Progress implementation of Massey University's commercialisation framework over the planning period	Implementation	Achieved
Develop more extensive relationships between the University and private sector agencies over the planning period	Development	Achieved & Ongoing
Investigate opportunities for enhancing the performance of the University's other commercial activities by 2009	Feasibility	Achieved
Develop and implement a University-wide strategy for short courses and professional development programmes by 2008	Development	Achieved

Performance Indicators	Notes	2008 Target	2008 Actual	2007 Actual
Licensing revenue / income (\$000)	1	500	334	-
Research and consulting income from non-government sources (\$m)		12.5	12	14
Numbers of licences and options executed	1	2	2	-

Note:

1. This indicator is a new indicator and as such the focus for 2008 has been on the collection of base historical data to enable appropriate university-level targets to be set in future years.

STRATEGIC PRIORITY 8:

Enhanced international reputation and competitiveness of New Zealand's university sector through the optimisation of Massey University's organisational capability and capacity

Performance Highlights 2008:

- Hon. Steve Maharey officially commenced duties as Vice-Chancellor of Massey University on 6 October 2008.
- University House, Manawatu campus, officially opened as the University's new Head Office.
- Strategic Plan "*Massey University Defining, The Road to 2020*" was published following discussions with members of Council, Vice-Chancellor's Executive Committee and Academic Board. It provides the University with a clear agreed strategic direction.
- The senior management team has been restructured to align with the University's strategic plan that allows for the strategic and implementation goals to be met.
- Internationally recognised historian Professor Susan Mumm was appointed as the Pro Vice-Chancellor of the College of Humanities and Social Sciences.
- Sue Foley was appointed as Assistant Vice-Chancellor, External Relations.
- First Vice-Chancellor's Blog (massey-all) went out to staff in October. This now is a weekly event which provides timely and effective communication to staff from the Vice-Chancellor.
- The Government agreed to a process that will allow the sale of Blair Tennant Hall and for Massey University to take full ownership of the Hokowhitu site. This provides the University with an opportunity to consolidate and refocus assets in the Manawatu.
- A draft Information System Strategic Plan has been completed.
- Development of a Strategic Asset Management Plan is continuing and it is expected to be completed during 2009.
- The draft Massey People Strategy was developed in response to the "Road to 2020" strategy. It specifies the implementation of a structured development planning and governance process, which supports college, campus, and shared services management teams to take informed oversight of development needs, planned interventions and measurement of the impact of development investments. This will then roll up into a university-wide overview.
- First year qualification-level attrition rates are falling.
- Qualification completion rates exceeded target for 2008 and improved on 2007.
- Staff turnover ratios remained within target and improved on 2007.

Performance Indicators	2008 Target	2008 Actual
Develop Strategic Asset Management Plan (SAMP) by 2010	Development	Achieved
Develop Information System Strategic Plan (ISSP) by 2009	Development	Achieved & Ongoing
Complete services optimisation project by 2009	Development & Implementation	Achieved & Ongoing
Implement budget strategies designed to ensure the University's financial performance meets TEC guidelines by 2009	Implementation	Achieved & Ongoing
Invest in library infrastructure to support teaching and research needs	Invest per Capital Programme	Achieved & Ongoing
Relocate the College of Education from Hokowhitu site to Turitea by 2010	Feasibility	Achieved
Develop and implement Strategic Capability Plans across the University by 2009	Development	Partially Achieved & Ongoing

Performance Indicators	Notes	2008 Target	2008 Actual	2007 Actual
First year qualification-level attrition for degree, grad diploma and postgraduate qualifications (%)	1	43%	37%	38%
Qualification-level completion rates for all degree, grad diploma and postgraduate qualifications over 5 years (%)	2, 3	28%	33%	31%
Financial				
- Surplus as a percentage of income (%)		2.3%	1.33%	2.4%
- Working capital ratio (%)		80%	144.05%	114%
- Debt to debt plus equity ratio (%)		3.5%	2.63%	2.4%
- Staff turnover ratio (%)		13%	12.2%	12.8%

Note:

1. 2008 Target and Actual relate to the 2005 cohort of students. 2007 Actual relates to the 2004 cohort of students.
2. Qualification Completion Indicators: Completion records are only generated if and when a student applies to graduate. Consequently, where a student has completed but not yet applied to graduate, the completion is not included in the performance data.
3. 2008 Target and Actual relate to the 2002 cohort of students. 2007 Actual relates to the 2001 cohort of students.

STRATEGIC PRIORITY 9:

Enhanced economic contribution to New Zealand through implementation of Massey University's internationalisation strategies.

Performance Highlights 2008:

- Massey University ranked 2nd equal in New Zealand in the Shanghai Jiao Tong University Academic Ranking of World Universities 2008.
- Massey University ranked 26th in Oceania and 650 (July 2008) in the world for global performance and visibility, in international ranking of tertiary institution websites by Cybermetrics Lab, affiliated to CSIC, the largest public research body in Spain.
- The number of formal academic arrangements with overseas institutions increased to 137 in 2008 from 94 in 2007.
- There was an increase of 10% in new international students in 2008, spread across 10 of the top 12 source countries. There was also an approximate 12% increase in non-Chinese student enrolments.
- The off-shore Bachelor of Technology teaching programme in Singapore and the 2+2 academic programme in Finance were established.
- The one-year Graduate Diploma in Teaching (Secondary) in Malaysia through the Cempaka Schools Group will be delivered from February 2009.
- 30 visitors from SENAI (National Service for Industrial Apprenticeship) in Brazil visited the University in August. A Memorandum of Understanding was signed between the two organisations with the objective being exchange of knowledge and technological development in information and communication technology, quality programmes concerning risk analysis and management, food safety and bio-security. There will be a substantial component of distance education, and is likely to result in a substantial number of Masters and PhD enrolments from the Brazilian SENAI staff members.
- The University is a current member of Education Wellington International and hosted its Annual General Meeting this year.
- A proposal was developed and submitted by the University to the International Education Manawatu group to support a project to be led by a local education agent in Vietnam with the aim of attracting Vietnamese students.
- Policy, procedures and guidelines for the international delivery of University programmes were developed and are currently in the final stages of approval.
- An excellent Audit Report was received by the University for the implementation of Code of Practice for the Pastoral Care of International Students.
- Qualification completion rates for international students have improved overall.

Performance Indicators	2008 Target	2008 Actual
Further diversification of international markets over the planning period	Development & Implementation	Achieved & Ongoing
Grow international teaching and research collaborations in strategic areas	Development & Implementation	Achieved & Ongoing
Develop international research relationships over the planning period	Development	Achieved & Ongoing
Deliver international distance degree and short course programmes in targeted disciplines and countries by 2010	Feasibility	Achieved & Ongoing

Performance Indicators	Notes	2008 Target	2008 Actual	2007 Actual
International ranking: Asia pacific rankings	1	43-64	42-68	43-64
International EFTS by qualification level (%)				
- Sub-degree		4%	5%	4%
- Undergraduate		86%	78%	84%
- Postgraduates		9%	17%	12%
International student qualification completion rate over a 5 years period (%)	2, 3, 4			
- All levels		-	58%	46%
- Undergraduate		-	64%	52%
- Postgraduate (excl. Doctorate)		-	65%	69%
Number of formal academic arrangements with overseas institutions		95	143	94

Note:

1. This information is accessible from <http://www.arwu.org>.
2. This indicator is a new indicator and as such the focus for 2008 has been on the collection of base historical data to enable appropriate university-level targets to be set in future years. "International students" are all international students regardless of New Zealand residency or funding status.
3. Qualification Completion Indicators: Completion records are only generated if and when a student applies to graduate. Consequently, where a student has completed but not yet applied to graduate, the completion is not included in the performance data.
4. 2008 Target and Actual relate to the 2002 cohort of students. 2007 Actual relates to the 2001 cohort of students.

OTHER UNIVERSITY KEY PERFORMANCE INDICATORS:

Performance Indicators	Notes	2008 Target	2008 Actual	2007 Actual
Student participation by equivalent full-time students (EFTS):				
Total University		19,169	18,738	19,432
Funded by Ministry of Education		16,177	16,011	16,085
International full fee (MOE reported only)		2,388	2,069	2,671
Other		604	658	676
Undergraduate (includes sub-degree)		15,420	14,884	15,658
Postgraduate taught		2,360	2,319	2,384
Postgraduate research		1,389	1,535	1,390
Internal		13,069	12,749	13,315
Extramural		6,100	5,989	6,117
Māori		1,700	1,710	1,745
Pasifika		490	466	472
Proportion of students under 25 (%)				
- Sub-degree		6%	4%	4%
- Undergraduate		83%	89%	90%
- Postgraduate		11%	6%	6%
- Doctorate		1%	1%	1%
Student participation by number (headcount):				
Total University		34,660	34,413	35,491
Māori		3,450	3,235	3,384
Pasifika		925	854	895
Extramural		16,640	16,511	17,055
Proportion of students over 25 (%)		60%	61%	61%
Student satisfaction with non-academic service (% students rating services good/very good)		68%	68%	65%
Academic staff with a doctoral qualification (% of full-time equivalent):	1	58%	59%	63%

Note:

- The basis for calculating this indicator has changed in 2008 to reflect average FTE staff for the year. Previously, the calculation was based on a snap shot of data as at 31 December. This has contributed to the percentage reduction from 2007 to 2008.

APPENDICES

All information provided in these appendices prior to 1999 excludes the former Wellington Polytechnic.

STUDENT NUMBERS

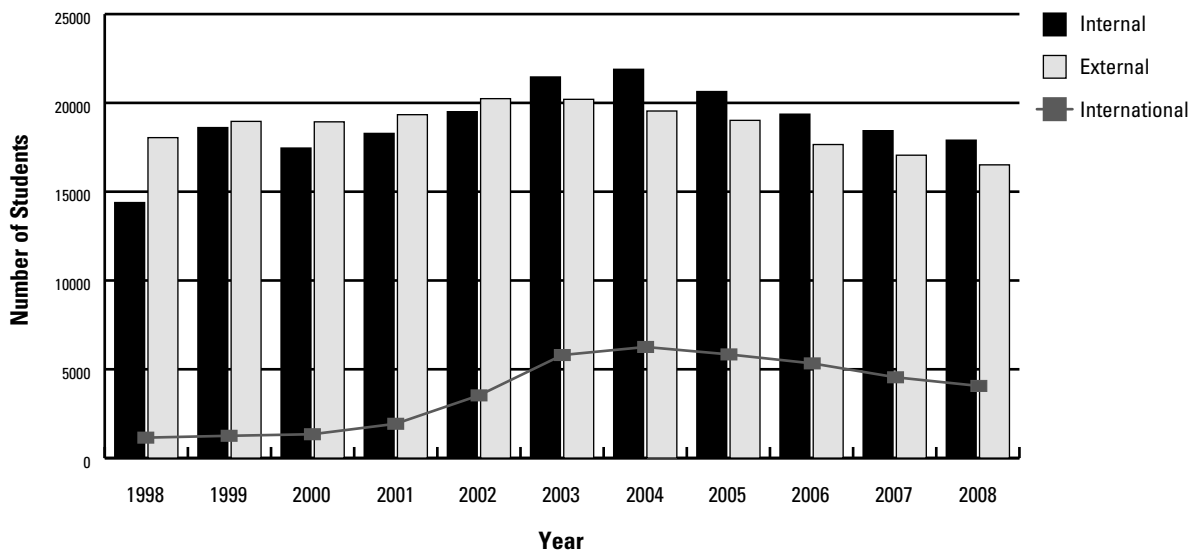
Note: Figures below are Student head count and include all students enrolled regardless of funding source.

University Totals

	Notes	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Internal	1	14,349	18,611	17,458	18,283	19,506	21,461	21,893	20,640	19,366	18,436	17,902
Extramural	1	18,044	18,959	18,933	19,336	20,239	20,201	19,543	19,017	17,656	17,055	16,511
Total		32,393	37,570	36,391	37,619	39,745	41,662	41,436	39,657	37,022	35,491	34,413
% change over previous year		0.2%	16.0%	(3.1%)	3.26%	5.65%	4.82%	(0.54%)	(4.49%)	(6.64%)	(4.14%)	(3.03%)
Students included in totals above: International	2	1,026	1,132	1,222	1,820	3,445	5,754	6,216	5,790	5,276	4,481	3,985

Note:

- 1 By student mode.
- 2 1997–2000 international figures above are not directly comparable to 2001 figures onwards.
- 3 1997–2000 figures are international full-fee students only; 2001 figures onwards are all international students regardless of New Zealand residency or funding status.

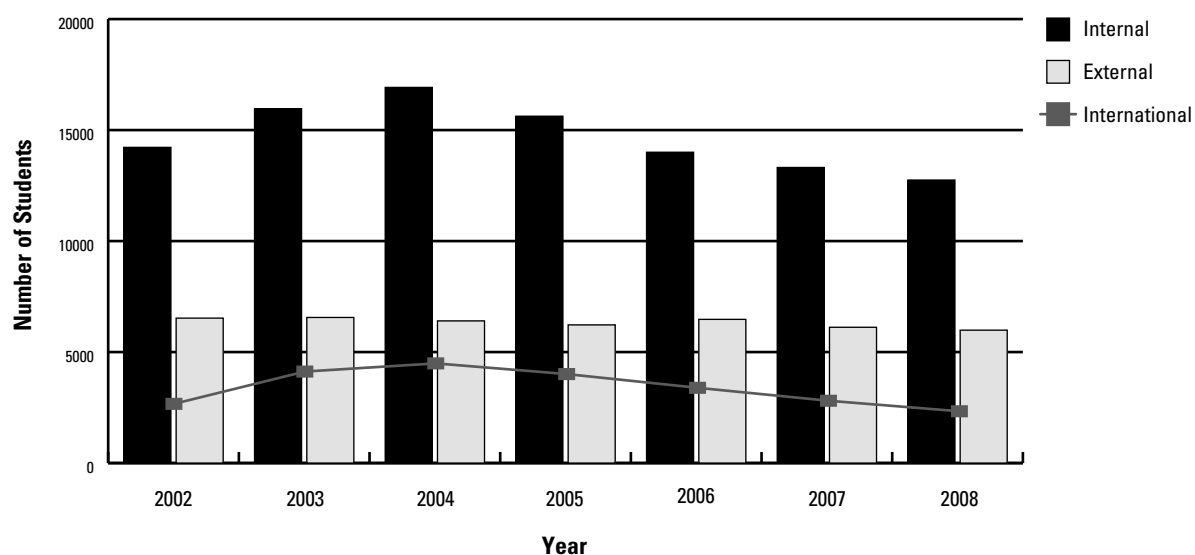


EQUIVALENT FULL-TIME STUDENTS (EFTS)

	Notes	2002	2003	2004	2005	2006	2007	2008
Internal	1	14,221	15,954	16,922	15,625	14,002	13,315	12,749
Extramural	1	6,529	6,559	6,404	6,224	6,473	6,117	5,989
Total All Students Enrolled Regardless of Funding Sources		21,539	23,342	23,326	21,850	20,475	19,432	18,738
% change over previous year		6.62%	8.37%	(0.07%)	(6.76%)	(6.29%)	(5.09%)	(3.5%)
Students included in Totals above: Full-fee/international	2	2,493	4,341	4,809	4,197	3,412	2,671	2,069
EFTS Funded by Ministry of Education	3	18,543	18,349	17,840	16,931	16,411	16,085	16,011
% change over previous year		(0.30%)	(1.04%)	(2.77%)	(5.10%)	(3.74%)	(1.99%)	(0.46%)

Note:

- 1 By student mode.
- 2 These are full-fee international students as per Ministry of Education funding classification 02, 03 and 20.
- 3 As per Ministry of Education Funding Classification 01.



STUDENT AGE DISTRIBUTION (HEAD COUNT)

		2008								
Ethnicity	Gender	<17	17–19	20–24	25–29	30–34	35–39	40+	Total	% Total All
New Zealand Māori	Female	2	240	494	366	297	251	578	2,228	6
	Male	-	123	258	139	132	122	233	1,007	3
	Total	2	363	752	505	429	373	811	3,225	9
European	Female	2	1,579	3,603	1,812	1,463	1,361	3,693	13,513	39
	Male	3	909	2,056	1,002	820	768	1,844	7,402	22
	Total	5	2,488	5,659	2,814	2,283	2,129	5,537	20,915	61
Pasifika	Female	-	52	112	103	71	46	101	485	1
	Male	-	31	99	64	56	42	77	369	1
	Total	-	83	211	167	127	88	178	854	2
Asian	Female	-	262	1,244	968	284	189	247	3,194	9
	Male	1	222	1,214	1,008	235	123	209	3,012	9
	Total	1	484	2,458	1,976	519	312	456	6,206	18
Other	Female	-	96	246	185	137	134	249	1,047	3
	Male	3	107	269	185	163	125	206	1,058	3
	Total	3	203	515	370	300	259	455	2,105	6
Unspecified	Female	-	55	83	84	71	80	280	653	2
	Male	-	68	71	37	55	40	174	445	1
	Total	-	123	154	121	126	120	454	1,098	3
Total	Female	4	2,284	5,782	3,518	2,323	2,061	5,148	21,120	61
	Male	7	1,460	3,967	2,435	1,461	1,220	2,743	13,293	39
	Total	11	3,744	9,749	5,953	3,784	3,281	7,891	34,413	
	%Total All	0.03%	11%	28%	17%	11%	10%	23%		

Note:

% Total All column and row is the percent of the total year figure: 2008 = 34,413.

Figures above include all students regardless of funding source.

Student data as at 31 December.

STUDENT ETHNICITY, MODE AND GENDER (HEAD COUNT)

		2008			
Ethnicity	Mode	Female	Male	Total	% Total All
New Zealand Māori	Internal	801	478	1,279	4
	Extramural	1,427	529	1,956	6
	Total	2,228	1,007	3,235	9
European	Internal	5,863	3,534	9,397	27
	Extramural	7,650	3,868	11,518	33
	Total	13,513	7,402	20,915	61
Pasifika	Internal	196	201	397	1
	Extramural	289	168	457	1
	Total	485	369	854	2
Asian	Internal	2,493	2,545	5,038	15
	Extramural	701	467	1,168	3
	Total	3,194	3,012	6,206	18
Other	Internal	595	721	1,316	4
	Extramural	454	337	791	2
	Total	1,049	1,058	2,107	6
Unspecified	Internal	267	210	477	1
	Extramural	386	233	619	2
	Total	653	443	1,096	3
Total	Internal	10,215	7,689	17,904	52
	Extramural	10,907	5,602	16,509	48
	Total	21,122	13,291	34,413	
	% Total All				

Note:

% Total All column and row is the percent of the total year figure: 2008 = 34,413.

Figures above include all students regardless of funding sources.

Student data as at 31 December.

STAFFING LEVELS
FULL-TIME EQUIVALENT (FTE) STAFF
STAFF FTE

	2007	2008
Colleges		
Academic	1,188	1,114
General	527	471
Contract & Trading	417	443
Total Colleges	2,132	2,027
Support Services & Administration		
Regional Services	370	359
Vice-Chancellor's Office	50	48
Assistant Vice-Chancellor (Academic & Research)	155	154
University Registrar	175	163
Assistant Vice-Chancellor (Finance, IT, Strategy and Commercial)	173	181
Deputy Vice-Chancellor (International)	17	17
Assistant Vice-Chancellor (Māori)	10	9
Centre for University Preparation and English Language Studies	45	56
Total Support Services & Administration	995	986
Total Staff	3,127	3,013

STAFF FTE, BY COLLEGE

College		2002	2003	2004	2005	2006	2007	2008
College of Business	Academic	286	323	326	302	290	282	251
	General	146	155	133	123	113	97	97
	Contract & Trading	1	3	3	4	17	16	11
College of Creative Arts	Academic	107	125	141	146	115	105	101
	General	41	33	36	36	34	35	35
	Contract & Trading	0	0	0	0	2	2	6
College of Education	Academic	145	154	146	125	121	113	104
	General	64	71	63	51	62	48	47
	Contract & Trading	101	111	104	103	110	111	94
College of Humanities & Social Sciences	Academic	236	266	265	259	252	244	226
	General	77	65	61	62	55	62	49
	Contract & Trading	40	60	72	67	118	115	137
College of Sciences	Academic	385	415	429	422	436	445	432
	General	280	299	302	298	253	284	242
	Contract & Trading	110	110	125	123	206	174	194
Total Colleges	Total Academic	1,159	1,283	1,307	1,254	1,214	1,189	1,114
	Total General	608	623	595	570	517	526	470
	Total Contract & Trading	252	284	304	297	453	418	442
Total FTE		2,019	2,190	2,206	2,121	2,184	2,133	2,026

STAFFING RATIOS

	2002	2003	2004	2005	2006	2007	2008
Funded equivalent full-time students (EFTS)	21,036	22,690	22,649	21,128	19,821	18,755	18,080
Total academic staff incl casual academic	1,159	1,283	1,307	1,255	1,214	1,188	1,114
Total general staff incl casual general	1,486	1,601	1,583	1,574	1,507	1,522	1,456

College	2006		2007		2008	
	Ratio of EFTS to Academic Staff	Ratio of General to Academic Staff	Ratio of EFTS to Academic Staff	Ratio of General to Academic Staff	Ratio of EFTS to Academic Staff	Ratio of General to Academic Staff
College of Business	24.5:1	0.39:1	23.1:1	0.35:1	23.7:1	0.39:1
College of Creative Arts	14.2:1	0.30:1	16.0:1	0.33:1	17.2:1	0.35:1
College of Education	15.8:1	0.52:1	16.3:1	0.43:1	16.6:1	0.45:1
College of Humanities & Social Sciences	17.4:1	0.22:1	16.9:1	0.25:1	18.1:1	0.22:1
College of Sciences	10.5:1	0.58:1	9.9:1	0.64:1	10.1:1	0.56:1
University Total	16.3:1	1.24:1	15.8:1	1.28:1	16.2:1	1.31:1

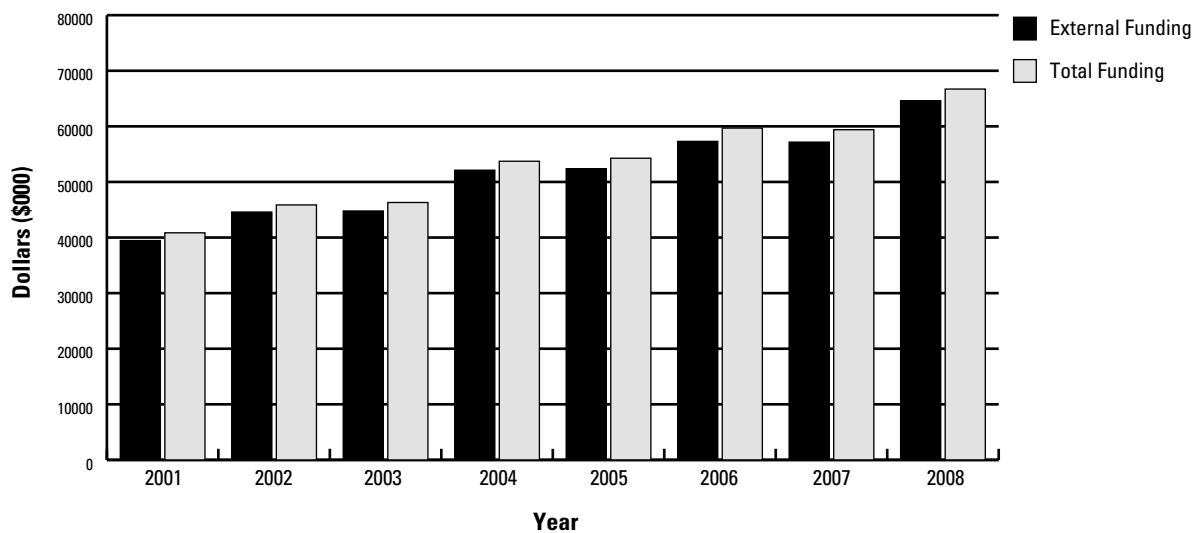
RESEARCH AND OTHER CONTRACT FUNDING

Research and Contract Funding

		2008 Total (\$000)	Research Grants/ Projects (\$000)	Research Centres (\$000)	Consultancies (\$000)	Commercial -isation Projects (\$000)	Teaching Contracts (\$000)	Internal Research Allocation (\$000)
College								
College of Business		1,447	1,123	-	155	-	-	169
College of Creative Arts		634	273	-	269	-	-	92
College of Education		7,652	889	-	1,127	-	5,542	94
College of Humanities & Social Sciences		16,048	6,827	7,092	1,881	-	-	248
College of Sciences		29,195	23,133	2,820	1,742	-	-	1,500
Other		11,733	7,679	-	2,021	342	1,690	-
Total Funding Received	2008	66,709	39,924	9,912	7,195	342	7,232	2,103
Total Funding Received	2007	59,396	30,220	13,163	6,600	638	6,542	2,233
Total Funding Received	2006	59,689	28,307	13,246	5,370	447	9,930	2,389
Total Funding Received	2005	54,268	23,959	14,659	4,925	411	8,432	1,882

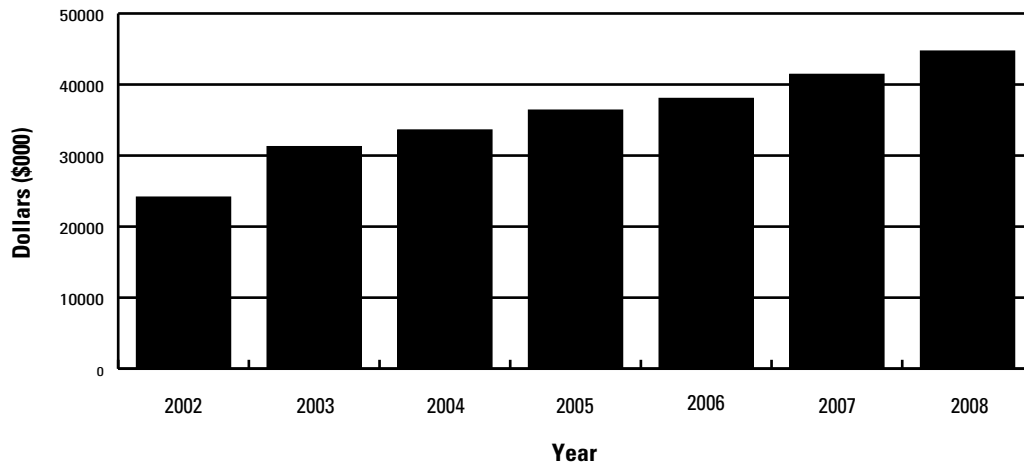
Total External and Internal Funding

	2001 (\$000)	2002 (\$000)	2003 (\$000)	2004 (\$000)	2005 (\$000)	2006 (\$000)	2007 (\$000)	2008 (\$000)
External Funding	39,455	44,588	44,782	52,115	52,386	57,300	57,164	64,605
Internal Funding	1,394	1,277	1,523	1,610	1,882	2,389	2,233	2,103
Total Funding Received	40,849	45,865	46,305	53,725	54,268	59,689	59,396	66,709



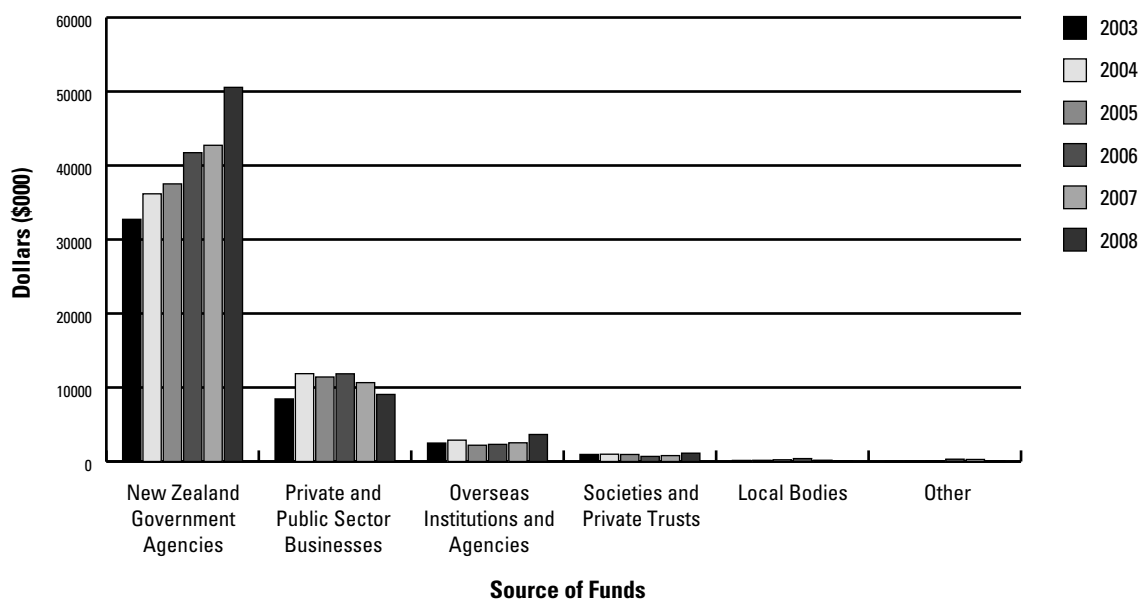
External Research Income Qualifying for Performance-Based Research Funding (PBRF)

	2002 (\$000)	2003 (\$000)	2004 (\$000)	2005 (\$000)	2006 (\$000)	2007 (\$000)	2008 (\$000)
External Research Income Qualifying for PBRF	24,148	31,255	33,598	36,393	38,040	41,428	44,706



External Contract Funding – Source of Funds

	2003 (\$000)	2004 (\$000)	2005 (\$000)	2006 (\$000)	2007 (\$000)	2008 (\$000)
New Zealand Government agencies	32,728	36,175	37,517	41,734	42,733	50,562
Private and public sector businesses	8,458	11,870	11,420	11,853	10,659	9,063
Overseas institutions and agencies	2,493	2,886	2,199	2,316	2,529	3,652
Societies and private trusts	954	985	950	689	798	1,126
Local bodies	147	162	233	394	170	99
Other	2	37	67	314	276	103
Total External Funding Received	44,782	52,115	52,386	57,300	57,164	64,605



Internal Contract Funding – Source of Funds

	2003 (\$000)	2004 (\$000)	2005 (\$000)	2006 (\$000)	2007 (\$000)	2008 (\$000)
Massey University Postdoctoral Fellowship	625	610	741	942	974	783
Massey University Research Fund	767	816	764	888	790	897
Massey University Māori Award	24	24	8	20	20	20
Massey University Womens Award	43	27	68	46	40	42
Massey University Research Fellowship	-	30	24	22	19	13
Massey University Technical Award	-	28	50	110	173	210
URC Research Award	65	65	226	361	217	138
Total Internal Research Allocation	1,523	1,600	1,882	2,389	2,233	2,103

