

## EMBARGOED UNTIL 4pm WEDNESDAY 31 AUGUST 2016

### Agenda

Date **Wednesday 31 August 2016**

Time 4.00pm

Venue Council Chamber, Matariki

Refer to  
Page No.

1. APOLOGIES: Sue McCormack, Warren Poh
2. CONFLICTS OF INTEREST  
*Every Member has an obligation to declare any material interests relevant to any University of Canterbury activities and to ensure that any conflict arising from the material interests is noted and managed appropriately*
3. MINUTES (27 July 2016) 1-10
4. MATTERS ARISING
  - 4.1 Faculty/College Merger Implementation Update
5. FROM THE CHANCELLOR
  - 5.1 Chancellor's Meetings 11
  - 5.2 2016 Council Work Plan (to be tabled)
  - 5.3 Executive Committee Report – 6 Monthly Accounts
    - 5.3.1 Memo 13-14
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    - 5.3.3 NZX Statement 47-48
    - 5.3.4 Vice-Chancellor's Commentary 49-51
    - 5.3.5 Letter of Representation 53-54
  - 5.4 Maori Development Strategy presentation – Mr Darryn Russell, (AVC Māori) and Ripeka Tamanui-Hurunui (Kaiārahi Service Units and MDT manager)
  - 5.5 Feedback from meeting on Pasifika Strategy
6. FROM THE VICE-CHANCELLOR
  - 6.1 Monthly Report 55-89
7. FROM THE FINANCE PLANNING AND RESOURCES COMMITTEE 91
  - 7.1 CAPEX Report to 30 June 2016 93-101
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  - 8.1 Health and Safety 107-112

9. FROM THE ACADEMIC BOARD

113-118

10. PUBLIC EXCLUDED MEETING

Motion by the Chancellor for Resolution to Exclude the Public Pursuant to s48 of the Local Government Official Information and Meetings Act 1987:

**I move that the public be excluded from the following parts of the proceedings of this meeting, namely:**

Item on Public Excluded Agenda	General Subject Matter	Reason for passing this resolution in relation to each matter	Grounds under section 48(1) for the passing of this resolution
7.1	<b>Risk Report</b>	To enable the free and frank expression of opinions by or between or to members or officers or employees of the University. To avoid prejudice to measures protecting the health or safety of members of the public.	7(f)(i)  7(d)
8.1	<b>UC Futures</b>	To enable the University to carry out, without prejudice or disadvantage, commercial activities.	7(h)
8.2	<b>CETF Risk Sharing Mechanism</b>	To enable the University to carry out, without prejudice or disadvantage, commercial activities.	7(h)
8.3	<b>Peoplesoft Upgrade Business Case</b>	To enable the University to carry out, without prejudice or disadvantage, commercial activities.	7(h)
8.4	<b>Dovedale Business Case</b>	To enable the University to carry out, without prejudice or disadvantage, commercial activities.	7(h)
8.5	<b>UC TEC Investment Plan</b>	To enable the free and frank expression of opinions by or between or to members or officers or employees of the University. To enable the University to carry out, without prejudice or disadvantage, commercial activities.	7(f)(i)  7(h)
8.6	<b>Library and Archives Accession Moratorium</b>	To protect the privacy of natural persons, including that of deceased natural persons	7(a)
8.7	<b>Financial Forecast Report</b>	To enable the University to carry out, without prejudice or disadvantage, commercial activities.	7(h)
9.1	<b>Draft minutes Audit and Risk 15 August</b>	To enable the free and frank expression of opinions by or between or to members or officers or employees of the University.	7(f)(i)
9.2	<b>H&amp;S Visit to Chemistry Follow-up</b>	To enable the free and frank expression of opinions by or between or to members or officers or employees of the University. To avoid prejudice to measures protecting the health or safety of members of the public.	7(f)(i)  7(d)
9.3	<b>UC Futures Key Risks</b>	To enable the free and frank expression of opinions by or between or to members or officers or employees of the University	7(f)(i)
9.4	<b>KPMG Country Plan IQA and Management Response</b>	To enable the free and frank expression of opinions by or between or to members or officers or employees of the University.	7(f)(i)

**I also move that the Deputy Registrar, UC Directors, Secretary of Academic Board and the University Council Co-ordinator be permitted to remain at this meeting because of their knowledge of the various matters being discussed. This knowledge will be of assistance in relation to the matters discussed, and is relevant because of their involvement in the development of the reports to Council on these matters.**

11. REPORT FROM THE PUBLIC EXCLUDED SESSION12. GENERAL BUSINESS13. NEXT MEETING –Wednesday 28 September 2016

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## Minutes

Date	<b>Wednesday 27 July 2016</b>
Time	4.00pm
Venue	Council Chamber, Level 6 Matariki
Present	Dr John Wood (Chancellor), Ms Sue McCormack (Pro-Chancellor), Dr Rod Carr (Vice-Chancellor), Mr James Addington, Mr Peter Ballantyne, Ms Catherine Drayton, Mr Bruce Gemmell, Mr Tony Hall, Professor Roger Nokes, Mr Warren Poh, Mr Malcolm Peterson Scott, Mr Shayne Te Aika.
Apologies	Mr Tony Hall for early departure.
In Attendance	Mr Jeff Field, Registrar and University Council Secretary Dr Hamish Cochrane, DVC (Academic) Professor Jarg Pettinga, Acting DVC (Research) Mr Darryn Russell, AVC Maori Professor Sonia Mazey, PVC Business and Law Ms Alex Hanlon, Director, Learning Resources Mr Keith Longden, Chief Financial Officer Dr Andrew Bainbridge-Smith, Head of Academic Services Mr Adrian Hayes, Financial Controller Mr Bruce White, Deputy Registrar Mrs Raewyn Crowther, University Council Co-ordinator
<b>CONFLICTS OF INTEREST</b>	Professor Roger Nokes advised of a conflict in respect of the Faculty/College merger. As there was no decision required of Council this conflict was noted.
<b>MINUTES</b>	The minutes of the meeting held on 29 June 2016 were approved.
<b>MATTERS ARISING</b>	<u>Faculty/College Unification Implementation</u> Dr Hamish Cochrane (DVC Academic) provided an oral update on progress in the implementation of the union of Colleges and Faculties. A timeline for implementation in October/November was being worked to with PVCs and Academic Deans working together to bring the new structure into being. An administrative group was examining the implications of the merger in terms of regulations, scholarships and the Calendar. The Chancellor indicated that

independent legal advice would be sought to confirm that Council's statutory obligations had been met.

**FROM THE  
CHANCELLOR**

**Chancellor's Meetings**

The schedule of meetings was noted.

**Council Work Plan 2016**

An updated copy of the Work Plan was tabled and the Registrar, Mr Jeff Field, highlighted the changes that had been made to the document.

**DVC (Research) Presentation**

Professor Jarg Pettinga, Acting DVC (Research), was welcomed to the meeting and provided Council with a report on research activities.

Professor Pettinga concentrated his remarks on two of the top tier research centres:

**Biomolecular Information Centre (BIC) -**

- a multidisciplinary centre providing an interface between biology, chemistry and engineering
- involved national and international collaborators
- key aim was to lead the emergence of biotechnology opportunities
- significant external funding had been secured

**QuakeCore –**

- Canterbury-hosted, inter-institutional centre
- Funded by TEC
- Research was being applied nationally
- Concentration on earthquake resilience

He noted that investment in research institutes had been beneficial for the university as they contributed to international benchmarking, fostered research ability and delivered on completion of post-graduate degrees thereby impacting on PRBF funding.

In questioning, Professor Pettinga commented:

- There were positive indicators of continued growth in government funding for research.
- The funding provided was sufficient to complete the research programmes through to publication.
- There was no provision in the 10 Year Plan for investment in other research centres due to prioritisation of other proposals.

Professor Pettinga was thanked for his report and Council recorded its appreciation for him taking on the Acting DVC role following Professor Weaver's retirement.

**FROM THE VICE-  
CHANCELLOR**

**Monthly Report**

The report was taken as read. In discussion it was noted that while TEC Performance Indicators did not provide data to enable comparisons between universities, it did provide outcome data and rankings. UC was typically ranked 1<sup>st</sup>, 2<sup>nd</sup> or 3<sup>rd</sup> in each of the categories.

Moved

**THAT: The Vice Chancellor's Report be noted.**

Carried

**FROM THE FINANCE,  
PLANNING AND  
RESOURCES  
COMMITTEE**

The Chair of the Finance, Planning and Resources Committee (FPRC), Ms Catherine Drayton, presented the reports from the meeting of FPRC on 18 July 2016.

**UC Trust Funds Report to June 2016**

Ms Drayton highlighted the performance of the fund over time and that it had consistently met the target return of CPI plus 4.5%. The intention to test the market when the contract for investment fund manager was renewed was flagged as best practice.

Moved

**That: Council note the UC Trust Funds Report to 30 June 2016.**

Carried

**Domestic Fees**

Following the discussion in the Public Excluded section of the meeting, the Council affirmed its resolution.

Moved

**That: Council approve, subject to gazetting by the Minister of Tertiary Education:**

- i) A two per cent (2%) increase in domestic tuition fees or an increase to the maximum allowed by the regulator for any course or course category.**
- ii) A two per cent (2%) increase in special programme fees.**
- iii) Non-Tuition Fees: A \$5 increase in the 'standard' fee for application, enrolment and examination fees.**
- iv) Student Services Levy**
  - a) An increase to the Student Services Levy from \$770.00 to \$795.00 (both inclusive of GST) for each student, being a 2.6% increase.**
  - b) Allocation of funding from the Student Services Levy as per the schedule in Table 13, subject to final budget approval.**

Carried

**NEB Naming**

Mr Darryn Russell, AVC Maori, and Professor Sonia Mazey, PVC Business and Law, were invited to the Council table. Professor Gail Gillon, PVC Education, was unable to attend.

The Chancellor noted that the report that had come to FPRC and which was included in the Council papers had not detailed the process that had been followed, as per the Naming Rights Policy, as it did not include in the recommendation the naming of the Centre for Innovative Teaching for eminent educator, Beeby. He had therefore provided his own paper to clarify what he understood to have been the agreement reached.

An early suggestion had been the dual naming of the NEB – Rehua-Beeby – but Mr Russell and Professor Mazey both expressed their reasons for not supporting this name. There was wide support for the building to be named Rehua and the Centre to be named Beeby. This was also supported by SMT and recommended to Council by the Vice-Chancellor. The Chancellor then proposed a revised resolution to that effect.

Moved

**That: Council:**

- i) Adopt Rehua as the name for the New Education Building***
- ii) Name the Centre for Innovative Teaching to be established in Rehua in honour of Beeby, to occupy a visible and prominent place, with appropriate signage***
- iii) Note that it has taken no decisions with respect to the renaming of the Business and Law building.***

Carried

**Pasifika Strategy Quarterly Update**

Council engagement in the development of the strategy was noted. The question of what would be needed to make a step change in achievement of core metrics for both Pasifika and Maori students was raised. A small group of Council members (Mr Peterson Scott, Mr Te Aika and Mr Addington) would meet with senior management and report back to Council. The Vice-Chancellor noted that this would involve two separate work streams - Maori and Pasifika.

Moved

**That:**

- i) Council note the Pasifika Strategy Quarterly Update***
- ii) Council members James Addington, Malcolm Peterson Scott and Shayne Te Aika engage with senior management to address what would be required to cause a step change in Pasifika and, in parallel, Maori student recruitment and success at UC.***

Mr Tony Hall left the meeting at 5.00pm.

**FROM THE ACADEMIC BOARD Academic Board Report**

Dr Hamish Cochrane, DVC (Academic), introduced the report, discussing each group of CUAP proposals by faculty. This was a significant volume of work that included major and minor changes as well as new degrees.

Discussion and questioning included the resourcing implications of the proposals and how they would assist in meeting recruitment goals, with the report from the meeting of the Academic Board providing further background and detail for Council.

In particular it was noted that:

- The replacement of the current four-year Bachelor of Fine Arts with new Fine Arts degrees followed an extensive review of Fine Arts and would bring these degrees into line with other institutions.
- The new Masters of Financial Management aimed at preparing recent graduates for the financial management advisory market and had been developed in consultation with overseas organisations.
- Endorsement proposals in the College of Education Health and Human Development reflected the College name and fitted with new areas of demand.
- The new Bachelor of Product Design in the Faculty of Engineering and Forestry was key to achieving the EFTS targets in that faculty. The programme blends technical and design skills and would appeal to students who could not progress in Engineering. Collaboration with Science and Commerce Faculties would reduce the risk of duplication of programmes. There would be considerable set-up costs but extra staffing resources would be reliant upon enrolments. A Business Case had gone to SMT outlining revenue and costs, market research, the risk of switched enrolments, the possible creation of a new department within the College and the need to provide such new courses to grow EFTS. The success of the Bachelor of Criminal Justice was held up as an example of how this programme could succeed.
- Following the success of the Bachelor of Criminal Justice a new Graduate Diploma in Criminal Justice in the Law Faculty was proposed.
- A new degree in the Faculty of Science, Master of Financial Engineering, mirrored international courses and offered the ability to upskill in prerequisite areas.
- The Board of Studies in Transition programmes had proposed that candidates needed to pass all four of the programmes to proceed to university study, providing the best possible chance of success.

Moved:

***That: Council approve the following qualification proposals, which may require further approval from or noting by CUAP:***

***From the Faculty of Arts***

1. ***To replace the current four-year Bachelor of Fine Arts and the separate one-year Bachelor of Fine Arts with Honours degrees (a five-year programme in total) with three new qualifications:***
  - (i) ***A four-year Bachelor of Fine Arts (NZQF Level 7)***
  - (ii) ***A four-year Bachelor of Fine Arts with Honours (NZQF Level 8)***
  - (iii) ***A one-year Postgraduate Diploma in Fine Arts (NZQF Level 8)***
2. ***To revise the Master of Social Work (Applied) degree.***
3. ***To enable minors, as defined under the regulations to the Bachelor of Commerce, to also be minors for the Bachelor of Arts and additionally to update the entry for the minor in Economics to reflect current course offerings.***
4. ***To standardise the entry grade requirement for the Bachelor of Arts with Honours, and the Master of Arts (Part I) degrees.***
5. ***To semesterise the 100, 200 and 300 level Chinese language courses and to alter the language courses in the majoring requirements as a consequence of semesterisation.***
6. ***To update the schedules to the Certificate and Diplomas in Languages, to reflect changes in the courses offered.***
7. ***To indicate the minimum amount of Greek and/or Latin necessary for undertaking Master's study in Classics.***
8. ***To amend the requirements for the postgraduate qualifications in Psychology.***
9. ***To convert ARTS395 and ARTS495 to PACE395 and PACE495 (Professional and Community Engagement).***
10. ***To change the required 100 level course from PHIL137/DIGI102 to COSC101/DIGI101, and to amend the acronym for the minor used in the UC Calendar from 'DASH' to 'DIGI'***
11. ***To disestablish Diplomacy and International Relations (DIPL) as a subject for the PG Cert Arts, PG Dip Arts, and the 120 point BA(Hons).***

**From the Faculty of Commerce**

12. *To introduce a Master of Financial Management and a new subject of Financial Management.*

**From the Faculty of Education**

13. *To add a new endorsement Health and Community to the existing endorsements for the Postgraduate Diploma in Health Sciences, Master of Health Sciences Professional Practice, and Master of Health Science awards.*
14. *To introduce an endorsement in Positive Behaviour Support to the Postgraduate Diploma in Education and Master of Education.*
15. *To change the name of one endorsement under the Postgraduate Diploma in Specialist Teaching and the Master of Specialist Teaching from “Deaf and Hearing Impaired” to “Deaf and Hard of Hearing”.*
16. *To amend the schedule for the Leadership endorsement within the Med and PGDipEd deleting three courses (EDEM634, EDEM635 and EDEM639) and replacing with three new courses (EDEM652, EDEM654 and EDEM655).*
17. *To amend the various endorsements comprising the PGDipHealSc and MHealSc.*
18. *To amend the schedule for the Med and PGDipEd qualifications.*
19. *To change the Regulations of the Bachelor of Health Sciences*
20. *To amend the schedule for the programme of the Degree of Master of Computer-Assisted Language Learning*
21. *To allow entry to the Specialist Education qualifications to those who hold a degree plus a professional teaching qualification.*
22. *To discontinue the Physical Activity Promotion major in the Bachelor of Health Sciences.*

**From the Faculty of Engineering and Forestry**

23. *To introduce a Bachelor of Product Design (BProdDesign) degree from 2018, with majors in Industrial Product Design, Applied Immersive Game Design, and Chemical & Healthcare Product Formulation.*
24. *To create Minor in Power Engineering as part of the BE(Hons) Electrical & Electronic Engineering degree.*
25. *To create a Minor in Energy Processing Technologies as part of the BE(Hons) Chemical & Process Engineering degree.*
26. *To reorganize course content and learning outcomes within compulsory courses of the BE(Hons) Mechanical Engineering programme.*
27. *Change the credit requirements for the minor in*

*Bioprocess Engineering from 105 points to 75 points by having only one 30 point project associated with the minor instead of two 30-point projects.*

28. *To make 600-level courses available as optional courses within the BE(Hons) degree in Electrical & Electronic Engineering.*
29. *To remove one course (ENCE462 Advanced Computer Architecture) from those offered at 400 level as part of the BE (Hons) programmes in Computer Engineering (CE), Electrical & Electronic Engineering (EEE), Mechatronics Engineering (MT) and Software Engineering (SE).*

**From the Faculty of Law**

30. *To introduce a Graduate Diploma in Criminal Justice*

**From the Faculty of Science**

31. *To introduce a Master of Financial Engineering.*
32. *To introduce Antarctic Studies as a subject in the Master of Science*
33. *To introduce Environmental Science as a major in the Bachelor of Science*
34. *To semesterise the 400-level offerings in Biological Sciences in the Bachelor of Science with Honours, the Postgraduate Diploma in Science and the Master of Science and introduce two new courses.*
35. *To change the name of the subject from Freshwater Management to Water Resource Management.*
36. *To make COSC469 compulsory for BSc(Hons) and MSc students in Computer Science, and to add it to the Schedule C for the ME.*
37. *To: (1) retain CMDS 490 in the BSLP(Hons) degree and (2) offer it as an alternative to CMDS491.*
38. *To indicate “No new Enrolments” in the following subjects- Plant Biology (PBIO) (BSc(Hons), PGDipSc, MSc, Ph.D) and Zoology (ZOOL) (BSc(Hons),PGDipSc, MSc, Ph.D) and Evolutionary Biology (EVOL) (BSc(Hons), PGDipSc, MSc, Ph.D)*

**From the Board of Studies for Transition Programmes**

39. *To amend Regulation 4 of the Certificate in University Preparation.*

Carried

Dr Cochrane also noted the discussion at Academic Board on Academic Promotions Guidelines and the Library Report.

Moved

**That: Council note the Academic Board Report.**

Carried

**PUBLIC EXCLUDED  
MEETING**

Moved

*That: the public be excluded from the following parts of the proceedings of this meeting, namely:*

Item on Public Excluded Agenda	General Subject Matter	Reason for passing this resolution in relation to each matter	Grounds under section 48(1) for the passing of this resolution
6.0	From the Chancellor	To enable the free and frank expression of opinions by or between or to members or officers or employees of the University.	7(f)(i)
7.1	Risk Report	To enable the free and frank expression of opinions by or between or to members or officers or employees of the University. To avoid prejudice to measures protecting the health or safety of members of the public.	7(f)(i) 7(d)
8.1	UC Futures	To enable the University to carry out, without prejudice or disadvantage, commercial activities.	7(h)
8.2	Domestic Fees	To enable the University to carry out, without prejudice or disadvantage, commercial activities.	7(h)
8.3	Financial Report to June 2016	To enable the University to carry out, without prejudice or disadvantage, commercial activities.	7(h)
8.4	Financial Forecast Report	To enable the University to carry out, without prejudice or disadvantage, commercial activities.	7(h)
8.5	UC Foundation Update	To enable the University to carry out, without prejudice or disadvantage, commercial activities.	7(h)

*and that the Deputy Registrar, UC Directors, the Head of Academic Services and the Council Co-ordinator be permitted to remain at this meeting because of their knowledge of the various matters being discussed. This knowledge would be of assistance in relation to the matters discussed, and was relevant because of their involvement in the development of the reports to Council on these matters.*

Carried

**RETURN TO PUBLIC  
MEETING**

Members returned to public meeting at 6.35pm and item 8.2 Domestic Fees was confirmed in public.

**GENERAL BUSINESS**

There was one item of general business.

Turkish Situation

Mr Malcolm Peterson Scott raised the matter of Turkish University Deans being forced to resign and hundreds of academics being stripped of their teaching licences. He requested a letter be sent to the Turkish President from UC in line with similar responses from international organisations.

The Chancellor, as former Ambassador to Turkey, offered to write to the Turkish Ambassador in New Zealand in the hopes that this would have a greater impact than a letter to the President. The letter would express the concerns of the University and offer to engage in dialogue.

Moved

***That: the Chancellor write to the Turkish Ambassador to New Zealand to invite a dialogue on how this University might assist the government of Turkey in terms of the recent decisions on academic freedom in Turkish Universities.***

Carried

The meeting closed at 6.42pm.

**NEXT MEETING**

The next meeting is scheduled for 4.00pm on Wednesday 31 August 2016.

SIGNED AS A CORRECT RECORD: \_\_\_\_\_

DATE: \_\_\_\_\_

# Memorandum

## Vice-Chancellor's Office

Email: [chancellor@canterbury.ac.nz](mailto:chancellor@canterbury.ac.nz)



<b>To:</b>	Council Members
<b>From:</b>	Dr John Wood, Chancellor
<b>Date:</b>	24 August 2016
<b>Subject:</b>	<b>CHANCELLOR'S MEETINGS</b>

I outline for you the key events I have attended on behalf of UC since the last Council meeting:

- Attended Development Steering Group meeting
- Met with UCSA President to discuss UCSA Executive Reunion
- Pro-Chancellor Sue McCormack co-hosted a Community Dinner with the Vice-Chancellor on my behalf
- Attended UCSA Executive Reunion activities, including making a welcome speech, campus tour and fundraising dinner/auction
- Chaired Chancellors' Group meeting
- Participated in Chancellors'/VCs' Summit
- Met with Minister Steven Joyce
- Attended Chancellors'/VC's dinner
- Attended Lincoln University Strategy meeting
- Hosted Ambassador Derek Shearer and his wife Sue Tiogo on campus and introduced Ambassador Shearer's UC Connect lecture: Foreign Policy and the US Presidential Election
- Meeting with Lynn McClelland, Director Student Services and Communication, to discuss the programme for the alumni trip to the US in October
- Lunch with Ruvae Brittan
- Attended Lincoln University Council meeting
- Mentoring meeting with student, Abbas Nazari
- GOG meeting
- Participated in Rhodes Scholarship selection interviews
- Lunch with new DVC, Ian Wright

A handwritten signature in black ink that reads 'L.J. Wood'. The signature is written in a cursive, flowing style.

Dr John Wood  
**Chancellor**



# Memorandum



## Financial Services

Office: 6<sup>th</sup> Floor Matariki  
Extension: 93945  
Email: [keith.longden@canterbury.ac.nz](mailto:keith.longden@canterbury.ac.nz)

To:	Council
From:	Keith Longden
Date:	16 August 2016
Subject:	<b>30 June 2016 financial statements and NZX release</b>
Purpose:	<b>For comment and approval</b>

## Introduction

The University is required to prepare unaudited 6 monthly financial statements for release to the NZX within 60 days of 30 June each year. This is a requirement of the NZX for our listed Philanthropic Bond.

This year, the 60 day deadline is 29 August 2016 where Council will not meet until 31 August 2016.

The suggested proposal by the Joint Finance, Planning and Resourcing Committee and Audit and Risk Committee meeting on 17 May 2016 to meet this NZX deadline was to circulate the relevant papers to all Council members as soon as possible to enable any feedback to be made prior to the Executive Committee of Council meeting to adopt the unaudited financial statements, the accompanying financial commentary, and the NZX statement.

Council members were also to receive the representation letter from Management to Council in respect of the financial statements.

All of these documents are attached, together with a memorandum discussing the 30 June 2016 financial statements.

## Process

The financial statements and other documents have been reviewed by Duncan Cotterill and we have obtained feedback on the presentation of financial statements from the external auditors, but they have not carried out an audit. We have also received external advice on property valuations, actuarial valuations and impairment.

No adjustments were required by ARC or FPRC in their joint agenda review of these documents, and the Vice-Chancellor has made some minor wording changes to the commentary and NZX statement to correct matters of fact. The draft minute of the ARC and FPRC review is also attached for reference.

Because Council cannot meet within the time period required for the NZX, and because the Executive Committee of Council will be formally approving these documents, we are circulating them to Council members for their review and feedback.

We respectfully request a response by the end of Tuesday 23 August 2016. The meeting of the Executive Committee of Council is provisionally set in these documents for Friday 26 August 2016.

### **Recommendations**

Council review and propose adjustments to the attached documents, responding **prior to 5pm 23 August 2016**.

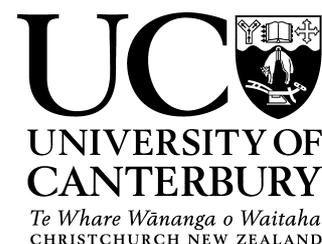
Council note that the Executive Committee of Council will be approving the unaudited financial statements for the six months ended 30 June 2016, the accompanying financial commentary, and the NZX statement for release to the NZX at a subsequent meeting, provisionally set for 26 August 2016, but by 29 August 2016<sup>1</sup> at the latest.

Keith Longden  
Executive Director/Chief Financial Officer

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<sup>1</sup> Should the meeting be other than 26 August 2016, the dates on the documents will be amended accordingly.

# Memorandum



## Financial Services

Office: 6<sup>th</sup> Floor Matariki  
Extension: 93945  
Email: [keith.longden@canterbury.ac.nz](mailto:keith.longden@canterbury.ac.nz)

To:	Council
From:	Keith Longden
Date:	16 August 2016
Subject:	<b>Six monthly financial statements</b>
Purpose:	<b>For noting</b>

## Introduction

This memorandum covers the preparation of the six-monthly unaudited financial statements to be published on the NZX as part of the listing requirements for the University's Philanthropic Bond.

## Unaudited financial statements

### *Statement of comprehensive revenue and expenditure*

The following is a reconciliation of the results previously reported for 30 June 2016 in the monthly report and those included in these financial statements:

\$million	30-Jun-16	30-Jun-15	31-Dec-15
Surplus/(deficit) as reported	0.0	(0.1)	3.5
SAC guarantee	6.6	8.4	0.0
<b>Sub-total</b>	<b>6.6</b>	<b>8.3</b>	<b>3.5</b>
<i>Other adjustments:</i>			
Tuition fee adjustment	3.5	3.2	0.0
Government bond amortisation		(0.3)	
<b>Surplus/(deficit) as restated</b>	<b>10.1</b>	<b>11.2</b>	<b>3.5</b>

The University of Canterbury \$10.1 million surplus represents the result of operations to 30 June 2015, where the full cycle of earnings is annual. The slight majority of revenue is normally made in the first half of the financial year. The expectation remains for a deficit by 31 December 2016.

The adjustments are as follows:

**SAC guarantee** – the University has been guaranteed the SAC payment for students it does not have. As the University will receive this funding whether or not the numbers of EFTS taught changes before year end, as last year it falls to be recognised in full at 30 June. This adjustment does not apply to the full year result, which already includes the total SAC earned for the year. The adjustment is less than in 2015 as EFTS numbers have increased.

**Tuition fee adjustment** – the University averages its tuition fee income earned over the full year based on EFTS for its monthly reporting, but the slight majority of tuition fee earnings is earned in the first half of the year. This adjustment brings the result reported in the monthly accounts into line with actual earnings for the period. The prior year 6 monthly results already include this adjustment, which was of a similar size. This does not apply to the full year result, which already includes the total SAC earned for the year.

**Government bond amortisation** – early in 2015, the University invested in \$50 million face value of government stock, at a purchase price of \$54.5 million. The accounting treatment is to amortise the difference between the purchase price and face value of this investment over the period of the investment, in this case to December 2017. This is already reflected in the 30 June 2016 and 31 December 2015 results.

Main points of note in the reported result:

- Operating revenue for the six months ended 30 June 2016 is \$3.5 million more than for 30 June 2015. The main increases being \$5.4 million in student tuition fees offset by a \$1.9 million reduction in the reversionary interest adjustment. There are other, smaller movements which cancel out each other.
- Operating expenditure for the six months ended 30 June 2016 is \$4.5 million more than for 30 June 2014. The main increases are:
  - \$2.0 million in Personnel Expenses, of which \$1.1 million is an increase in actuarial valuations of long service and retirement leave liabilities (2016: \$2.7 million, 2015: \$1.6 million); and
  - operating expenditure – there are a number of offsetting balances, but there were some unforeseen significant asset write downs recorded (e.g. Kaikoura field station and SMS) amounting to \$3.2 million.

*Statement of changes in net assets/equity*

No significant items.

*Statement of financial position*

The following is a reconciliation of the net assets previously reported and those included in these financial statements, and which are explained above:

\$million	30-Jun-16	30-Jun-15	31-Dec-15
Net assets as previously reported	1,310.1	1,165.3	1,164.5
SAC guarantee receivable	6.6	8.4	0.0
<i>Other adjustments:</i>			
Tuition fee adjustment	3.5	3.2	0.0
Government bond amortisation		(0.3)	0.0
Net assets as restated	<u>1,320.2</u>	<u>1,176.6</u>	<u>1,164.5</u>

Main points of note in the reported Statement of Financial Position:

- Working capital at 30 June 2016 is considerably higher than at 30 June 2015 – as noted below, we are maintaining significant short term investments and cash on call to meet planned capital expenditure over the next 12 months, which has a direct effect on working capital.
- Non-current assets are also considerably higher than at 30 June 2014, reflecting the revaluation movements and remediation spend in the intervening period.

#### *Statement of cash flows*

Main points of note in the reported result:

- Net cash provided by operating activities for the period is slightly down on the six months to 30 June 2015, but which included \$22.7 million of earthquake insurance receipts – cash from operating activities excluding earthquake insurance receipts is \$20.9 million more than for the six months to 30 June 2015. Please note that the University receives most of its cash in the first half of the year over enrolment periods, and the net cash provided by operating activities will reduce by 31 December 2016.
- The 30 June 2015 results show cash provided from investing activities includes \$246.5 million of earthquake insurance receipts. There is no corresponding amount in 2016.
- Cash applied to investing activities includes \$79.3 million of capital expenditure compared to \$46.7 million in the same period in 2015. The prior year experienced a slow start in the CETF and RSIC projects, and there was a pause in our capital spend on remediation and other capital works other than for “in flight” programmes while the post-settlement review is completed. While there are still delays and cash flows are not meeting their forecasts, there has been more activity in the current year so far.
- Total cash, deposit and government stock at 30 June 2016 is similar to 30 June 2015 and 31 December 2015. We are maintaining significant short term investments and cash on call to meet planned capital expenditure over the next 12 months, which also affects working capital. Our expectation has been that this cash will be rapidly spent once the capital projects are in full swing.

#### **Approval**

The NZX Rules require these financial statements to be submitted within 60 days past 30 June. Council are meeting on 31 August, two days after the 60 day limit is reached. Accordingly, the financial statements will be approved by the Executive Committee of Council and ratified subsequently at the full Council meeting. Drafts of all documents to be published will be made available to Council members before that date to give time for comment.

The expected date of approval of the financial statements by the Executive Committee of Council is 26 August 2016 for release to the NZX on that day.

#### **Recommendation**

For noting.

Keith Longden  
Executive Director/Chief Financial Officer

# Financial Statements

## ***Statement of Accounting Policies***

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**For the six-month period ended 30 June 2016**

### ***REPORTING ENTITY***

The University of Canterbury (the University) is domiciled in New Zealand and is a Tertiary Education Institution.

The relevant legislation governing the University's operations includes the Crown Entities Act 2004, the Education Act 1989, and the Financial Markets Conduct Act 2013.

The University is a Tertiary Education Institution. The primary objective of the University is to provide education services for the benefit of the community, rather than make a financial return. The University has designated itself as a public benefit entity (PBE) for financial reporting purposes.

These financial statements are unaudited and are for the six-month period ended 30 June 2016. The financial statements were authorised for issue by Council on 26 August 2016.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements. Comparative information presented for the 31 December 2015 full year has been drawn from the audited financial statements for that year.

### ***BASIS OF PREPARATION***

#### ***Statement of compliance***

The financial statements of the University have been prepared in accordance with the requirements of the Crown Entities Act 2004, the Education Act 1989, and the Financial Markets Conduct Act 2013, which include the requirement to comply with New Zealand generally accepted accounting practice (NZ GAAP).

These financial statements have been prepared on a going concern basis and in accordance with Tier 1 PBE accounting standards, which have been applied consistently throughout the period.

These financial statements comply with PBE accounting standards.

#### ***Presentation currency and rounding***

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

#### ***Changes in accounting policies***

These accounting policies have been consistently applied in the periods covered by these financial statements.

#### ***Standards issued and not yet effective and not early adopted***

There are no standards issued and not yet effective. The PBE accounting standards issued by the External Reporting Board for reporting periods beginning on or after 1 April 2015 have been applied in preparing these financial statements.

## **SIGNIFICANT ACCOUNTING POLICIES**

The following are the particular accounting policies that have a material effect on the measurement of financial performance and the financial position.

### **Revenue**

#### **Revenue recognition**

The University recognises revenue from individual categories of transactions as follows:

##### *Government grants*

###### *Student Achievement Component (SAC) funding*

SAC funding is the University's main source of operational funding from the Tertiary Education Commission (TEC). The University considers SAC funding to be non-exchange. The University has a guaranteed amount of SAC funding agreed with TEC. The University's SAC funding is specifically identified by the TEC as being for a funding period as required by section 159YA of the Education Act 1989. The University recognises its SAC funding from the commencement of the specified funding period, which is the same as the University's financial year. The revenue is recognised on entitlement in return for the teaching of courses to which the funding relates.

###### *Performance-Based Research Fund (PBRF)*

The University considers PBRF funding to be non-exchange in nature. PBRF funding is specifically identified by the TEC as being for a funding period as required by section 159YA of the Education Act 1989. The University recognises its confirmed allocation of PBRF funding at the commencement of the specified funding period, which is the same as the University's financial year. PBRF revenue is measured based on the University's funding entitlement adjusted for any expected adjustments as part of the final wash-up process. Indicative funding for future periods is not recognised until confirmed for that future period.

###### *Other Grants Received*

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

###### *Tuition fees*

Domestic student tuition fees are subsidised by government funding and are considered non-exchange. Revenue is recognised when the course withdrawal date has passed, which is when a student is no longer entitled to a refund for withdrawing from the course. International student tuition fees are accounted for as exchange transactions and recognised as revenue on a course percentage of completion basis. The percentage of completion is measured by reference to the days of the course completed as a proportion of the total course days.

###### *Research revenue*

The University exercises its judgement in determining whether funding received under a research contract is received in an exchange or non-exchange transaction.

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

For a non-exchange research contract, the total funding receivable under the contract is recognised as revenue immediately, unless there are substantive conditions in the contract. If there are substantive conditions, revenue is recognised when the conditions are satisfied. A condition could include the requirement to complete research to the satisfaction of the funder to retain funding or return unspent funds.

Revenue for future periods is not recognised where the contract contains substantive termination provisions for failure to comply with the requirements of the contract. Conditions and termination provisions need to be substantive, which is assessed by considering factors such as contract monitoring mechanisms of the funder and the past practice of the funder. Judgement is often required in determining the timing of revenue recognition for contracts that span a balance date and multi-year research contracts.

#### *Insurance reimbursements*

Up until 31 December 2013, insurance reimbursements were recognised as revenue when the claimable expenditure was incurred. This expenditure was verified by the Marsh Risk Consulting forensic accounting team prior to submission to the insurer. At the end of 2014, the University negotiated a final settlement with its insurers. As a result the full amount of the final settlement (less revenue recognised to 31 December 2013) was recognised as revenue in the 31 December 2014 surplus. In these financial statements, the main impact of this settlement is on the comparative Statement of Cash Flows, which records the receipt of the final payments from the insurers in January 2015.

#### *Interest*

Interest revenue is recognised on a time proportion basis that takes into account the effective yield on the related asset.

#### *Other revenue*

Other revenue includes revenue from the sales of goods and services, which is recognised when the product is sold to the customer, or the service provided.

Other revenue also includes Reversionary Interest revenue to reflect the Campus Living Villages building assets, which will become University assets in 2040. The interest is calculated using the latest building valuation and a discounted cash flow methodology.

#### *Donations*

Donations of money are recognised immediately as revenue unless a condition is attached. If a condition is attached it would be recognised as a liability until the condition is met, at which time it is recognised as revenue.

Donations of assets are recorded at fair value on receipt and recognised as revenue.

### **Financial Instruments**

#### **Derivative Financial Instruments**

The University enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risk, including forward foreign exchange contracts and interest rate swaps. Further details of derivative financial instruments are disclosed in Notes 16 and 17.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into, and are subsequently re-measured to their fair value at each balance sheet date. The resulting gain or loss is recognised in the surplus or deficit immediately, unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in the surplus or deficit depends on the nature of the hedge relationship. The University designates certain derivatives as either hedges of the fair value of recognised assets or liabilities or firm commitments (fair value hedges), hedges of highly probable forecast transactions or hedges of foreign currency risk of firm commitments (cash flow hedges).

A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not expected to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

## Hedge Accounting

The University designates certain hedging instruments, which may include derivatives, embedded derivatives and non-derivatives in respect of foreign currency exchange risk and interest rate risk, as cash flow hedges. Hedges of foreign currency exchange risk on firm commitments, forecast transactions, and hedges of interest rate risk on future interest payments, are accounted for as cash flow hedges.

At the inception of the hedge relationship, the University documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the University documents whether the hedging instrument that is used in a hedging relationship is highly effective in offsetting changes in cash flows of the hedged item.

Note 17 sets out details of the fair values of the derivative instruments used for hedging purposes. Movements in the hedging reserve in equity are also detailed in the Statement of Changes in Net Assets / Equity and in Note 18.

## Cash Flow Hedges

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges are recognised in other comprehensive revenue and expense and accumulated as a separate component of equity in the hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in the surplus or deficit, and is included in other revenue or general expenditure line items, as appropriate.

Amounts recognised in the hedging reserve are reclassified from equity to the surplus or deficit (as a reclassification adjustment) in the periods when the hedged item is recognised in the surplus or deficit, in the same line as the recognised hedged item.

However, when the forecast transaction that is hedged results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously recognised in the hedging reserve are reclassified from equity and included in the initial measurement of the cost of the asset or liability (as a reclassification adjustment).

Hedge accounting is discontinued when the University revokes the hedging relationship, the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. Any cumulative gain or loss recognised in the hedging reserve at that time remains in equity and is recycled into the surplus or deficit over the remainder of the hedge maturity period. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was recognised in the hedging reserve is recognised immediately in the surplus or deficit.

## Other Financial Assets and Liabilities

### *Classification and initial recognition*

All financial assets and financial liabilities are initially recognised at fair value. The University determines the classification of its financial assets and liabilities at initial recognition and re-evaluates this designation at every reporting date.

### *Financial assets*

The University has the following non-derivative financial assets:

- Cash and cash equivalents
- Receivables
- Deposits
- Investments – Government Bonds
- Investments – privately held company shares

The University classifies its financial assets into the following four categories: financial assets at fair value through the surplus or deficit; loans and receivables; held to maturity investments; and available-for-sale. The classification depends on the purpose for which the financial assets were acquired.

Loans and receivables include term deposits with maturities greater than three months, classified as current where the remaining duration is less than 12 months, or non-current where the remaining duration is more than 12 months. Held to maturity investments are non-derivative financial assets where the University has the positive intention and ability to hold them to maturity. Available-for-sale assets include investments. There are currently no other financial assets measured at fair value through surplus or deficit.

#### *Financial liabilities*

The University has the following non-derivative financial liabilities:

Accounts payable  
Sonoda Gakuen Corporation of Japan loan  
Philanthropic Bond

The University classifies its other financial liabilities into trade and other payables, and bonds.

#### *Subsequent measurement*

After initial recognition at fair value, other financial assets are measured as follows:

- Fair value through surplus or deficit – at fair value;
- Loans and receivables – at amortised cost using the effective interest rate method;
- Held to maturity investments – at amortised cost using the effective interest rate method and;
- Available-for-sale – at fair value through other comprehensive revenue and expense.

After initial recognition at fair value, other financial liabilities are measured at amortised cost.

### **Cash and Cash Equivalents**

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

### **Trade and Other Receivables**

Receivables are initially measured at face value and then adjusted for amounts not considered recoverable.

All receivables are reviewed for recoverability. Receivables that are 180 days past due date are considered unrecoverable unless there is a clear agreement for repayment. Receivables over \$1,000 that are 90 -180 days overdue are also assessed for recoverability based on the type of debtor, relationship to the University, communications with the debtor and predicted chances of recovery and costs associated with recovery.

### **Property, Plant and Equipment**

#### *Initial recognition and subsequent measurement*

All assets are initially recorded at cost. Assets with a cost value lower than \$2,500 are expensed on acquisition, with the exception of computers and data projectors, which are capitalised regardless of cost.

Where an item of property, plant and equipment is acquired through a non-exchange transaction at no cost, or for a nominal cost, it is recognised at fair value at the date of acquisition.

Subsequent to acquisition, all items of property, plant and equipment are depreciated over their useful life except for land, artworks, medals, the Logie Collection and the Library Permanent Collection which are not depreciated. Land, buildings, infrastructure, the Library Permanent Collection, and Artwork, Medals and the Logie Collection are subject to periodic revaluation.

Any gains or losses on disposal of property, plant and equipment are determined by comparing the proceeds, if any, with the carrying amount of the asset. Gains and losses on disposal are included in the surplus or deficit. When revalued assets are disposed of, the amounts included in the asset revaluation reserves in respect of those assets are transferred to General Equity.

#### *Land*

Independent registered valuers undertake revaluations of Land every three years in conjunction with that of buildings. As buildings are currently being revalued outside of the three year cycle, land is also being valued at the same time.

Land has been valued at fair value by CB Richard Ellis Limited as at 31 December 2015. The fair value of land is determined by reference to its highest and best use vacant, and then adjustments are made for possible legal impediments to achieving the fair market value. The fair value of land is normally determined from market based evidence and a discounted cash flow basis, with no optimisation process applied. Where there is no sales based market evidence, the valuation is based on a discounted hypothetical development less allowances for legal impediments.

#### *Buildings*

Independent registered valuers undertake revaluations of Buildings every three years, unless there is reason to suggest that values have changed materially in the intervening years, in which case a revaluation may be undertaken outside of the three year cycle, which is currently the case.

Buildings, with the exception of residential and commercial property, including the Ilam Homestead (see below), have been valued on a component basis by CB Richard Ellis Limited at depreciated replacement cost as at 31 December 2015, except where there exists a contestable market in which case a comparative sales or discounted cash flow approach is used. The valuation makes no adjustment for any contingent costs associated with strengthening for those buildings that have a seismic rating of less than 67% of the New Building Standard, or for any impairment.

The depreciated replacement cost methodology is based on the current gross replacement cost of buildings less allowances for physical deterioration, and optimisation for obsolescence and relative surplus capacity. The Buildings Valuation completed by CB Richard Ellis Limited has been modified by the University to allow for the impact of the Canterbury earthquakes. This is explained in Note 8.

Additions to Land and Buildings subsequent to the date of valuation are recorded at cost. Where a Land and Building asset is acquired through a non-exchange transaction at no cost, or for a nominal cost, it is recognised at fair value at the date of acquisition.

#### *Residential and commercial property, including the Ilam Homestead*

Independent and registered valuers undertake revaluations of the University's residential and commercial property every three years, unless there is a reason to suggest that values have changed materially in the intervening years, in which case a revaluation may be undertaken outside of the three year cycle, which is currently the case.

Residential and commercial property is valued at market value, taking into account recent market activity, and was revalued by CB Richard Ellis Limited at 31 December 2015.

The University has valued its Ilam Homestead property on a market value basis, as the nature of its use is changing to incorporate more commercial activity. The Ilam Homestead property was valued by CB Richard Ellis Limited at 31 December 2015.

#### *Infrastructure Assets*

Independent registered valuers undertake revaluations of Infrastructure Assets every three years, unless there is reason to suggest that values have changed materially in the intervening years, in which case a revaluation may be undertaken outside of the three year cycle.

Infrastructure Assets were valued by AECOM as at 31 December 2014 at depreciated replacement cost.

Additions to Infrastructure Assets subsequent to the date of valuation are recorded at cost. Where an Infrastructure asset is acquired through a non-exchange transaction at no cost, or for a nominal cost, it is recognised at fair value at the date of acquisition.

#### *Library*

The Current Collection of books and serials is valued at historical cost less depreciation.

The Permanent Collection of heritage collections including Macmillan Brown, Māori and Pacific, rare books, archives, architectural drawings, photographs and art of rare books is revalued every three years by an independent registered valuer.

The Permanent Collection was valued on a fair value basis as at 31 December 2013 by Jones Lang Lasalle Limited. The valuation was carried out in accordance with the University's valuation guidelines. Non-specialised assets have been valued at market value and specialised assets have been valued on a depreciated replacement cost basis.

Donated books are treated as a non-exchange transaction on acquisition, and have been included at estimated market value.

Additions to Library Assets subsequent to the date of valuation are recorded at cost.

#### *Artworks/Medals/Logie Collection*

The collections are revalued by independent valuers on the following cycle:

- Artworks are revalued on a three yearly cycle.
- Medals are revalued on a five yearly cycle.
- The Logie Collection is revalued on a five yearly cycle.

Artwork fair value was determined by reference to market values for comparable works and the size and condition of the piece. They were revalued as at 31 May 2014 by James Parkinson of Art + Object Limited.

Medals were valued at fair value by R. J Watt & Associates as at 18 December 2013. Fair value was determined by reference to the New Zealand market and where appropriate, the global market adjusted for the condition of the medal, rarity and any premium associated with the recipient. The latter particularly applies to the Lord Rutherford medal collection.

The Logie Collection has been valued at the replacement cost by James Ede, Director of Charles Ede Limited in London, at the valuation date of 25 September 2012. James Ede has over 30 years of commercial experience in Classical and Pre-Classical antiquities.

#### *Capital Work-in-Progress*

Capital work-in-progress is valued on the basis of expenditure incurred and certified gross Progress Claim Certificates up to balance date, including any retention amounts. Work-in-

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

### **Intangible Assets**

#### *Software acquisition and development*

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software.

### **Accounting for Revaluations of Property, Plant and Equipment**

The University accounts for revaluations on a class of asset basis.

The results of any revaluation are credited or debited to an asset revaluation reserve for that class of asset. Where this results in a debit balance in the asset revaluation reserve, this balance is expensed in the surplus or deficit. Any subsequent increase in revaluation that offsets a previous decrease in value recognised in the surplus or deficit will be recognised first in the surplus or deficit up to the amount previously expensed, and then credited to the revaluation reserve for that class of asset.

### **Impairment of Property, Plant and Equipment and Intangible Assets**

If an asset's carrying amount exceeds its recoverable amount the asset is impaired and the carrying amount is written down to the recoverable amount. For revalued assets, any impairment loss is recognised against the revaluation reserve for that class of asset. Where that results in a debit balance in the revaluation reserve, the balance is recognised in the surplus or deficit.

For assets not carried at a revalued amount, any impairment loss is recognised in the surplus or deficit.

The reversal of any impairment loss on a revalued asset is credited to the revaluation reserve. However, to the extent that an impairment loss for that class of asset was previously recognised in the surplus or deficit, a reversal of the impairment loss is recognised first in the surplus or deficit.

For assets not carried at a revalued amount the reversal of an impairment loss is recognised in the surplus or deficit.

### **Depreciation of Property, Plant and Equipment**

All items of property, plant and equipment other than Land, the Permanent Collection, and the Artworks, Medals and Logie Collections are depreciated using the straight-line method, at rates that will write off the cost of assets less their residual values, over their estimated remaining useful lives. Depreciation rates used are as follows:

#### Buildings Components:

Structure	1.25-3.3%
Building Services	2.50-3.3%
Fittings and Fit-out	4.00%
Furnishings (chattels)	5.00%
Infrastructure Assets	0.95%-33.3%
Other Plant and Equipment	6.7% to 33.3%
Leased Equipment	33.3%
Current Collection (Library)	10.00%

Artworks, Medals, Logie and the Permanent collections are not depreciated because they have indefinite or sufficiently long useful lives that any depreciation is considered negligible.

### *Amortisation of Software*

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life. Amortisation begins when the asset is available for use and ceases at the date that the asset is derecognised. The amortisation charge for each period is recognised in the surplus or deficit.

The useful lives of the University's software range from 3 -10 years.

### **Leases**

#### *Finance Leases*

The University has no finance leases.

#### *Operating Leases*

Leases that do not transfer the risks and rewards incidental to ownership are classified as operating leases. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term.

The University has entered into a thirty-five year lease of its student accommodation facilities with Campus Living Villages Limited. The majority of the lease rental was received in advance in 2005, and is being recognised as revenue, apportioned equally over the period of the lease.

The present value of the term receivable for the remaining interim and terminal lease payment from this transaction is reflected in non-current assets. The revenue received in advance is shown in current and non-current liabilities.

### **Provisions**

Provisions are required for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event that makes it probable that expenditure will be required to settle the obligation. Provisions are only recognised when a reliable estimate can be made as to the amount of the obligation. Provisions are not made for future operating losses.

### **Employee Entitlements**

Provision is made in respect of the University's liability for annual leave, long service leave, retirement leave, sick leave.

Annual leave which has vested in the employee (an entitlement has been established) has been measured at nominal value using remuneration rates current at reporting date. This provision is shown as a current liability.

Long Service leave for all eligible staff is equal to the present value of the estimated future cash flows as a result of employee service, as calculated at balance date by an independent actuary. The portion which has already vested in the employee (an entitlement has been established) is presented as a current liability using remuneration rates current at reporting date. The balance is shown as a non-current liability.

Retirement leave for all eligible staff is equal to the present value of the estimated future cash flows as a result of employee service, as calculated at balance date by an independent actuary. This provision is shown as a non-current liability, except for the estimated amount attributable to retirees for the following financial period, which is shown as a current liability.

Sick leave for all eligible staff is calculated at balance date by an independent actuary and is an actuarial function of the extent to which absences are expected to be greater than sick leave entitlements earned over the next twelve months and future years. The liability balance is split into a current and non-current portion.

The present value of long service, retirement and sick leave obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The key assumptions used in calculating this liability include the discount rate and the salary growth factor. Any changes in these assumptions will impact on the carrying amount of the liability. The valuation was carried out by an independent actuary, Eriksen & Associates Limited, as at 31 May 2016. They have based their valuation on the model recommended by Treasury for the reporting purposes of Crown Entities.

## **Superannuation**

### *Defined Benefit Plan*

The University is party to the Government Superannuation Fund (GSF) but has no underwriting responsibilities as any shortfall is met by the Government.

Insufficient information is available to use defined benefit accounting as it is not possible to determine from the terms of the scheme the extent to which the surplus or deficit will affect future contributions by individual employers, as there is no prescribed basis for allocation. The scheme is therefore accounted for as a defined contribution scheme.

### *Defined Contribution Plan*

Any superannuation defined contributions are undertaken and reflected as normal operating expenses and are included within both the surplus or deficit and Statement of Financial Position as appropriate.

## **Foreign Currencies**

Foreign currency transactions (including those for which forward foreign exchange contracts are held) are translated into NZ\$ (the functional currency) using the exchange rates prevailing at the dates of the transactions.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the surplus or deficit.

## **Borrowings**

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

Borrowings are classified as current liabilities if the borrowings are expected to be settled within 12 months of the balance date. If the University has an unconditional right to defer settlement of liability for at least 12 months after balance date borrowings are classified as non current liabilities.

## **Borrowing Costs**

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

## **Equity**

Equity is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into a number of components.

The components of equity are:

- general equity;
- general equity - Te Pourewa settlement reserve;
- general equity - student service levy capital reserve;
- cash flow hedge reserve;
- property revaluation reserves; and
- available-for-sale reserve

*General equity - Te Pourewa settlement reserve*

This reserve has been created to acknowledge the University's undertakings to its insurers on receipt of the Te Pourewa insurance settlement of \$17.5 million. Principally, the University undertakes to replace the work space provided to the College of Education, Health and Human Development by the demolished Te Pourewa building. The University has begun the refurbishment of the New Education Building on the Ilam Campus, which is planned to be available for occupation by the College of Education, Health and Human Development in 2017. The reserve will be released back into general equity once this building has been completed.

*General Equity - student service levy capital reserve*

This reserve records the annual allocation of funding of capital items from the student services levy, which is shown as a transfer from general equity. As capital items are purchased, the corresponding balance is deducted from this reserve and transferred back to general equity.

The University is in receipt of insurance proceeds for the repair of the UCSA building on campus, which is jointly owned by UCSA and the University. UCSA has the majority holding. The University will be managing any rebuild work, but has credited \$6.255 million to this reserve, being the estimated amount of insurance receipts allocated to the UCSA majority ownership.

While the University continues to hold these insurance proceeds, it is crediting the reserve with interest revenue earned on those funds at the University's average long term interest rates, calculated monthly.

*Cash flow hedge reserve*

This reserve relates to the movements of fair value of all foreign exchange forward contracts and interest rate swaps, where they qualify as hedge instruments.

*Property revaluation reserves*

These reserves relate to the revaluation of building, land, infrastructure, library and collections to fair value. The Building Revaluation Reserve was reduced to nil in previous years due to significant impairment in 2011 as a result of Earthquake damage. Cumulative repairs and revaluations resulted in the reinstatement of the Building Revaluation Reserves at 31 December 2015.

*Available-for-sale reserve*

This reserve comprises the cumulative net change in the fair value of "available-for-sale" instruments.

## **Goods and Services Tax (GST)**

All items in the financial statements are exclusive of GST, with the exception of receivables and payables, which are stated GST inclusive. Where GST is not recoverable as an input tax it is recognised as part of the related asset or expense. GST due from Inland Revenue as at 30 June 2016 is included in Accounts Receivable.

## **Taxation**

The University is exempt from the payment of income tax as it is treated by the Inland Revenue Department as a charitable organisation. Accordingly, there is no provision for income tax.

## **Critical Accounting Estimates and Assumptions**

In preparing these financial statements the University has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

### *Land and Buildings Valuations*

The valuation from CB Richard Ellis Limited assumes that there were no physical consequences of the Canterbury earthquakes that had a detrimental effect on the value of the land and buildings. It also assumes there are no rectification costs which are not covered by insurance and hence no extraordinary costs that will warrant deductions from the valuation. As in previous years, the University adjusted the valuation to allow for the decrease in value in the buildings asset for unremediated earthquake damage. Note 8 explains the rationale for this and the methodology used, and highlights risks that estimates of damage to buildings may be different from that reflected in these financial statements.

#### (a) Land

The land valuation includes an allowance to reflect the possible legal impediments to achieving the fair market value of the land's highest and best use, incorporating assumptions as to the realisation period for the disposal of property sections and the number of sub-divisible sections, which has a direct impact on overall returns and the valuation.

#### (b) Buildings at Depreciated Replacement Cost

In performing depreciated replacement cost valuations with respect to buildings, estimates are made when determining the remaining useful lives over which the asset will be depreciated. If useful lives do not reflect the actual consumption of the benefits of the asset, then the University could be over or under estimating the annual depreciation charge recognised as an expense in the surplus or deficit. The cost element is determined with reference to building cost indices and / or market data if available.

The valuation excludes any capitalisation of borrowing costs that may have been incurred in the construction or acquisition of a component asset.

Adjustments have been made as appropriate to fairly reflect remaining lives by reference to physical condition and capital expenditure.

#### (c) Residential Properties at Market Values

The valuation of residential property owned by the University is based on market value. Market value is the estimated amount the property would sell for on the date of valuation,

between a willing buyer and willing seller in an arm's length transaction, acting knowledgeably, prudently and without compulsion.

The market value methodology for residential properties takes into account recent sales of comparable properties.

(d) Buildings at Market Value – Ilam Homestead

The valuation of the Ilam Homestead is based on market value and is predicated on a standard commercial lease arrangement for a property of this type.

(e) Campus Living Villages

The valuation of land and improvements that are leased to Campus Living ignores the lease impediment and treats the valuation in the same fashion as the balance of the University campus assets, that is, the leased assets are valued at depreciated replacement cost.

(f) Dovedale Campus

In 2014, the valuation merged the interests of the Crown and the University in respect of the Dovedale campus. In 2015, the Crown completed the transfer of ownership of this land to the University.

*Reversionary Interest*

A reversionary interest amount is recognised representing the progressive recognition of the value of the Campus Living accommodation which will vest in the University in 2040. The key assumption used in calculating this revenue is the discount rate at 4.97% (30 June 2015: 5.95%, 31 December 2015: 5.79%). Any changes in this rate will impact on the revenue recognised.

*Long Service, Retirement Leave and Sick Leave*

The estimates and uncertainties surrounding these valuations include an estimation of salary growth rate of 3.0%, resignation rates (as per Government Superannuation Fund), retirement rates (as per Government Superannuation Fund), and discounting rates based on the yields on Government Bonds (consistent with all entities that form part of the Crown's annual reporting).

*Recognition of Buildings Impairments*

The University has estimated the extent of damage to its buildings through the use of independent Quantity Surveyors, Inovo Projects Limited. These estimates are based on the following:

- each building has been separately considered;
- historical data and experience gathered over the last three years of remediation work;
- no allowance has been made for cost escalation;
- allowances are included for professional fees, contractor's costs and contingencies where appropriate, using industry rates; and
- certain buildings have detailed information and reports while others have very limited information and where the estimates have been developed using the best information available for each building.

Building impairments are discussed further in Note 8.

**University of Canterbury**  
**Statement of Comprehensive Revenue and Expense**

For the period ended 30 June 2016

	Notes	Unaudited June 2016 University Actuals (\$000's)	Unaudited June 2015 University Actuals (\$000's)	December 2015 University Actuals (\$000's)
<b>OPERATING REVENUE</b>				
Government Grant		72,995	73,641	130,812
Performance Based Research Funding (PBRF)		13,726	12,960	27,656
Student Tuition Fees Domestic Fee Paying		33,325	31,264	61,428
Student Tuition Fees Full Fee Paying		13,815	10,485	21,482
Student Services Levy		4,324	3,972	7,888
Other Student Related Fees		395	867	701
Research Revenue		13,589	12,679	27,433
Interest Revenue		9,707	10,455	19,799
Other Revenue	1	13,973	16,046	33,016
Insurance reimbursements and settlements		-	-	160
Increase in revaluation of Buildings	8	-	-	558
<b>TOTAL OPERATING REVENUE</b>	<b>1</b>	<b>175,849</b>	<b>172,369</b>	<b>330,933</b>
<b>OPERATING EXPENDITURE</b>				
Personnel Expenses	2	87,854	85,874	171,384
General / Operating Expenditure	3	54,063	51,688	107,837
Finance Charges	4	2,176	1,978	4,360
Depreciation and Amortisation	8	21,612	21,674	43,982
(Decrease) / Increase in impairment of Buildings	8	-	-	(118)
<b>TOTAL OPERATING EXPENDITURE</b>		<b>165,705</b>	<b>161,214</b>	<b>327,445</b>
<b>SURPLUS / (DEFICIT)</b>		<b>10,144</b>	<b>11,155</b>	<b>3,488</b>
<b>Other Comprehensive Revenue and Expense</b>				
Movements in revaluation reserves relating to Building Assets	8	(128)	-	70,266
Movements in revaluation reserves relating to Land	8	(880)	-	(4,910)
Net Movements in revaluation reserves	18	(1,008)	-	65,356
Effective portion of changes in fair value of cash flow hedges	18	232	891	619
Adjustment to New Zealand Synchrotron Group Limited Valuation	18	-	-	24
Adjustment to New Zealand South African Large Telescope (SALT) Limited Valuation	18	-	-	(57)
<b>Total Other Comprehensive Revenue and Expense</b>		<b>(776)</b>	<b>891</b>	<b>65,942</b>
<b>TOTAL COMPREHENSIVE REVENUE AND EXPENSE</b>		<b>9,368</b>	<b>12,046</b>	<b>69,430</b>

The accompanying policies and notes form an integral part of these financial statements.

## Statement of Changes in Net Assets / Equity

For the period ended 30 June 2016

		<i>Unaudited</i> June 2016 University Actuals (\$000's)	<i>Unaudited</i> June 2015 University Actuals (\$000's)	December 2015 University Actuals (\$000's)
	<i>Notes</i>			
<b>Balance at 1 January</b>		<b>1,310,889</b>	<b>1,164,459</b>	<b>1,164,459</b>
<b>Comprehensive revenue and expense</b>				
Surplus / (deficit)	18	10,144	11,155	3,488
Other comprehensive revenue and expense	18	(776)	892	65,942
<b>Total comprehensive revenue and expense</b>		<b>9,368</b>	<b>12,047</b>	<b>69,430</b>
<b>Non Comprehensive revenue Items</b>				
Capital Contributions from the Crown	18	-	-	77,000
<b>Total Non Comprehensive revenue Items</b>		<b>-</b>	<b>-</b>	<b>77,000</b>
<b>Balance as at period end</b>		<b>1,320,257</b>	<b>1,176,506</b>	<b>1,310,889</b>

The accompanying policies and notes form an integral part of these financial statements.

## Statement of Financial Position

As at 30 June 2016

	Notes	Unaudited June 2016 University Actuals (\$000's)	Unaudited June 2015 University Actuals (\$000's)	December 2015 University Actuals (\$000's)
<b>CURRENT ASSETS</b>				
Cash and Cash Equivalents	5	234,103	143,420	41,178
Other Financial Assets / Short Term Deposits	16	68,000	81,875	202,000
Receivables	6	36,159	27,169	24,180
Prepayments		5,770	5,626	9,589
Derivative Financial Instrument Assets	16	-	471	-
Inventories		1,329	1,139	1,329
Non-Current Assets Held for Sale	7	-	282	-
<b>Total Current Assets</b>		<b>345,361</b>	<b>259,982</b>	<b>278,276</b>
<b>LESS CURRENT LIABILITIES</b>				
Revenue Received in Advance	11	69,141	60,408	27,233
Accounts Payable	12	32,307	19,458	27,370
Derivative Financial Instrument Liabilities	16	337	-	121
Loans	13	32	32	32
Philanthropic Bond	14	2,000	2,000	2,000
Employee Entitlements	15	9,671	10,140	8,956
<b>Total Current Liabilities</b>		<b>113,488</b>	<b>92,038</b>	<b>65,712</b>
<b>WORKING CAPITAL</b>		<b>231,873</b>	<b>167,944</b>	<b>212,564</b>
<b>NON CURRENT ASSETS</b>				
Property, Plant and Equipment	8	811,355	757,283	801,254
Intangible Assets	8	9,727	7,145	9,427
Capital Work-in-Progress	8	181,535	77,885	131,590
Investments	9	106,114	54,513	107,402
Derivative Financial Instrument Assets	16	2,903	1,421	1,604
Other Financial Assets / Long Term Deposits	16	61,500	197,500	129,500
Receivables	10	1,944	1,817	1,879
Other Non Current Assets	10	18,682	12,615	17,827
<b>Total Non Current Assets</b>		<b>1,193,760</b>	<b>1,110,179</b>	<b>1,200,483</b>
<b>NON CURRENT LIABILITIES</b>				
Loans	13	864	896	864
Derivative Financial Instrument Liabilities	16	6,228	5,415	5,320
Philanthropic Bond	14	47,571	47,452	47,512
Employee Entitlements	15	28,963	25,273	26,297
Revenue Received in Advance	11	21,750	22,581	22,165
<b>Total Non Current Liabilities</b>		<b>105,376</b>	<b>101,617</b>	<b>102,158</b>
<b>NET ASSETS</b>		<b>1,320,257</b>	<b>1,176,506</b>	<b>1,310,889</b>
<b>REPRESENTED BY :</b>				
General Equity	18	1,084,352	1,007,000	1,074,084
General Equity - Te Pourewa Settlement Reserve	18	17,500	17,500	17,500
General Equity - Student Services Levy Capital Reserve	18	10,860	8,423	10,671
Revaluation Reserves	18	210,948	146,913	212,269
Cashflow Hedge Reserve	18	(3,411)	(3,371)	(3,643)
Available-For-Sale Reserve	18	8	41	8
<b>TOTAL EQUITY</b>		<b>1,320,257</b>	<b>1,176,506</b>	<b>1,310,889</b>

The accompanying policies and notes form an integral part of these financial statements.

## Statement of Cash Flows

For the period ended 30 June 2016

		<i>Unaudited</i> June 2016 University Actuals (\$000's)	<i>Unaudited</i> June 2015 University Actuals (\$000's)	December 2015 University Actuals (\$000's)
	Notes			
<b>OPERATING ACTIVITIES</b>				
<b>Cash provided from:</b>				
Government Grant		80,155	78,434	158,468
Tuition Fees		80,942	73,645	86,518
Other Revenue		39,254	29,037	52,781
Agency Funds		4,012	3,735	5,044
Interest Received		5,528	4,855	9,879
Net GST Movement		116	(4,107)	(5,612)
Earthquake Insurance Receipts - Business Interruption		-	22,689	22,689
		210,007	208,288	329,767
<b>Cash applied to:</b>				
Personnel Expenses		84,403	83,534	168,010
General / Operating Expenses		49,299	47,245	101,731
Agency Funds		4,012	3,735	5,044
Interest Paid		1,936	1,860	3,646
		139,650	136,374	278,431
<b>Net cash provided by Operating Activities</b>	<b>19</b>	<b>70,357</b>	<b>71,914</b>	<b>51,336</b>
<b>INVESTING ACTIVITIES</b>				
<b>Cash provided from:</b>				
Proceeds from disposal of Fixed Assets		28	411	16,764
Earthquake insurance receipts		-	246,493	246,493
Maturity of deposits with terms greater than 3 months but less than 12 months		270,000	88,846	66,846
		270,028	335,750	330,103
<b>Cash applied to:</b>				
Capital Expenditure		79,460	46,651	117,173
Deposits with terms greater than 3 months but less than 12 months		68,000	81,875	202,000
Deposits with terms greater than 12 Months		-	234,448	90,000
Purchase of Investments		-	-	106,786
		147,460	362,974	515,959
<b>Net cash used in Investing Activities</b>		<b>122,568</b>	<b>(27,224)</b>	<b>(185,856)</b>
<b>FINANCING ACTIVITIES</b>				
<b>Cash provided from:</b>				
Capital Contribution from the Crown		-	-	85,000
		-	-	85,000
<b>Cash applied to:</b>				
Repayment of Loans		-	-	32
Capital Contribution - Repayment under Funding Agreement		-	-	8,000
		-	-	8,032
<b>Net cash provided by Financing Activities</b>		<b>-</b>	<b>-</b>	<b>76,968</b>
Net increase (decrease) in cash held		192,925	44,690	(57,552)
Cash and Cash Equivalents on hand at beginning of period		41,178	98,730	98,730
<b>Cash and Cash Equivalents on hand at end of period</b>	<b>5</b>	<b>234,103</b>	<b>143,420</b>	<b>41,178</b>

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.

The accompanying policies and notes form an integral part of these financial statements.

## Notes to the Financial Accounts

For the period ended 30 June 2016

	<i>Unaudited</i> June 2016 University Actuals (\$000's)	<i>Unaudited</i> June 2015 University Actuals (\$000's)	December 2015 University Actuals (\$000's)
<b>1 Revenue</b>			
<b>Other Revenue</b>			
Donations / Koha	86	2	82
Donations from Trusts	1,419	1,621	4,561
Rentals	1,895	2,090	3,911
External Sales	1,857	2,384	3,597
Consultancy	2,284	2,098	3,606
Membership Fees	321	321	636
Reversionary Interest	855	2,754	7,965
Sundry Revenue	5,256	4,776	8,658
<b>Total Other Revenue</b>	<b>13,973</b>	<b>16,046</b>	<b>33,016</b>
Non exchange revenue included in total revenue	134,141	131,031	248,062
<b>2 PERSONNEL EXPENSES</b>			
Academic Salaries	37,688	36,942	76,059
General Salaries*	40,559	40,709	80,379
Superannuation Contributions	3,414	3,383	6,807
Councillors' Honoraria	114	32	170
Redundancy Costs	519	507	1,289
Movement in Actuarially Valued Employee Entitlements	2,713	1,728	2,829
Other Salary Related Expenditure	2,847	2,573	3,851
<b>TOTAL PERSONNEL EXPENSES</b>	<b>87,854</b>	<b>85,874</b>	<b>171,384</b>
* The General staff classification includes Education Plus staff.	1,782	2,002	3,912
<b>3 GENERAL / OPERATING EXPENDITURE - DISCLOSURES</b>			
<b>General / Operating Expenditure includes the following:</b>			
Audit New Zealand - External Financial Statements Audit	100	100	210
Audit New Zealand - External Financial Statements Audit Subsidiaries	-	-	7
Audit New Zealand - Other Assurance Work: Report to Bond Trustees, PBRF and Overhead Recovery Rate Certification	-	-	14
Bad Debts Written Off	30	2	58
Building Write Offs	1,069	-	5,042
Demolition Costs	139	97	1,464
Equipment Rentals	188	125	323
Exchange Losses	53	-	597
Fair Value Movement in Interest Rate Swaps	(382)	(419)	125
Increase / (Decrease) in Provision for Doubtful Debts	-	-	157
Loss on Disposal of Property, Plant & Equipment	467	4,416	2,962
Property Rentals	3,807	-	5,034
Asset Impairment	1,628	-	42
Student Association Service Provision	1,047	1,047	2,010
<b>4 FINANCE CHARGES</b>			
Finance Charges - Interest Paid	2,176	1,978	4,360
<b>5 CASH AND CASH EQUIVALENTS</b>			
Cash at Bank	2,448	77,976	2,206
Call Deposits	20,433	-	17,635
Term Deposits with maturities less than 3 month at acquisition	211,222	65,444	21,337
<b>TOTAL CASH AND CASH EQUIVALENTS</b>	<b>234,103</b>	<b>143,420</b>	<b>41,178</b>

The weighted average interest rate as at 30 June 2016 is 4.34% per annum (30 June 2015: 3.42% per annum; 31 December 2015: 3.14% per annum).  
The carrying amount of cash at bank, call deposits and term deposits with maturities less than three months at acquisition approximates their fair value.

	<i>Unaudited</i>	<i>Unaudited</i>	
	<i>June 2016</i>	<i>June 2015</i>	<i>December 2015</i>
	<i>University</i>	<i>University</i>	<i>University</i>
	<i>Actuals</i>	<i>Actuals</i>	<i>Actuals</i>
	<i>(\$000's)</i>	<i>(\$000's)</i>	<i>(\$000's)</i>
<b>6 RECEIVABLES</b>			
Receivables (gross)	36,407	27,261	24,428
Less Provision for Doubtful Debts	(248)	(92)	(248)
<b>Total Receivables</b>	<b>36,159</b>	<b>27,169</b>	<b>24,180</b>
Total Receivables comprise;			
Receivables from exchange transactions	34,064	17,462	21,970
Receivables from non exchange transactions	2,095	9,707	2,210
<b>TOTAL RECEIVABLES</b>	<b>36,159</b>	<b>27,169</b>	<b>24,180</b>

**Fair Value**

Receivables are generally short-term and non-interest bearing. Therefore, the carrying value of receivables approximates their fair value.

**Impairment**

Receivables that are 180 days past due date are considered unrecoverable unless there is a clear agreement for repayment. Receivables over \$1,000 that are 90 -180 days overdue are also assessed for recoverability based on the type of debtor, relationship to the University, communications with the debtor and predicted chances of recovery and costs associated with recovery. The provision for doubtful debts represents receivables assessed as irrecoverable aged greater than 91 days past due (30 June 2015: greater than 91 days past due; 31 December 2015: greater than 91 days past due). The majority of receivables are current.

**Credit Risk**

There is no concentration of credit risk with respect to Receivables as the balances are made up of a large number of customers.

**7 NON-CURRENT ASSETS HELD FOR SALE**

The University owned property located at 34 Scott Street in Lake Tekapo township has been presented as held for sale. A contract for the sale completed in July 2015.

8 PROPERTY, PLANT & EQUIPMENT AND INTANGIBLES

	COST / VALN		ACCUM DEPN & AMORTISATION		NET BOOK VALUE		CURRENT YEAR ADDITIONS		CURRENT YEAR DISPOSALS		CURRENT YEAR REVALUATION MOVEMENTS		CURRENT YEAR REVALUATION/ ACCUM DEPN		CURRENT YEAR IMPAIRMENT MOVEMENTS		Unaudited COST / VALN		Unaudited ACCUM DEPN & AMORTISATION		Unaudited NET BOOK VALUE	
	DEC 14 (\$000's)	DEC 14 (\$000's)	DEC 14 (\$000's)	DEC 14 (\$000's)	JUN 15 (\$000's)	JUN 15 (\$000's)	JUN 15 (\$000's)	JUN 15 (\$000's)	JUN 15 (\$000's)	JUN 15 (\$000's)	JUN 15 (\$000's)	JUN 15 (\$000's)	JUN 15 (\$000's)	JUN 15 (\$000's)	JUN 15 (\$000's)	JUN 15 (\$000's)	JUN 15 (\$000's)	JUN 15 (\$000's)	JUN 15 (\$000's)	JUN 15 (\$000's)	JUN 15 (\$000's)	JUN 15 (\$000's)
UNIVERSITY																						
Land at Valuation	105,740	105,740	-	(1,65)	-	(1,65)	-	-	-	-	-	-	-	-	-	-	105,575	105,575	-	-	-	105,575
Buildings at Valuation	492,806	492,806	-	(4,921)	272	(4,921)	40,405	-	-	-	(12,880)	-	-	-	-	-	529,289	519,681	(12,608)	-	-	519,681
Infrastructure Assets	34,663	34,663	(1)	1,154	-	(768)	1,154	-	-	-	(768)	-	-	-	-	-	35,818	35,051	(767)	-	-	35,051
Plant & Equipment at Cost	120,656	(82,248)	(82,248)	(1,007)	1,041	(1,007)	2,359	-	-	-	(4,754)	-	-	-	-	-	122,008	85,961	(85,961)	-	-	36,047
Leased Equipment at Cost	11,050	(11,050)	(11,050)	-	-	-	-	-	-	-	-	-	-	-	-	-	11,050	(11,050)	(11,050)	-	-	-
Library (Current Collection) at Cost	90,042	(70,197)	(70,197)	-	-	-	1,621	-	-	-	(2,047)	-	-	-	-	-	91,663	(72,244)	(72,244)	-	-	19,419
Library (Permanent Collection) at Valuation	45,503	45,503	-	-	7	-	-	-	-	-	-	-	-	-	-	-	45,510	-	-	-	-	45,510
Property, Plant and Equipment	900,461	736,985	(163,496)	(6,094)	1,313	(6,094)	45,546	(20,447)	1,313	(20,447)	-	-	-	-	-	-	939,913	(182,630)	(182,630)	-	-	757,283
Intangible Assets - Software	25,359	8,206	(17,153)	(1)	11	(1)	166	(1,227)	11	(1,227)	-	-	-	-	-	-	25,514	(18,369)	(18,369)	-	-	7,145

	COST / VALN		ACCUM DEPN & AMORTISATION		NET BOOK VALUE		CURRENT YEAR ADDITIONS		CURRENT YEAR DISPOSALS		CURRENT YEAR REVALUATION MOVEMENTS		CURRENT YEAR REVALUATION/ ACCUM DEPN		CURRENT YEAR IMPAIRMENT MOVEMENTS		Unaudited COST / VALN		Unaudited ACCUM DEPN & AMORTISATION		Unaudited NET BOOK VALUE	
	DEC 14 (\$000's)	DEC 14 (\$000's)	DEC 14 (\$000's)	DEC 15 (\$000's)	DEC 15 (\$000's)	DEC 15 (\$000's)	DEC 15 (\$000's)	DEC 15 (\$000's)	DEC 15 (\$000's)	DEC 15 (\$000's)	DEC 15 (\$000's)	DEC 15 (\$000's)	DEC 15 (\$000's)	DEC 15 (\$000's)	DEC 15 (\$000's)	DEC 15 (\$000's)	DEC 15 (\$000's)	DEC 15 (\$000's)	DEC 15 (\$000's)	DEC 15 (\$000's)	DEC 15 (\$000's)	DEC 15 (\$000's)
UNIVERSITY																						
Land at Valuation	105,740	105,740	-	(325)	560	(325)	45,779	-	-	-	(4,910)	-	-	-	-	-	101,085	101,085	-	-	-	101,085
Buildings at Valuation	492,806	492,806	-	(25,065)	809	(25,065)	8,495	-	-	-	(1,710)	-	-	-	-	-	559,037	559,037	(1,710)	-	-	559,037
Infrastructure Assets	34,663	34,663	(82,248)	(2,627)	2,607	(2,627)	8,517	-	-	-	(9,864)	-	-	-	-	-	126,545	126,545	(89,505)	-	-	39,448
Plant & Equipment at Cost	120,656	(82,248)	(82,248)	(1,055)	621	(1,055)	3,705	-	-	-	(4,949)	-	-	-	-	-	11,050	(89,505)	(89,505)	-	-	37,040
Leased Equipment at Cost	11,050	(11,050)	(11,050)	-	-	-	-	-	-	-	-	-	-	-	-	-	11,050	(11,050)	(11,050)	-	-	-
Library (Current Collection) at Cost	90,042	(70,197)	(70,197)	-	-	-	3,297	-	-	-	(4,061)	-	-	-	-	-	93,339	(74,258)	(74,258)	-	-	19,081
Library (Permanent Collection) at Valuation	45,503	45,503	-	-	-	-	-	-	-	-	-	-	-	-	-	-	45,583	-	-	-	-	45,583
Property, plant & equipment	900,459	736,984	(163,495)	(28,017)	3,416	(28,017)	64,728	(41,871)	3,416	(41,871)	38,648	-	-	-	-	-	977,777	(176,523)	(176,523)	-	-	801,254
Intangible Assets - Software	25,359	8,206	(17,153)	(4,519)	4,518	(4,519)	3,333	(2,111)	4,518	(2,111)	-	-	-	-	-	-	24,173	(14,746)	(14,746)	-	-	9,427

	COST / VALN		ACCUM DEPN & AMORTISATION		NET BOOK VALUE		CURRENT YEAR ADDITIONS		CURRENT YEAR DISPOSALS		CURRENT YEAR REVALUATION MOVEMENTS		CURRENT YEAR REVALUATION/ ACCUM DEPN		CURRENT YEAR IMPAIRMENT MOVEMENTS		Unaudited COST / VALN		Unaudited ACCUM DEPN & AMORTISATION		Unaudited NET BOOK VALUE	
	DEC 15 (\$000's)	DEC 15 (\$000's)	DEC 15 (\$000's)	DEC 16 (\$000's)	DEC 16 (\$000's)	DEC 16 (\$000's)	DEC 16 (\$000's)	DEC 16 (\$000's)	DEC 16 (\$000's)	DEC 16 (\$000's)	DEC 16 (\$000's)	DEC 16 (\$000's)	DEC 16 (\$000's)	DEC 16 (\$000's)	DEC 16 (\$000's)	DEC 16 (\$000's)	DEC 16 (\$000's)	DEC 16 (\$000's)	DEC 16 (\$000's)	DEC 16 (\$000's)	DEC 16 (\$000's)	DEC 16 (\$000's)
UNIVERSITY																						
Land at Valuation	101,085	101,085	-	-	-	-	23,401	-	-	-	(12,683)	-	-	-	-	-	100,185	100,185	-	-	-	100,185
Buildings at Valuation	599,037	599,037	(1,710)	(169)	13	(169)	4,462	-	-	-	(1,055)	-	-	-	-	-	581,229	581,229	(12,670)	-	-	568,559
Infrastructure Assets	41,158	39,448	(89,505)	(1,112)	621	(1,112)	3,705	-	-	-	(4,949)	-	-	-	-	-	45,620	42,855	(2,765)	-	-	42,855
Plant & Equipment at Cost	126,545	37,040	(89,505)	-	-	-	-	-	-	-	-	-	-	-	-	-	129,136	(93,833)	(93,833)	-	-	35,305
Leased Equipment at Cost	11,050	(11,050)	(11,050)	-	-	-	-	-	-	-	-	-	-	-	-	-	11,050	(11,050)	(11,050)	-	-	-
Library (Current Collection) at Cost	93,339	(74,258)	(74,258)	-	-	-	1,571	-	-	-	(1,898)	-	-	-	-	-	94,910	(76,156)	(76,156)	-	-	18,754
Library (Permanent Collection) at Valuation	45,583	45,583	-	-	114	-	-	-	-	-	-	-	-	-	-	-	45,697	-	-	-	-	45,697
Property, plant & equipment	977,777	801,254	(176,523)	(1,281)	634	(1,281)	33,253	(20,585)	634	(20,585)	(1,922)	-	-	-	-	-	1,007,829	(196,474)	(196,474)	-	-	811,355
Intangible Assets - Software	24,173	9,427	(14,746)	(1,266)	1,243	(1,266)	1,350	(1,027)	1,243	(1,027)	-	-	-	-	-	-	24,257	(14,530)	(14,530)	-	-	9,727

	Unaudited Jun 2015		Unaudited Dec 2015	
	\$000's	\$000's	\$000's	\$000's
Capital Work in Progress	180,337	74,008	128,129	62
Building	33	73	3,399	62
Plant and Equipment	1,165	3,804	3,399	-
Intangible Assets - Software	181,535	77,885	131,590	-

**Capital Work in Progress**  
The University continues to carry a significant amount of Capital Work in Progress. This balance has increased in recent years as the University has followed a programme of significant building repairs following the earthquakes and, latterly, new building projects that take some time to complete. The University expects this balance to continue to be significant for the next few years as the building projects for Regional Science and Innovation Centre (RSIC), Canterbury Engineering the Future (CETF), and the New Education Building (NEB) are pursued.

**Revaluation Movement**  
There were no revaluation movements in the period ended 30 June 2016 or 30 June 2015. The building revaluation at 31 December 2015 was an increase of \$70,942 million. The 31 December 2015 revaluation movement is split \$0.676 million in operating reserves (\$0.558 million revaluation and \$0.118 million decrease in impairment) and \$70.266 million in the revaluation reserves. All impairment previously charged has now been overturned by subsequent revaluations and remediation work.

**Crown Land**  
The Crown transferred the land at Dovedale Campus, Solway Avenue, Christchurch to the University in August 2015. Previously, the Crown had legal title to the land and a portion of the buildings. However, the University had 'in substance' ownership of the land and buildings and reported these assets as if owned by the University. The University had a 99 year lease of these land and buildings at a peppercorn rent, subject to the rights of renewal being exercised.

**Restrictions and Security**  
There are no restrictions over the title of the University's Property, Plant and Equipment or intangibles, nor are any pledged as security for liabilities.

**Revaluations**  
Land and Buildings, including residential and commercial property and the Ilam Homestead were revalued at 31 December 2015 by Chris Barracough, Registered Valuer of CBRE, Christchurch. Infrastructure Assets at Valuation have been established as a separate category within Property, Plant and Equipment, and revalued at 31 December 2014 by George Jason Smith, of AECOM New Zealand Limited. Included in the Library (Permanent Collection) / Other Collections at Valuation line item are the University's Art Work Collections, Medal Collection and Logie Collection.

The Logie Collection was revalued at 25 September 2012 by James Ede of Limited.  
The Medal Collection was revalued at 18 December 2013 by R. J. Watt and Associates, independent valuers.  
The Art Collection was revalued at 31 May 2014 by James Paikinson, Director of Valuations, Art + Object Limited, Auckland.

**Buildings Revaluation Reserve**  
The movements on the building revaluations reserve for the period ended 30 June 2016 relate to the University's Kaitiaki Field Station and are explained below.  
The University engaged CBRE to provide a full valuation of its buildings at 31 December 2015. Previous impairments have been replenished by remediation work and subsequent revaluations and the University was able to reflect revaluation increases in its revaluation reserves. As the damage incurred from the earthquakes was not factored into this valuation, the University adjusted the carrying value of buildings as at 31 December 2015 to reflect the estimated cost of repairing the buildings back to the state that existed prior to the earthquakes. This impairment does not reflect the full cost of making buildings compliant with the new building code.  
The University has accounted for impairments to all damaged buildings at a value equal to each building's estimated damage per Inovo Projects Limited (unless the estimated damage repair cost is more than Net Book Value (NBV), in which case the building is impaired to \$nil), adjusting also for remediation work completed.

**Impairment**  
There has been no increase in the earthquake impairment assessment as at 30 June 2016. The impairment of buildings at 30 June 2015 was a net impairment of \$6,790 million. However, the University has written down the value of the University's Kaitiaki Field Station where the surrounding cliffs have been assessed as unsafe. The reduction in the value of the Kaitiaki Field Station has resulted in a write-off of \$1,042 million of which \$0.903 million is charged to the surplus / (deficit) (Note 3 to the financial statements) and revaluation reserves have been reduced by \$0.128 million.  
The main effect of the earthquake has been the extensive damage to the University's buildings. The consequential impairment recorded in the University's financial statements has proved to be complex given the level of estimation, particularly in the structural investigation of the affected buildings. As more information has become available and work has been carried out, these estimates have been refined and increased. The risk remains that the final cost to the University may be significantly in excess of estimates.  
The University has employed Inovo Projects Limited to provide the estimate of total repairs, which is set at \$511.2 million at 30 June 2016 (30 June 2015: \$511 million; 31 December 2015: \$511.2 million).  
The University continues to work to improve the quality and accuracy of the information available, but there remain important inherent uncertainties in the estimates, and they include several key assumptions:  
• the degree of cracking across the large surface area of concrete structures across campus;  
• the availability of detailed engineering reports and the degree these are informed by invasive testing; and  
• the changing quantification of damage estimates when the remediation and strip out work is commenced, which can expose a greater degree of damage than first thought.  
The estimate of damage remains subject to considerable potential variability and consequently the cost of repair estimated in these financial statements could increase. Additionally, there is no allowance in these estimates for inflation, whereas forecast increases in construction costs in the Canterbury region are expected by Government and local business organisations to be significant.

The inherent uncertainty in the damage estimates is reflected in the assessed amounts, although estimates have stabilised for now. The University has written down many of its buildings to \$nil, and as a consequence any increase in assessed remediation cost for those buildings has minimal effect - there can be no further reduction in NBV.  
There has been no significant increase in the damage assessment as at 30 June 2016 (30 June 2015: \$nil; 31 December 2015: \$nil), and as a consequence the University has not recorded a change in impairment at 30 June 2016 (30 June 2015: decrease \$1,957 million), confirming the growing maturity of the estimates and the existing allocation of the impairment to buildings already with \$nil NBV, and the exclusion from the impairment calculation of those buildings now remediated. The University considers that, on this basis, any further increase in damage assessment will continue to demonstrate a similar pattern. While building impairment to date is estimated at \$511.2 million (30 June 2015: \$511 million; 31 December 2015: \$511.2 million), only \$275.0 million (30 June 2015: \$277 million; 31 December 2015: \$275 million) has been shown as an impairment cost, for the reasons outlined. As the remediation programme progresses and assessments become more accurate, the University also considers that the effect of any increase in the remediation assessment will attenuate.

	Unaudited June 2016		Unaudited June 2015		Unaudited Dec 2015	
	University Assets (\$000's)					
Fair Value of buildings as at 1 January	559,037	492,806	492,806	492,806	492,806	492,806
Building Additions	23,401	40,405	45,779	40,405	45,779	40,405
Depreciation	(669,755)	(12,683)	(12,683)	(12,683)	(12,683)	(12,683)
		520,331	512,349	512,349	512,349	512,349
Increase in valuation of buildings	-	-	66,986	66,986	66,986	66,986
Building write offs	(154)	(4,649)	(5,042)	(5,042)	(5,042)	(5,042)
Building disposals	-	-	(19,214)	(19,214)	(19,214)	(19,214)
Decrease / (increase) in impairment of buildings	-	-	4,957	4,957	4,957	4,957
Fair Value of buildings as at balance date	568,559	515,681	559,037	559,037	559,037	559,037

Of the overall impairment estimate of \$511.2 million, \$216.0 million relates to buildings that are yet to be remediated. The University continues to develop its remediation and wider capital asset management plans, which it anticipates will be completed in 5 to 10 years.

**Critical Accounting Assumptions**  
See the accounting policies for further critical accounting assumptions regarding Land and Buildings.



	<i>Unaudited</i> June 2016 University Actuals (\$000's)	<i>Unaudited</i> June 2015 University Actuals (\$000's)	<i>December 2015</i> University Actuals (\$000's)
<b>9 INVESTMENTS</b>			
Investment Category			
<i>Investments at Fair Value through other Comprehensive Revenue and Expense</i>			
Investment in South African Large Telescope (SALT)	702	758	702
Investment in New Zealand Synchrotron Group Limited	51	28	51
<i>Investments at Amortised Cost</i>			
Government Bonds	105,361	53,727	106,649
<b>TOTAL INVESTMENTS</b>	<b>106,114</b>	<b>54,513</b>	<b>107,402</b>

#### Investment in South African Large Telescope (SALT)

The South African Large Telescope Foundation is a collaboration of various universities and research organisations, to design, construct and operate a ten metre telescope for the advancement of science and the promotion of astronomy and astrophysics. The University has a 3.1% shareholding in the South African Large Telescope Foundation.

#### Investment in New Zealand Synchrotron Group Limited

The New Zealand Synchrotron Group Limited is made up of 8 universities and currently 4 Crown Research Institutes. The University has a 9.48% shareholding.

The New Zealand Synchrotron Group Limited invests as a shareholder in Australian Synchrotron Holding Company Proprietary Limited, and in return receives access rights to usage of the Synchrotron Instrument.

#### Government Bonds

The government bonds classified as held to maturity investments have been revalued at amortised cost using the effective interest rate method. The effective interest rate amortisation is included in finance revenue.

The University also has equity investments of minimal or nil value as follows:

Name	Percentage Held
Canterprise Limited	100%
Entré Limited	100%
UC International College Limited	100%
Te Tapuae O Rehua Limited	17%
Stratified Concrete Technologies Limited	15%
Unisaver Limited	14%
Veritide Limited	8%
Kiwi Innovation Network Limited	8%
Tiro Medical Limited (formerly Tiro Life Sciences Limited)	7%
WQI Limited (In Liquidation)	2%

#### 10 TERM RECEIVABLE AND OTHER NON CURRENT ASSETS

	<i>Unaudited</i> June 2016 University Actuals (\$000's)	<i>Unaudited</i> June 2015 University Actuals (\$000's)	<i>December 2015</i> University Actuals (\$000's)
Campus Living Village - Term Receivable	1,944	1,817	1,879
<b>Other non current assets</b>			
Reversionary interest	18,682	12,615	17,827

#### Campus Living Village - Term Receivable

In December 2005 the University entered into a 35 year arrangement to lease the student accommodation facilities to Campus Living Village (CLV) for \$35 million.

A portion of revenue was received in advance (\$28 million) for the current facilities and is being spread over the term of the lease on a straight line basis (Note 11).

The term receivable represents the present value of the amount still owing by CLV. This amount will increase over the term of the lease and a final payments will be made by CLV on maturity.

#### Reversionary interest

In line with the CLV lease agreement additional buildings have been constructed at Campus Living's cost. Ownership of these buildings will vest with the University at the end of the lease.

The reversionary interest represents the value of the University's interest in these buildings which will generally increase over time, dependant on the discount rate used and the valuation of the buildings and is valued on a present value basis.

#### 11 REVENUE RECEIVED IN ADVANCE

##### Current Revenue Received in Advance

	<i>Unaudited</i> June 2016 University Actuals (\$000's)	<i>Unaudited</i> June 2015 University Actuals (\$000's)	<i>December 2015</i> University Actuals (\$000's)
Student Fees	44,072	38,354	9,236
Research Revenue	17,695	14,986	13,403
Future minimum operating lease revenue not later than one year	868	868	868
Other	6,506	6,200	3,726
	<b>69,141</b>	<b>60,408</b>	<b>27,233</b>

##### Term Revenue Received in Advance

	<i>Unaudited</i> June 2016 University Actuals (\$000's)	<i>Unaudited</i> June 2015 University Actuals (\$000's)	<i>December 2015</i> University Actuals (\$000's)
<i>Future minimum operating lease revenue:</i>			
Later than one year and not later than five years	3,471	3,471	3,471
Later than five years	18,279	19,110	18,694
	<b>21,750</b>	<b>22,581</b>	<b>22,165</b>

#### TOTAL REVENUE RECEIVED IN ADVANCE

	<b>90,891</b>	<b>82,989</b>	<b>49,398</b>
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	<i>Unaudited</i>	<i>Unaudited</i>	
	<i>June 2016</i>	<i>June 2015</i>	<i>December 2015</i>
	<i>University</i>	<i>University</i>	<i>University</i>
	<i>Actuals</i>	<i>Actuals</i>	<i>Actuals</i>
	<i>(\$000's)</i>	<i>(\$000's)</i>	<i>(\$000's)</i>
<b>12 ACCOUNTS PAYABLE</b>			
<b>Payables under exchange transactions</b>			
Trade Payables	3,198	3,451	3,989
Other Payables	26,458	13,305	20,836
<b>Total Payables under exchange transactions</b>	<b>29,656</b>	<b>16,756</b>	<b>24,825</b>
<b>Payables under non-exchange transactions</b>			
Taxes payable (GST, PAYE, and rates)	2,651	2,702	2,545
<b>Total Payables under non-exchange transactions</b>	<b>2,651</b>	<b>2,702</b>	<b>2,545</b>
<b>TOTAL ACCOUNTS PAYABLE</b>	<b>32,307</b>	<b>19,458</b>	<b>27,370</b>

Trade Payables and Other Payables are non-interest bearing and are normally settled on 30-day terms, therefore their carrying value approximates to their fair value.

	<i>Unaudited</i>	<i>Unaudited</i>	
	<i>June 2016</i>	<i>June 2015</i>	<i>December 2015</i>
	<i>University</i>	<i>University</i>	<i>University</i>
	<i>Actuals</i>	<i>Actuals</i>	<i>Actual</i>
	<i>(\$000's)</i>	<i>(\$000's)</i>	<i>(\$000's)</i>
<b>13 LOANS</b>			
<b>Current Loans</b>			
Sonoda Gakuen Corporation of Japan Loan	32	32	32
<b>Non current Loans</b>			
Sonoda Gakuen Corporation of Japan Loan	864	896	864
<b>TOTAL LOANS</b>	<b>896</b>	<b>928</b>	<b>896</b>
<b>Analysis of Loan</b>			
Analysis of Loan Liabilities			
Within one year	32	32	32
One - five years	128	128	128
Greater than five years	736	768	736
	<b>896</b>	<b>928</b>	<b>896</b>

Sonoda Gakuen Corporation of Japan advanced \$1.6 million in March 1992 to assist with the funding of the construction of the Sonoda Christchurch Campus.

The loan is for a term of 50 years at an interest rate of 3% per annum.

The carrying amount for loans and leases approximates their fair value.

The University operates a purchasing card facility and had a credit limit of \$11 million as at 30 June 2016 (30 June 2015: \$11 million; 31 December 2014: \$11 million).

	<i>Unaudited</i>	<i>Unaudited</i>	
	<i>June 2016</i>	<i>June 2015</i>	<i>December 2015</i>
	<i>University</i>	<i>University</i>	<i>University</i>
	<i>Actuals</i>	<i>Actuals</i>	<i>Actuals</i>
	<i>(\$000's)</i>	<i>(\$000's)</i>	<i>(\$000's)</i>
<b>14 PHILANTHROPIC BOND</b>			
Philanthropic Bond - Current	2,000	2,000	2,000
Philanthropic Bond - Long Term	47,978	47,978	47,978
Capitalised bond issue costs	(407)	(526)	(466)
	47,571	47,452	47,512
<b>TOTAL PHILANTHROPIC BOND</b>	<b>49,571</b>	<b>49,452</b>	<b>49,512</b>

In 2009, the University launched a \$50 million, 10 year, fixed rate, unsubordinated, unsecured Bond at an interest rate of 7.25% per annum fixed for 5 years to be reset for a further 5 years

at a 1.75% margin over the then prevailing 5 year swap rate. The issue was fully subscribed at an issue price of \$1 per Bond with a maturity date of 15 December 2019.

On 15 December 2014 the interest rate was reset at 5.77% for the next 5 years in line with the original offer terms.

The Bond is a philanthropic bond which gives the bond holder the ability to donate either the principal or interest or both throughout the 10 year period of the bond.

Principal donated will be irrevocable, but donations of interest are revocable by the bond holder interest period to interest period. All donations of principal are required to be given to the Philanthropic Bond Trust.

Any donations received by the Philanthropic Bond Trust must be used for advancing and promoting the University's capital works programme.

On the 29th of November 2012 an amendment to the Bond Deed was made to limit the amount of donations, immediately payable to UC Foundation, within a rolling 12 month period at \$2 million.

This portion of the Bond is regarded as a Current Liability and disclosed separately on the face of the Statement of Financial Position.

#### Capitalised bond issue costs

Expenses incurred in the issue of the 10 year Fixed Rate Unsubordinated Unsecured Philanthropic Bond were capitalised and are being amortised over the period of the bond.

#### Bond Covenants

The Bond trust deed requires the University to ensure that the following financial covenant ratios are achieved during the year:

- Secured debt will not exceed 5% of the aggregate of debt plus equity
- Debt will not exceed 25% of the aggregate of debt plus equity

There was no breach of the covenants for the six months to 30 June 2016 (30 June 2015: no breach; 31 December 2015: no breach).

#### Ministry of Education (MOE) Borrowing Consent

The borrowing consent from the Secretary for Education requires appointment of an independent advisor as soon as practicable after the University Council forms the view that it will be required to have outstanding borrowings of more than \$65 million; and for the provision of Financial Planning and Resourcing Committee and Council papers; limits on use of assets as security; and provision of capital asset management planning and capital expenditure reporting. There are no financial covenants.

The MOE consent requirements were fully complied with for the six months to 30 June 2016 (30 June 2015: full compliance, 31 December 2015: full compliance).

The fair value of the bonds as at 30 June 2016 was \$53.0 million (30 June 2015: \$52.2 million; 31 December 2015: \$53.0 million). The fair values of the bonds are determined by reference to the quoted market price on the NZDX at balance date.



## 17 FINANCIAL INSTRUMENTS

The University has a series of policies to manage the risks associated with financial instruments in line with statutory and Council guidelines. The University is risk averse and seeks to minimise exposure from its treasury activities.

### FAIR VALUE HIERARCHY DISCLOSURES

For those instruments recognised at fair value in the statement of financial position, fair values are determined according to the following hierarchy:

- Quoted market price - financial instruments with quoted prices for identical instruments in active markets.
- Valuation techniques using observable inputs - financial instruments with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial instruments valued using models where all significant inputs are observable.
- Valuation techniques with significant non-observable inputs - financial instruments valued using models where one or more significant inputs are not observable.

Derivative financial instruments (both current and non-current) are valued with valuation techniques using observable inputs.

Investments have been valued with valuation techniques with significant non-observable inputs.

### RISK MANAGEMENT

#### Price Risk

The equity investments that are held by the University are reflected within the financial statements either at cost, less impairment, or at fair value. It is deemed that there is limited price risk since at balance date no events had occurred to counter the view that their fair values were significantly different to their respective capitalisation figures.

#### Foreign Exchange Risk

The University's sensitivity to foreign currency has decreased during the current year as a result of foreign currency forward contracts taken to reduce exposure to currency fluctuations. The University's exposure remains immaterial for these financial statements.

#### Forward Foreign Currency Exchange Contracts

It is the policy of the University to enter into forward foreign currency exchange contracts to cover specific significant foreign currency payments.

As at 30 June 2016, the aggregate amount of unrealised gains/(losses) under forward foreign exchange contracts deferred in the hedging reserve relating to the exposure on these anticipated future transactions is \$(337,252) (30 June 2015 \$593,623; 31 December 2015: \$(130,996)).

#### Cash flow Interest Rate Risk

Cash flow interest rate risk is the risk that the cash flows from a financial instrument will fluctuate because of changes in market interest rates. Cash and Cash Equivalents and short term deposits issued at variable interest rates create exposure to cash flow interest rate risk.

#### Fair Value Interest Rate Risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. Financial instruments which potentially subject the University to concentrations of interest rate risk consist principally of Cash and Cash Equivalents, Short and Long Term Deposits, Loans and Leases.

Although overall interest rate risk has been reduced due to the utilisation of fixed interest rates for both borrowing and investment in deposits, this does expose the University to a degree of "fair value interest rate risk" should market conditions move significantly in an adverse direction.

Note 13 and Note 14 provide an analysis in relation to these financial instruments.

#### Interest Rate Swap Contracts

The University uses interest rate swaps to reduce its exposure to cash flow interest rate risk resulting from resetting the fixed interest rates on bond borrowings.

Under an interest rate swap contract, the University agreed to exchange the difference between floating and fixed rate interest amounts calculated on an agreed notional principal amount. This was designated as a cash flow hedge. This contract enables the University to mitigate future cash flow exposures on the interest rate reset (which was set for 15 December 2014) of the issued fixed rate bond debt. The fair value of interest rate swaps at the reporting date is determined by discounting the future cash flows using the curve at reporting date and the credit risk inherent in the contract, and is disclosed below. The average interest rate is based on the outstanding balances at 31 December.

On 15 December 2014 the Philanthropic Bond Interest rate was reset at 5.77% and the hedging relationship between the original swap and the bond was de-designated. At the time the accumulated losses on this hedge relationship held in reserves was \$4,390,000. In accordance with NZ PBE IPSAS 29 Financial Instruments: Recognition and Measurement, this balance is being recycled through the surplus and deficit from the hedge reserve on a straight-line basis over the remaining 5 years of the bond.

A second Interest rate swap contract was entered into at the same time as the Philanthropic Bond interest rate reset, effectively locking in the interest payable by the University over the remaining term of the Philanthropic Bond.

Both interest rate swaps will settle on a quarterly basis from December 2014. The floating rate on the interest rate swap is the floating rate in New Zealand. The University will settle the difference between the fixed and floating rate on a net basis.

The interest payments on the bond are made half yearly and the interest payments on the interest rate swaps are made quarterly. The Bond rate is 5.77% but with the swap arrangement, the University's effective interest rate is 7.77%

The following tables detail the notional principal amounts and remaining terms of interest rate swap contracts outstanding as at balance date.

#### Interest Rate Swaps

Swap 1 Outstanding pay fixed receive floating contract

Swap 2 Outstanding pay floating receive fixed contract

University & Group	Average contracted fixed interest rate			Notional Principal Amount		
	30 June 2016	30 June 2015	31 December 2015	30 June 2016	30 June 2015	31 December 2015
	%	%	%	(NZ\$000's)	(NZ\$000's)	(NZ\$000's)
Swap 1:						
2 to 5 years	5.95	5.95	5.95	50,010	50,010	50,010
Swap 2:						
2 to 5 years	Floating	-	-	50,010	50,010	50,010

#### Interest Rate Sensitivity Analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for both derivative and non-derivative instruments at 30 June.

For floating rate liabilities and assets, the analysis is prepared assuming the exposure outstanding at 30 June was outstanding for the period.

For interest rate swap contracts the analysis is prepared assuming that the interest rate swap contracts are revalued to fair value at 30 June, and that the 30 June contracts were in place for the period.

A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonable possible change in interest rates.

As at 30 June, if interest rates had been 50 basis points higher/(lower) and all other variables were held constant, the following would occur:

	Unaudited June 2016 University Actuals (\$000's)	Unaudited June 2015 University Actuals (\$000's)	December 2015 University Actuals (\$000's)
<b>Surplus/Equity</b>			
Surplus/Equity - increase (i)	953	1,245	2,082
Surplus/Equity - (decrease) (i)	(953)	(1,245)	(2,082)

(i) This is mainly attributable to the University's exposure to interest rates on its cash deposits.

#### Credit Risk

Credit risk is the risk that one party to a transaction will fail to discharge an obligation and cause the other party to incur a financial loss. The University is subject to an element of credit risk principally within Receivables, Cash and Cash Equivalents and Term Deposits. To mitigate risk, the University's treasury management framework is adhered to. Cash, Cash Equivalents and Term deposits are diversified through placements with a number of different New Zealand financial institutions and the University also invests in Government bonds. Credit exposure is further reduced by monitoring individual weightings.

Due to the large number of individual trade debtors, the concentration of credit risk with respect to Trade Receivables is greatly reduced.

The University exposure to credit risk is reflected by the carrying amount in the Statement of Financial Position for cash and cash equivalents, receivables, term deposits, Government bonds and forward foreign exchange contract assets.

### Liquidity Risk

Liquidity risk is the risk that the University will encounter difficulty raising liquid funds to meet commitments as they fall due. Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions.

The maturity profiles of the University's interest bearing financial instruments and investments are disclosed in Notes 13,14 and 16 respectively.

Liquidity ratio measurement analysis and forecasting is undertaken in order that liquidity risk is reduced.

### Contractual maturity analysis of financial liabilities, excluding derivatives

The table below analyses financial liabilities (excluding derivatives) into relevant maturity groupings based on the period remaining to the contractual maturity date as at balance date. Future interest payments on floating rate debt are based on the floating rate applicable to the instruments at 30 June.

The amounts disclosed are the contractual undiscounted cash flows.

	Carrying Amount (\$'000's)	Contractual cash flows (\$'000's)	Less than 1 year (\$'000's)	Between Years 1 -	Between Years 2 -	From Year 3 (\$'000's)
				2	3	
<b>University June 2016</b>						
Accounts Payable	32,307	32,307	32,307	-	-	-
Sonoda Gakuen Corporation of Japan Loan	896	1,286	59	58	57	1,112
Philanthropic Bond	49,571	60,111	2,886	2,886	2,886	51,453
<b>Total</b>	<b>82,774</b>	<b>93,704</b>	<b>35,252</b>	<b>2,944</b>	<b>2,943</b>	<b>52,565</b>
<b>University June 2015</b>						
Accounts Payable	19,458	19,458	19,458	-	-	-
Sonoda Gakuen Corporation of Japan Loan	928	1,346	60	59	58	1,169
Philanthropic Bond	49,452	62,996	2,886	2,886	2,886	54,338
<b>Total</b>	<b>69,838</b>	<b>83,800</b>	<b>22,404</b>	<b>2,945</b>	<b>2,944</b>	<b>55,507</b>
<b>University December 2015</b>						
Accounts Payable	27,370	27,370	27,370	-	-	-
Sonoda Gakuen Corporation of Japan Loan	896	1,286	59	58	57	1,112
Philanthropic Bond	49,512	64,439	2,886	2,886	2,886	55,781
<b>Total</b>	<b>77,778</b>	<b>93,095</b>	<b>30,315</b>	<b>2,944</b>	<b>2,943</b>	<b>56,893</b>

### Contractual maturity analysis of derivative financial liabilities

The table below analyses derivative financial liabilities into those that are settled net and those that will be settled on a gross basis into their relevant maturity groupings based on their remaining period from 30 June to the contractual maturity date. The amounts disclosed are the contractual undiscounted cash flows.

	Liability Carrying Amount (\$'000's)	Contractual cash flows (\$'000's)	Less than 1 year (\$'000's)	Between Years 1 -	Between Years 2 -	From Year 3 (\$'000's)
				2	3	
<b>University June 2016</b>						
Net settled derivatives	3,325	3,408	975	971	974	488
<b>University June 2015</b>						
Net settled derivatives	(4,116)	4,448	986	989	989	1,484
<b>University December 2015</b>						
Net settled derivatives	3,706	3,956	989	989	989	989

### Contractual maturity analysis of financial assets

The table below analyses financial assets into relevant maturity groupings based on the remaining period at balance date to the contractual maturity date.

	Carrying Amount (\$'000's)	Contractual cash flows (\$'000's)	Less than 1 year (\$'000's)	Between Years 1 -	Between Years 2 -	From Year 3 (\$'000's)
				2	3	
<b>University June 2016</b>						
Cash and Cash Equivalents	234,103	234,103	234,103	-	-	-
Receivables	36,159	36,159	36,159	-	-	-
Other Financial Assets	129,500	129,500	68,000	44,000	17,500	-
Government Bonds	105,361	112,000	5,500	54,000	52,500	-
Term Receivable	1,944	7,000	-	-	-	7,000
<b>Total</b>	<b>507,067</b>	<b>518,762</b>	<b>343,762</b>	<b>98,000</b>	<b>70,000</b>	<b>7,000</b>
<b>University June 2015</b>						
Cash and Cash Equivalents	143,420	143,420	143,420	-	-	-
Receivables	27,169	44,750	44,750	-	-	-
Other Financial Assets	279,375	279,375	81,875	197,500	-	-
Government Bonds	53,727	117,500	5,500	5,500	54,000	52,500
Term Receivable	1,817	7,000	-	-	-	7,000
<b>Total</b>	<b>505,508</b>	<b>592,045</b>	<b>275,545</b>	<b>203,000</b>	<b>54,000</b>	<b>59,500</b>
<b>University December 2015</b>						
Cash and Cash Equivalents	41,178	41,178	41,178	-	-	-
Receivables	24,180	24,180	24,180	-	-	-
Other Financial Assets	331,500	357,710	216,165	90,089	51,456	-
Government Bonds	106,649	116,625	5,500	58,000	2,500	50,625
Term Receivable	1,879	7,000	-	-	-	7,000
<b>Total</b>	<b>505,386</b>	<b>546,693</b>	<b>287,023</b>	<b>148,089</b>	<b>53,956</b>	<b>57,625</b>

## 18 EQUITY

### General Equity

	Unaudited June 2016 University Actuals (\$000's)	Unaudited June 2015 University Actuals (\$000's)	December 2015 University Actuals (\$000's)
Balance as at 1 January	1,074,084	996,099	996,099
Net Surplus / (Deficit) for the year	10,144	11,155	3,488
Contributions from the Crown <sup>1</sup>	-	-	85,000
Contributions from the Crown - Repayment under Funding Agreement <sup>1</sup>	-	-	(8,000)
Transfer (from) / to General Equity - Te Pourewa Settlement Reserve	-	-	-
Transfer (from) / to General Equity - Student Services Levy Capital Reserve	(189)	(255)	(2,503)
Transfer from revaluation reserve on retirement of assets	313	-	-
<b>Balance as at period end</b>	<b>1,084,352</b>	<b>1,007,000</b>	<b>1,074,084</b>

<sup>1</sup> Further details on the Crown Contributions are contained in note 24

### General Equity - Te Pourewa Settlement Reserve

Balance as at 1 January	17,500	17,500	17,500
<b>Balance as at period end</b>	<b>17,500</b>	<b>17,500</b>	<b>17,500</b>

### General Equity - Student Services Levy Capital Reserve

Balance as at 1 January	10,671	8,168	8,168
Current year allocation of Levy	-	-	1,962
Insurance Settlement - UCSA Building	189	255	254
Interest on Insurance Settlement	-	-	327
Current year usage	-	-	(40)
<b>Balance as at period end</b>	<b>10,860</b>	<b>8,423</b>	<b>10,671</b>

### Cashflow Hedge Reserve

Balance as at 1 January	(3,643)	(4,262)	(4,262)
Fair Value Movement in Derivatives - Forward Foreign Exchange Contracts	(207)	891	(259)
Fair Value Movement in Derivatives - Interest Rate Swaps	439	-	878
<b>Balance as at period end</b>	<b>(3,411)</b>	<b>(3,371)</b>	<b>(3,643)</b>

### Available-For-Sale Reserve:

Balance as at 1 January	8	41	41
Adjustment to South African Large Telescope (SALT)	-	-	(57)
Adjustment to New Zealand Synchrotron Group Limited valuation	-	-	24
<b>Balance as at period end</b>	<b>8</b>	<b>41</b>	<b>8</b>

### Revaluation Reserves

Balance as at 1 January	212,269	146,913	146,913
Transfers to General Equity on revalued land	(313)	-	-
Revaluations and Impairment	(1,008)	-	65,356
<b>Balance as at period end</b>	<b>210,948</b>	<b>146,913</b>	<b>212,269</b>

### Revaluation Reserves consists of:

Buildings	70,138	-	70,266
Infrastructure Assets	28,824	28,824	28,824
Land	75,083	81,185	76,275
Library / Collections	36,903	36,904	36,904
<b>Balance as at period end</b>	<b>210,948</b>	<b>146,913</b>	<b>212,269</b>

## 19 RECONCILIATION OF NET SURPLUS WITH NET CASH FROM OPERATING ACTIVITIES

### OPERATING ACTIVITIES

	Unaudited June 2016 University Actuals (\$000's)	Unaudited June 2015 University Actuals (\$000's)	December 2015 University Actuals (\$000's)
Net Surplus / (Deficit)	10,144	11,155	3,488
<b>Add (less) non-cash items:</b>			
Depreciation and Amortisation	21,612	21,674	43,982
Donated Assets	(85)	-	74
Movement in Reversionary Interest	(855)	(2,753)	(7,965)
Movement in Long Term Revenue Owing	(65)	(941)	(123)
Movement in Total Employee Entitlements	3,451	2,873	2,725
Amortise Premiums on Government Stock Investments	1,289	-	-
Unrealised Foreign Exchange Variations	(546)	465	493
Net Movement In Fair Value of Interest Rate Swaps	382	-	(125)
Asset Impairments	3,164	4,371	-
Increase in revaluation of Buildings	-	-	(676)
<b>Add (less) movements in other working capital items:</b>			
Accounts Payable	4,937	(6,684)	1,229
Revenue in Advance	41,908	36,786	3,011
Accounts Receivable and Prepayments	(8,160)	251,691	251,317
Inventories	-	-	(190)
<b>Add (less) items classified as Investing / Financing Activities:</b>			
Net Loss on Disposal included in Investing Activities	34	274	7,561
Movement in Lease Revenue in Advance	(415)	466	(830)
Movement in Library Serials Prepayment	(1,054)	(1,342)	(2,461)
Movement in Fixed Asset Related Payables / Accruals	(5,384)	372	(3,680)
Insurance Receipts related to PPE	-	(246,493)	(246,493)
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>70,357</b>	<b>71,914</b>	<b>51,336</b>

## 20 RELATED PARTY TRANSACTIONS

### Transactions with related parties

The University transacts with other Government owned or related entities independently and on an arms' length basis. Transactions cover a variety of services including funding and grants for education and research services and purchases of electricity, postage, travel and tax.

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

During the six months to 30 June 2016 the University had the following inter-group transactions with Canterprise and its Subsidiaries:

	<i>Unaudited June 2016 University Actuals (\$000's)</i>	<i>Unaudited June 2015 University Actuals (\$000's)</i>	<i>December 2015 University Actuals (\$000's)</i>
Payable to Canterprise Limited	75	-	75

In addition to the above transactions that Canterprise Limited had with the University, Canterprise had a number of small transactions with its subsidiaries. All transactions were conducted on an arms' length basis.

Note all related party transaction figures are stated exclusive of GST.

### Transactions with Key Management Personnel

Rod Carr was a director of Canterprise Limited and UC International College Limited during the period. Directors' Fees paid were \$nil (June 2015: \$nil; December 2014: \$nil).

### Senior Management

The compensation of Councillors and senior management, being the key management personnel of the University, is as follows:

	<i>Unaudited June 2016 University Actuals (\$000's)</i>	<i>Unaudited June 2015 University Actuals (\$000's)</i>	<i>December 2015 University Actuals (\$000's)</i>
<b>Council Members - Council Honoraria</b>	114	32	170
<b>Senior Management Team, including the Vice-Chancellor - Remuneration</b>	2,059	1,967	3,989
	<b>Number</b>	<b>Number</b>	<b>Number</b>
<b>Council Members - Full-time equivalent members<sup>1</sup></b>	12	17	12
<b>Senior Management Team, including the Vice-Chancellor - Full-time equivalent members</b>	14	14	14

<sup>1</sup> Due to the difficulty in determining the full-time equivalent for Council Members, the full-time equivalent figure is taken as the number of Council Members.

Senior Management comprises the Vice-Chancellor, Deputy Vice-Chancellors, Assistant Vice-Chancellor (Maori), Registrar and Assistant Vice-Chancellor, Chief Financial Officer, Pro Vice-Chancellors for the Colleges and the Directors of the Service Areas.

## 21 EARLY CHILDHOOD EDUCATION

The purpose of this note is to meet the disclosure requirements of the Ministry of Education for operators of funded childcare facilities.

### Early Childhood Learning Centre

#### Statement of Comprehensive Revenue and Expenditure

	<i>Unaudited June 2016 University Actuals (\$000's)</i>	<i>Unaudited June 2015 University Actuals (\$000's)</i>	<i>December 2015 University Actuals (\$000's)</i>
<b>OPERATING REVENUE</b>			
Government Grant - Child Funded Hours	324	337	693
Other Revenue	206	216	432
<b>TOTAL OPERATING REVENUE</b>	<b>530</b>	<b>553</b>	<b>1,125</b>
<b>OPERATING EXPENDITURE</b>			
Personnel Expenses	501	493	967
Site & Property Costs	45	26	60
General / Operating Expenditure	3	7	25
Depreciation	1	1	1
<b>TOTAL OPERATING EXPENDITURE</b>	<b>550</b>	<b>527</b>	<b>1,053</b>
<b>NET SURPLUS / (DEFICIT) FOR THE YEAR AND TOTAL COMPREHENSIVE REVENUE</b>	<b>(20)</b>	<b>26</b>	<b>72</b>

## 22 COMMITMENTS

### Capital Commitments

Capital commitments are the aggregate amount of capital expenditure contracted for the acquisition of property, plant and equipment and intangible assets that have not been paid for or not recognised as a liability at balance date. Further details of the University's wider construction intentions are included in Note 24.

### Non-cancellable Operating Lease Commitments

The University leases property in the normal course of business.

These leases are predominantly for premises which have remaining non-cancellable leasing periods ranging from six months to 25 years.

The leases have varying terms and renewal rights. There are no restrictions placed on the University by any of its leasing arrangements.

	<i>Unaudited June 2016 University Actuals (\$000's)</i>	<i>Unaudited June 2015 University Actuals (\$000's)</i>	<i>December 2015 University Actuals (\$000's)</i>
Capital Commitments			
Not later than one year	103,872	74,267	177,266
Later than one year and not longer than five years	54,171	167,921	22,761
<b>Total Capital Commitments<sup>1</sup></b>	<b>158,043</b>	<b>242,188</b>	<b>200,027</b>

<sup>1</sup> Capital Commitments relate to buildings.

### Non-cancellable Operating Lease Commitments as Lessee

	<i>June 2016 University Actuals (\$000's)</i>	<i>June 2015 University Actuals (\$000's)</i>	<i>December 2015 University Actuals (\$000's)</i>
Not later than one year	8,102	2,231	7,401
Later than one year and not longer than five years	6,992	4,456	12,487
Later than five years	2,949	1,019	1,444
<b>Total Non-cancellable Operating Lease Commitments</b>	<b>18,043</b>	<b>7,706</b>	<b>21,332</b>

The University has rights of renewal of varying periods in some of its leases.

### Non-cancellable Operating Lease Commitments as Lessor

	<i>June 2016 University Actuals (\$000's)</i>	<i>June 2015 University Actuals (\$000's)</i>	<i>December 2015 University Actuals (\$000's)</i>
Not later than one year	1,997	1,920	1,690
Later than one year and not longer than five years	6,171	5,833	4,878
Later than five years	16,575	18,801	13,929
<b>Total Non-cancellable Operating Lease Commitments</b>	<b>24,743</b>	<b>26,554</b>	<b>20,497</b>

The University entered into a 35 year lease arrangement with Campus Living Village for the University's student accommodation in 2005.

No contingent rents have been recognised in revenue during the year.

## 23 CONTINGENCIES

### Earthquake and insurance related contingencies

The University entered into a funding agreement with the Crown in September 2014, which commits the Crown to funding the University up to \$260 million for the construction of the Regional Science and Innovation Centre (RSIC) and the Canterbury Engineering the Future (CETF) project. The University has received \$195 million so far under this agreement, and has repaid \$8 million in line with the terms of the funding agreement. There are a number of conditions in the funding agreement that may either delay receipt or result in the University receiving less than the remaining amount in full, including the satisfactory completion of implementation plans for Stage Two of the RSIC, review of the University's capital expenditure programme, and the maintenance of EFTS numbers within the forecasts made by the University in its business cases to the Government.

As a result, the University has a contingent asset of up to \$65 million, dependent on the successful completion of the required plans and other dependencies.

The University is exposed to potential sharing of its insurance settlement with other claimants. Negotiations continue, and involve allocation of receipts to damage in specified buildings, and to claim recovery costs. In certain cases there may result no requirement to share the insurance receipts at all. Accordingly, the University is unable to quantify any amount that might become payable.

The University is also exploring the potential for further claims on EQC for damage to its halls of residence. Negotiations are continuing and the University is unable to quantify any contingent asset relating to these potential claims.

### Other contingencies

The University has provided a bond of \$30,000 to the NZX to secure amounts payable under the NZX Listing Rules for Debt-only Issuers Listed on the NZX Main Board. This bond is held by the University's bankers, ANZ.

The University has provided a bond of \$15,455 to the New Zealand Automobile Association for a vehicle trailer. This bond is held by the University's bankers, ANZ and will expire November 2019.

The University has also provided a Carnet Indemnity for \$57,000 to the Wellington Regional Chamber of Commerce for the export of a Formula 1 car to Australia for testing. The Carnet for \$57,000 will expire in June 2018.

The University has no other contingent liabilities or assets at 30 June 2016 (30 June 2015: \$nil; 31 December 2015: \$nil).

## 24 CAPITAL MANAGEMENT

The University's capital is its equity, which comprises general funds, and property revaluations and fair value adjustments through comprehensive revenue reserves. Equity is represented by net assets.

The University is subject to the financial management and accountability provisions of the Education Act 1989, which includes restrictions in relation to: disposing of assets or interests in assets, ability to mortgage or otherwise charge assets or interests in assets, granting leases of land or buildings or parts of buildings, and borrowing.

The University manages its revenue, expenses, assets, liabilities, investments and general financial dealings prudently and in a manner that promotes the current and future interests of the community.

The University's equity is largely managed as a by-product of managing revenues, expenses, assets, liabilities investments and general financial dealings.

The objective of managing the University's equity is to ensure that it effectively and efficiently achieves the goals and objectives for which the University was established, while remaining financially viable.

In 2009, the University issued a \$50 million, 10 year, fixed rate, unsubordinated, unsecured Bond (refer Note 14) to assist with capital investment.

In 2014, the University entered into a funding agreement with the Crown provide a capital contribution of up to \$260 million as part of the University's \$357 million investment in new facilities for its Science and Engineering colleges.

The balance of funding will be drawn in part from insurance settlements, and in part from its own resources, coupled with careful management of its capital programme, deferring investments to future years where operationally possible without damaging the potential for recovery.

Having settled its insurance claim, the University has prioritised its capital and operational programmes for the short to medium term, with the goal of optimising the use of the insurance funds supplemented by the University's operating cash flow surpluses.

## 25 EVENTS AFTER BALANCE DATE

There have been no significant events after period end (30 June 2015: Sale and leaseback of the Kirkwood and Dovedale temporary villages entered into; 31 December 2015: Earthquake event , 14 February 2016 minor additional damage incurred).

## 26 CHANGES TO 30 JUNE 2015 COMPARATIVE STATEMENTS

The University published unaudited interim six monthly financial statements to 30 June 2015 on 26 August 2015. These interim statements were the first prepared in accordance with PBE IPSAS.

The University applied PBE FRS 46 "First time adoption of PBE Standards by entities previously applying NZ IFRS" in preparing those financial statements. In the audited financial statements to 31 December 2015, there were some changes to disclosed Research Grant Receivables and related Revenue in Advance to reflect developed practice with the application of PBE IPSAS in the Tertiary Sector. As a result, the accounting treatment at 30 June 2015 that had included the full amounts receivable for research grants and the corresponding deferral as revenue in advance, has been reversed in the comparative. There was no impact on the reported surplus for the six months ended 30 June 2015.

26 August 2016

**University of Canterbury NZX Statement**  
**Preliminary announcement to half year report**

These financial statements show continued steady financial performance as the University overcomes its post-earthquake challenges and engages in the competitive commercial environment of student recruitment from home and abroad.

The University's \$10.1 million surplus represents the result of operations to 30 June 2016, which is not representative of the full year where the full cycle of earnings is annual. The majority of earnings are made in the first half of the financial year. The current forecast for the 31 December 2016 Annual Report is for a deficit of \$9.4 million, compared with a 31 December 2016 budgeted deficit of \$13.657 million.

For the six months to 30 June 2016, the University recognised revenue of \$175.8 million (30 June 2015: \$172.4 million). By the year end, the University is projecting to have increased its Equivalent Full Time Student (EFTS) numbers over 2015 in both domestic and full fee paying "new to UC" students, and in student numbers overall. The University continues to work hard to develop pathways into the University for domestic and international students alike.

Operating expenditure was \$165.7 million in the same period (30 June 2015: \$161.2 million), where the current period contains further write-off of assets, including the unforeseen closure of the Kaikoura field station that is at risk of landslip and rock fall.

At 30 June 2016, there are no other significant changes in the University's estimates of impairment damage to its property, or valuation increases, which have caused substantial variation in previously reported results. The continuing uncertainties in relation to the cost of the earthquake damage repairs is explained in note 8 to the financial statements.

Net assets have increased by \$9.3 million (0.7%) since 31 December 2015, largely due to the operating result. UC continues to invest significant sums in its Science and Engineering facilities, with new buildings for Electrical and Computing Engineering coming on line in the period, together with the opening of the purpose-built Structural Engineering Laboratory. Cash spend on capital expenditure was \$79.3 million in the six months to 30 June 2016 (30 June 2015: \$46.7 million).

The University is preparing for further capital investment and has \$302.1 million of cash and deposits maturing in less than one year to meet operating and capital expenditure requirements in the next 12 months (30 June 2015: \$225.3 million). Total cash holdings at 30 June 2016 (defined as current and term deposits and government stock) are \$468.9 million (30 June 2015: \$476.5 million; 31 December 2015: \$479.3 million).

These balances are almost entirely committed to funding the University's capital investment plan and post-earthquake recovery initiatives.

The University has not breached any of its philanthropic bond covenants as at 30 June 2016 and is not forecasting to be in breach of any covenants.

ENDS

Required disclosures

**UNIVERSITY OF CANTERBURY**

<b>Results for announcement to the market</b>		
Reporting Period	1 January 2016 to 30 June 2016	
Previous Reporting Period	1 January 2015 to 31 December 2015	
	<b>Amount (000s)</b>	<b>Percentage change<sup>1</sup></b>
Income from ordinary activities	NZ\$ 175,849	2.0%
Surplus (deficit) from ordinary activities after tax	NZ\$ 10,143	-9.1%
Net surplus (deficit)	NZ\$ 10,143	-9.1%

<b>Interim/Final Dividend</b>	<b>Amount per security</b>	<b>Imputed amount per security</b>
	It is not proposed to pay dividends.	Not applicable
Record Date	Not applicable	Not applicable
Dividend payment date	Not applicable	Not applicable

**Comment:** see preceding statement

Contact

Keith Longden, 64 3 369 3454

SIGNED by

University of Canterbury

\_\_\_\_\_

Vice Chancellor

\_\_\_\_\_

Executive Director/Chief Financial Officer

<sup>1</sup> Percentage change represents the movement from the report for the six months ending 30 June 2015.

## **Vice-Chancellor's Half Yearly Result Report**

### *Overview*

These financial statements show continued steady financial performance as the University overcomes its post-earthquake challenges, invests in new and exciting facilities, and engages in the competitive commercial environment of student recruitment from home and abroad.

Against a background of continuous construction activity, the University of Canterbury is working on a growth strategy to meet its commitment to the Crown in the wider partnership to rebuild Christchurch. The strategy is not simply about property reconstruction or growth in student numbers, but the development of a graduate profile that offers its students high quality qualifications that celebrate participation in New Zealand's bicultural environment, prepares graduates for employment, fosters community engagement, and develops global awareness.

Students and staff alike continue to meet this testing environment with great professionalism and resilience, participating in an innovative and inspirational learning environment, with relevant research excellence remaining a key priority for academic staff.

### *Unaudited financial results*

The University's \$10.1 million surplus represents the result of operations to 30 June 2016, which is not representative of the full year where the full cycle of earnings is annual. The majority of earnings are made in the first half of the financial year. The current forecast for the 31 December 2016 Annual Report is for a deficit of \$9.4 million, compared with a 31 December 2016 budgeted deficit of \$13.657 million.

For the six months to 30 June 2016, the University recognised revenue of \$175.8 million (30 June 2015: \$172.4 million). By the year end, the University is projecting to have increased its Equivalent Full Time Student (EFTS) numbers over 2015 in both domestic and full fee paying "new to UC" students, and in student numbers overall. The University continues to work hard to develop pathways into the University for domestic and international students alike.

Operating expenditure was \$165.7 million in the same period (30 June 2015: \$161.2 million), where the current period includes further write-off of assets, including the unforeseen closure of the Kaikoura field station that is at risk of landslip and rockfall.

At 30 June 2016, there are no other significant changes in the University's estimates of impairment damage to its property, or valuation increases, which have caused substantial variation in previously reported results. The continuing uncertainties in relation to the cost of the earthquake damage repairs is explained in note 8 to the financial statements.

Net assets have increased by \$9.3 million (0.7%) since 31 December 2015, largely due to the operating result. UC continues to invest significant sums in its Science and Engineering facilities, with the new building for Electrical and Computing Engineering coming on line in the period, together with the opening of the purpose-built Structural Engineering Laboratory. Cash spend on capital expenditure was \$79.3 million in the six months to 30 June 2016 (30 June 2015: \$46.7 million).

The University is preparing for further capital investment and has \$302.1 million of cash in deposits maturing in less than one year to meet operating and capital expenditure requirements in the next 12 months (30 June 2015: \$225.3 million). Total cash holdings at 30 June 2016 (defined as current and term deposits and government stock) are \$468.9 million (30 June 2015: \$476.5 million; 31 December 2015: \$479.3 million).

The University has not breached any of its philanthropic bond covenants in the six-month period ended 30 June 2016 and is not forecasting to be in breach of any of its covenants.

### *Operational review*

Our unaudited financial results show that the University is returning to a normal and sustainable level of financial performance. The University is budgeting for a \$13.7 million “business as usual” deficit for the year ending 31 December 2016, although it is now forecasting a deficit of \$9.4 million, and as can be seen in these financial results the University continues to be affected by unforeseen costs such as asset write downs.

The University monitors its operations for earnings potential and cost savings, balancing the need to maintain top class teaching and research with economic use of resources. The increase of student numbers is a key feature of University plans – with some success in 2016 - which includes both recruitment and retention initiatives.

By the year end, the University is projecting to have increased its Full Fee Equivalent Full Time Students (EFTS) to within reach of its 2010 levels, and to show an overall increase in total EFTS, the first time since 2010. The University continues to work hard to develop pathways into the University for domestic and international students alike.

The relationship with UC International College is maturing, and has proved to be a valuable conduit for foreign, full fee paying students into the University, complementing the University’s own international recruitment efforts. Joint operations activity has worked well to make the students part of the University right from the start, even before taking up a full degree course, with academic, technical, and pastoral support.

The University has recorded some significant non-financial milestones during the first six months of the 2016 year. Work on the University’s major construction projects continues: the Rutherford Science and Innovation Centre is approximately 40% complete, while the Canterbury Engineering the Future project (a highly complex staged rebuild of the several connected parts of the College of Engineering facility) is approximately 65% of the way through, with two parts (including the Structural Engineering Laboratory) now open for business, and the Core expected to open before the end of the financial year.

Finally, work has begun on the extensive remediation and in-depth refurbishment of what was the previous Commerce building to house the College of Education, Health and Human Development, the UC Centre for Entrepreneurship, and the UC Executive Development Programmes. The expectation is for this to be completed by late 2017. The repurposed building will be named Rehua – a Māori name associated with leadership and the navigational star also known as Antares in the constellation of Scorpio.

UC continues to focus on giving students the opportunity to take part in work integrated learning and community engagement as part of their study. Around 3,500 students participate in relevant work experience, including internships, each year. In addition to gaining a quality, internationally-recognised qualification, UC graduates increasingly have the experience employers are looking for. Our unique Co-curricular Record formally recognises the activities students complete in addition to their academic study.

UC also punches above its weight in postgraduate achievement and research excellence with record numbers of doctoral candidates and thousands of postgraduates enrolled by mid-year. UC has over 1,000 students enrolled in its PhD programmes for the fourth year running, having first surpassed the milestone in 2013. A further academic highlight this year, was the awarding of the rare honour by the University of the title Canterbury Distinguished Professor to Emeritus Professor Roy Kerr , who also received the prestigious Crafoord Prize in Sweden in May.

These achievements demonstrate the outstanding commitment and resolve of the University's staff and students who continue to strive for excellence in challenging financial times. The University also would like to acknowledge the continuing support and assistance from the Crown through the Minister of Tertiary Education and the Tertiary Education Commission. The continued support in line with the Crown Funding Agreement signed in 2014 will be necessary to ensure that the University completes its recovery and transformation.

By the end of 2017 a significant part of the construction activity currently on site will be behind us and staff and students will be returning to a less disrupted existence, with permanent world-class facilities.

ENDS

**Vice-Chancellor  
Dr Rod Carr  
26 August 2016**



# Memorandum



## Financial Services

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Extension: 93945  
Email: [keith.longden@canterbury.ac.nz](mailto:keith.longden@canterbury.ac.nz)

To:	Council
From:	Senior Management Team
Date:	9 August 2016
Subject:	<b>Representation letter – 30 June 2016 financial statements</b>
Purpose:	<b>For submission to Council</b>

### **Letter of representation for the unaudited financial statements for the 6 months ended 30 June 2016.**

This representation letter is provided by management to Council in connection with the adoption of the unaudited financial statements of the University of Canterbury (the University) for the six month period ended 30 June 2016.

These unaudited financial statements have been prepared for publication to comply with Rule 10.5 of the NZX/NZDX Listing Rules.

#### **General responsibilities**

To the best of our knowledge and belief we have complied with our statutory obligations including laws, regulations and contractual requirements.

We have not been advised of any significant breach of internal controls or fraud in the period up to the signing of the unaudited financial statements.

#### **Responsibilities for the unaudited financial statements**

We confirm that, to the best of our knowledge and belief, having made such enquiries as we considered necessary for the purpose of appropriately informing ourselves:

- all transactions have been recorded in the accounting records and are reflected in the financial statements;
- we have fulfilled our responsibilities for preparing and presenting the financial statements as required by the Education Act 1989, the Financial Markets Conduct Act 2013, and the Crown Entities Act 2004 and, in particular, that the unaudited financial statements comply with generally accepted accounting practice and show the financial position of the University as at 30 June 2016 and of the results of the operations and cash flows for the six month period then ended;
- we believe the significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable;
- we have appropriately accounted for and disclosed related party relationships and transactions in the financial statements;
- all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements have been disclosed to you and have been accounted for and disclosed in accordance with generally accepted accounting practice; and

- we have adjusted or disclosed all events subsequent to the date of the financial statements that require adjustment or disclosure;

### **Going concern**

These unaudited financial statements for the six month period ended 30 June 2016 adopt the going concern assumption in their preparation.

We have considered circumstances likely to affect the University during the period of one year from the date of signing the financial statements, and to circumstances that we know will occur after that date which could affect the validity of the going concern assumption.

We consider that the unaudited financial statements adequately disclose the circumstances, and any uncertainties, surrounding the adoption of the going concern assumption by the University. Throughout the year, the University has conformed with the requirements of its banking arrangements, debenture trust deeds, or negative pledge agreements, including those relating to its net tangible assets ratios.

### **Sign-off on these representations**

These representations are made to supplement information and reports to Council accompanying the unaudited financial statements, and to confirm information given to you orally.

Yours sincerely

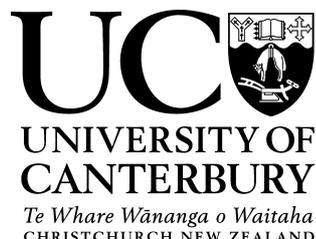


Dr R Carr  
Vice-Chancellor



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**VICE-CHANCELLOR'S REPORT TO  
UNIVERSITY OF CANTERBURY COUNCIL AUGUST 2016**

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## **1. INTRODUCTION**

UC is looking to capitalise on a spectacular Open Day result in July, where attendances of more than 4,700 were more than twice the previous record of 2,050 in 2014. The challenge as always will be converting this interest into enrolments. The Open Day result certainly places an emphasis on the final push on recruitment for 2017 that will take place between now and the end of the year, and into next.

Signs are encouraging also, with a modest increase in Semester Two enrolments, and increasing levels of student interest from overseas. UC maintains strong interest at post-graduate level, with more than 1,000 Ph.D students enrolled for the fourth consecutive year. While UC's capital works building programme continues to make progress, albeit with some delays, other encouraging signs come with academic recruitment being necessary to meet student uptake of some programmes. Prudence and careful management is still required, though taken as a whole, these are the things we need to see and provide confidence in the decisions we have made so far.

## **2. STRATEGIC MATTERS**

### **2.1 UC Futures**

The University of Canterbury has now firmly moved from its earthquake recovery phase into a growth phase, with strong 2016 enrolments. This means that in areas with strong growth, UC is now starting to recruit academic staff to meet that growing demand. Strong interest from New Zealand school careers advisors and a record-breaking open day support the view that domestic enrolment growth will continue. Our annual survey of student intentions for domestic year 13 students planning on going to University in New Zealand in 2017 will be conducted in September and will offer the first real evidence to support 2017 expectations.

### **2.2 Regional Science and Innovation Centre (RSIC)**

As the new Rutherford Science and Innovation Centre (RSIC) takes shape in the centre of the Ilam Campus, the College of Science continues preparation to occupy the building in mid-2017. The contractor, Fletcher Construction, is preparing 'prototype' rooms within the building. These rooms are built early as a demonstration to sub-contractors working on the site to show the way finishes and other fit-out elements should be done. They will also provide the College with an early look at the rooms before the building is completed. This building features the idea of 'research on display' with windows from corridors into research labs for those walking by to see what is being done inside. This is part of the building philosophy of encouraging interdisciplinary collaboration and co-production.

The designs for the replacement for the Von Haast Building will reach the detailed design stage in late August. This will be the basis for inviting four shortlisted construction companies to tender to construct the building. The tender price will be used to complete the Implementation Business Case for Council and Ministerial endorsement before construction contracts are let.

### **2.3 Canterbury Engineering the Future (CETF)**

The Electrical and Computer Engineering wing of the new building is being used and 'snagging' issues are being addressed at the same time. This is the second building in the CETF project to be completed, the first being the Structural Engineering Laboratory. The Programme is working to learn from the commissioning of this wing for other commissioning work as new wings become available. Most recent updates are for handover of CAPE by the end of September and the Core/Student hub by mid-November.

## **2.4 College of Education, Health and Human Development relocation and integration**

Steady progress is being made in Stage One strengthening and façade components of the building, now named Rehua, although both components have been subjected to unexpected supply chain delays for materials manufacture. Focus is currently on design detailing and maintaining programme for the early stages of subcontractor and supply commencement.

Draft transition and Change Management Plan development is continuing with staff involvement. Significant reorganisation of the Central Library is a consequence of the shift and is being integrated into the planning. An IQA has identified that a transition plan is also required for the College of Business and Law's EDP and UCE units, which will occupy the two upper floors of the building.

## **2.5 International Growth**

Sixty-four full-fee new to UC students have applied to participate in the Fluent IQ trial English Development Programme; the trial of which began on 5 August.

The uncovering of fraudulent documents (particularly financial) from students from India has been headline news in New Zealand, and is a potential threat to the University sector. UC has become active in pushing Universities New Zealand and Education New Zealand to create changes with the New Zealand Qualifications Authority (NZQA) and Immigration New Zealand (INZ) around certain providers. A review has shown that more than 50% of UC's current agents in India have an 80% or better visa acceptance rate; no agent used by UC was less than 60%. UC has accepted Indian students from 31 different agents in recent years but is focusing its relationship on fewer agents in the future.

## **2.6 Graduate Profile**

### **2.6.1 Graduate Attributes**

The PCG met this month to provide feedback on the draft Graduate Profile reporting template. This draft was reviewed at AAC and the August UC Futures Programme Board. Further development in consultation with Deans is under way.

The PCG also continued discussion on the setting of minimum expectations for the quantum of each attribute. There has been a preliminary discussion about this at AAC; a more substantive discussion has been scheduled to focus on the modelling of minimum standards for the Bicultural Competence and Confidence (BICC) attribute.

#### **Attribute 1: Critically competent in a core academic discipline of their degree**

*Learning Objective: Students know and can critically evaluate and, where applicable, apply this knowledge to topics/issues within their majoring subject.*

The usual cycle of programme reviews continues with the MBA review under way in August. We await the formal feedback on the pre-application investigations of AACSB accreditation for the School of Business and plan to investigate international accreditation for our BEng(Hons) in Electrical Engineering.

## **Attribute 2: Employable, innovative and enterprising**

*Learning Objective: Students will develop key skills and attributes sought by employers that can be used in a range of applications.*

In response to an Official Information Act request it was necessary to assess the number of enrolled students involved in internships, placements and with work experience requirements. The estimated number is around 3,400 students but the data is hard to gather and relatively unreliable as there is no systematic way of identifying these students. Further work will be done to enhance and simplify data gathering but also to ensure visibility to the many different conditions which apply to internships.

## **Attribute 3: Bi culturally Competent and Confident**

The next meeting on the BICC attribute, which involves PVCs, Deans and Office of AVC Maori will take place in September, at which we are looking forward to discussing the results of completed mapping; the analysis of gaps and opportunities for development. We note that there is a great deal of detailed mahi (work) being carried out by colleagues in support of the BICC graduate attribute. This work is of great importance in providing a picture of our current curricula which is both in-depth and thorough. It provides a strong foundation for development. We acknowledge that this sort of fundamental change in how UC operates is hard work and can be uncomfortable. We are seeing colleagues rising to the challenge of envisioning the future and acting to make progress with this important mahi.

Many CUAP proposals have been received for commentary and feedback. We are encouraging colleagues to engage early and frequently with the Kaiārahi about their course proposals. The number of proposals being provided for commentary is exciting. The Kaiārahi have been supporting colleagues in finding the touch points for the kaupapa within proposals and assisting in wording to describe the desired outcomes. Many colleagues across the colleges are contacting the Kaiārahi for advice – this is very welcome, and is leading to some excellent results.

## **Attribute 4: Engaged with the community**

*Learning Objective: Students will have observed and understood a culture within a community by reflecting on their own performance and experiences within that community.*

As one sign of community engagement, it is pleasing to note the 38% turnout for the most recent UCSA elections. This record participation level reflects well on our University community and its student leaders.

## **Attribute 5: Globally aware**

*Learning Objective: Students will comprehend the influence of global conditions on their discipline and will be competent in engaging with global and multicultural contexts.*

On 20 July the International Relationships Office (IRO) held an information session for students interested in the Global Awareness Summer Programme. Applications for this programme closed on 31 July. The programme will see ten UC students spend three weeks at Peking University in Beijing taking classes on Chinese language and culture and field trips.

## *Study Abroad UCXchange*

A key focus for July has been the welcome and enrolment of Semester Two Study Abroad and Exchange students, with all students now enrolled and course changes finalised. The team is also preparing to host a familiarisation visit from academic and Study Abroad staff from the University of Wisconsin Stevens Point in early August. Planning is well under way for the Fall recruitment season in the US in September.

The 2017 Study Abroad prospectus has gone to print and will be distributed to all Study Abroad channels in the next few weeks. A new Study Abroad agreement has been signed with Kempten University of Applied Science in Germany, and agreements with a number of US universities are in process.

On the exchange side, interviews have been completed for students applying for outbound exchanges for Semester One 2017.

Enabling and encouraging our students to go on exchange for a full semester continues to be a challenge. In New Zealand and increasingly in the USA the trend is to embed shorter periods abroad into courses, often run as field trips during recess or summer breaks.

### **3. CHALLENGE**

*Promote an inspirational and innovative learning and teaching environment, recruiting and retaining students, raising standards and enhancing student success.*

#### **3.1 International**

##### **3.1.1 International growth strategy**

***KPMG Independent Quality Assurance Review:*** IRO has completed its interviews with KPMG allowing the International Growth Strategy country plans to be finalised.

##### **3.1.2 International partnerships**

IRO also hosted a visit on 26 and 27 July from Beijing Forestry University (BFU) in China alongside the School of Forestry. UC signed a Memorandum of Agreement in 2014 with BFU based around cooperation and exchange in research and postgraduate student supervision in Forestry.

##### **3.1.3**

##### **3.1.4 Pre- Assessment**

Pre-Assessment's focus has been on the increasing numbers of applications for 2017 and beyond: the first application for 2019 was recently received. The volume of applications is challenging, with application numbers up 30% on this time last year.

The team has also been assisting with the revamp of the "Check what you need" webpage (previously the Requirements Checker). This is an online tool that helps applicants, especially those with overseas applications, to understand what the required background is for UC qualifications and what they need to submit with an application so that it can be processed.

## **3.2 International Recruitment (including in-country international students)**

### **3.2.1 Recruitment**

#### *General*

The uncovering of fraudulent documents (particularly financial) from students from India has been headline news in New Zealand, and has provided both Immigration New Zealand (INZ) and the Government with headaches. The general agreement is that the behaviour is mainly in the ITP sector, but it is a major threat to the University sector with an election looming next year and the impact of general worldwide unease with migration in the community.

July has been a busy month for the on-campus team. Our Semester Two students arriving and requests to enrol late have created pressure for the team. The tight turnaround required with results (May/June being a month of results for many in the Northern Hemisphere) and student visa release and travel often being the cause of late arrival. Individual colleges and programmes within UC currently take different stances regarding late arrival and there would be merit in standardising these to assist with international student and agent communications and relationships.

#### *Malaysia/Singapore*

Activities in this market include:

- IRO preparation for upcoming Malaysian recruitment trip, marketing events with our key agents
- Recruitment fliers designed for Sunway University students to pathway into second year of BCom
- Updated scholarship posters to advertise UC First year and College of Engineering scholarships
- IDP Singapore Polytechnic Advanced standing Guide completed
- Work is being done to update the information for the IDP Singapore Polytechnic Advanced standing Guide
- Ongoing project to update our agent contracts in anticipation of an upcoming audit.

#### *India*

The July intake has been completed and there has been a definite impact from the stricter checking of financial documents in the visa application process out of India. Applications have taken longer to process in general, creating an increased number of late arrival extension requests and also deferrals for February 2017. Deferrals from India are high for July 2016. There has also been an increase in undergraduate students from India due to a push in that market in March/April, which is positive.

#### *Vietnam*

There has been a clear and positive increase in number of enquiries out of Vietnam over the last few months, particularly into conversion Master programmes. These enquiries need to be transferred into actual enrolments but combined with increased enrolments at UCIC there are signs that Vietnam is becoming a significant secondary market rather than just a significant “potential” market.

## *New Zealand schools*

IRO has engaged in a number of initiatives for the domestic international students. These include:

- Welcoming the CCEL EAP 2 students to the Semester Two intake
- Redesigning the IRO SharePoint
- Confirming school visits for the North Island recruitment drive in August
- Designing new IRO marketing material (posters and banners).

## *Europe*

IRO has touched base with most of its key agents and is keeping up-to-date with negative issues in Europe and how these will affect student behaviour. It is anticipated the Brexit vote will have an impact on UC though whether it is positive or negative is yet to become clear.

## *China*

IRO's representative in China has been on recruitment activities with key agents. IRO has also undertaken the following to support the China market:

- International student guide Chinese version has been printed for the first time
- CANIC – 20 students plus five teachers came to visit UC
- With joint efforts of IRO, Admissions, and the Deputy Vice Chancellor Academic, Gaokao admission scores for UC were released on 7 July, meaning UC was the first New Zealand University announced in the Chinese market. This created a significant amount of WeChat discussion and several short articles in China. Applications have started to flow as a result.

## *UCIC/CCEL*

UCIC have revised their English levels to keep them nicely aligned but slightly lower than UC's. This presents opportunities to communicate to the market. The interim Campus Director, Simon Christiansen, has started at UCIC.

### **3.3 Domestic Recruitment**

#### **3.3.1 Marketing**

Social media activity continues to be high with an increased emphasis on Twitter and Instagram. The Online WCMS phase III project has been approved – work is under way to establish the project team for this undertaking. The 4,500+ attendance at Open Day was gratifying given the increased focus on this area through paid marketing.

The UCME brand campaign continues with online, outdoor, and radio being utilised. A UCME Exhibition was held last month on the bottom floor of Matariki. The UC GO Canterbury campaign taking our Auckland specific offer to market has been launched through adshells outside schools and will be supplemented by radio and online placements through July and August. Collateral was produced for the Residential learning Scholarship (Wellington-Tasman). This scholarship is available to students planning to study in selected disciplines who wish to live in the new self-catering Kirkwood Hall.

### **3.3.2 Liaison**

The Liaison Team spent July preparing for the UC Open Day, including assisting the UC Events and Partnerships Team and contacting future students and their families who registered to attend. With the large attendance, the team has been extremely busy following up with attendees on the next phase – course planning.

The team begins course planning visits in the first week of August with Christchurch schools first. In the lead up to these visits the team have been working with College student advisors, who will join the team for some of these visits.

In addition to those who visited UC on Open Day, 166 people visited the campus as part of the campus tours offered by the team. There were 75 tour appointments throughout the month, 29 of them being adult students and 25 school leavers.

With the increase in interest from the Wellington, Nelson and Marlborough regions, a new Residential Learning Scholarship offering guaranteed accommodation, assistance with accommodation fees and access to the Campus Living Villages' Live, Learn and Grow programme has been launched to students in those regions. The Wellington and Nelson/Marlborough Liaison Officers are marketing the scholarship to students as an option for 2017.

The Auckland and Wellington offices also attended of a total of ten schools' career evenings and six 'Back to School' visits – UC students going back to their high schools to share their experiences at UC with the next cohort.

The Engagement Team has been invited to work with Business Insight and Reporting and the College of Business and Law to develop a data pack for Colleges relating to school engagement. The data pack will assist Colleges to develop strategies for school engagement that is more likely to lead to enrolment at UC.

The team has also been working with the College of Education, Health and Human Development on a potential partnership with the New Zealand Institute of Sport to upgrade Advanced Diploma students into the Bachelor of Sport Coaching. The team also supported the College of Arts schools engagement programme by providing coordination of eight lecture sessions on Open Day, assisting with the New Zealand Association for the Teaching of English conference and supporting History Day.

### **3.3.3 Admissions**

A total of 470 admission *ad eundem statum* (AES) applications were recorded as received in July. This does not include more than 100 applications still waiting to be 'entered' in the SMS. This compares with 290 and 356 AES applications received in July 2014 and 2015 respectively. So far in 2016 admission AES applications received are 46% and 29% higher than at the same stage in 2014 and 2015 respectively. As with previous months, a significant proportion of the applications received (37%) do not have sufficient documents or information provided for the applications to be assessed. Some of the enhancements being progressed for the SMS should help to address this.

## AES Admission decisions: Number and type made from 1 to 29 July 2016:

	Total	Undergraduate	COP	Graduate	Postgraduate	PhD/EdD*
Full offer	102	33	18	6	27	18
Conditional offer	97	54	1	5	32	5
Declined	79	32	0	7	39	1
Total	278	119	19	18	98	24

*\*Includes 6 non-AES PhD/EdD applications.*

### 3.3.4 Enrolment

An estimated 4,983 students and visitors were welcomed by Student Services during July 2016, an increase of 65% on the same period during 2015. Of these, 3,130 have been assisted by the Information Desk. A further 834 have been assisted by the Enrolments Team.

A total of 66 PhD students have been fully enrolled during July 2016, including 40 International. A further 43 students have enrolled so far for August 2016, including 27 International. Enrolment reminders are being sent out to 50 continuing PhD students for September 2016.

Applications for programme entry to the College of Education, Health and Human Development for 2017 are open with 77 applications already received. Of these, 19 have been issued an unconditional offer and a further 15 issued a conditional offer. This is an increase of about 62% from the applications in 2014. There are no corresponding statistics for this period in 2015.

International enrolment for Semester Two went very smoothly with a total of 408 International students enrolled during the month of July.

Within the Contact Centre a total of 5,422 calls were answered with an average service level of 86.9%. Almost 2,000 emails were responded to, with the Contact Centre directly answering 1,457 of these. The CRM and Contact Centre Software Projects have both been through vendor presentations and evaluation has been undertaken as part of the procurement process.

Further work is under way to establish the new Shared Services Administration Team within Student Services. It is planned that this team will be co-located with the Contact Centre.

### 3.3.5 Scholarships

Key activities for July include:

- Completing the mid-year round of the UC Doctoral and UC Master's Scholarships with Scholarship offers being sent out to successful recipients
- The UC Open Day on 14 July with a steady stream of enquiries at the Scholarships plinth
- A fixed-term contractor joining the Scholarships team on a three-month contract to support the processing of first year scholarships
- Setting up the annual MoU with NZQA for the release of NCEA results of first year scholarship applicants.

### 3.3.6 Accommodation

UC Open Day saw record numbers of prospective students touring UC accommodation, with University Hall reporting 915 visitors, and Waitakiri Village a 50% increase. Interest in the new Kirkwood Hall was also high. Agreement in principle has been reached with CLV to operate the new hall and an operating agreement is in progress for signature.

The online application form has been amended to include the addition of Kirkwood Hall as a new self-catered option for first-year students, as well as changes in the declaration and consent and personal details requirements.

The online application is now live, with 165 students applying on the first day, as compared to 68 on the first day in 2015 – a 240% increase. As at 19 August we had received 1,115 applications to Halls of Residence compared with 960 this time last year, about a 16% increase. It is not possible to assess if this increase simply reflects students applying earlier, more students applying to multiple universities or a real increase in likely enrolments.

Accommodation held a flatting seminar on 28 July with more than 130 students receiving a flatting guide and many others attending the expo to ask the exhibitors questions. CLV has launched its returns campaign for 2017.

### 3.4 Student Success

Academic Skills Centre	164 student consultations 14 embedded teaching workshops (ranging from 100 to 600 level)
Careers, Internships & Employment	281 Individual Career Consultations 920 Express Appointments (20 minutes) 1,083 students attending seminars 1,992 students attending employer info sessions 63 Employer Information Sessions hosted
Disability Resource Service	459 Registered Students
Student Transitions and Engagement	650 first-year students reached during call-outs in July 621 registered on CCR and 34 CCR Activities live 119 registered student mentors 197 attended the International Welcome 80 first-year students attended mid-year Orientation 140 on the Emerging Leaders Development Programme, 20 of whom are doing Hornby High mentoring in August 70 in the Community Award, 20 of whom are working with Alumni mentors 80 attending the Go Canterbury Ski Trip to Tekapo in August
UC RecCentre	8,000 members 30,994 group fitness attendees 137,555 turnstile entries
UC Sport	1,800 students in recreational sport programmes 25 students employed

## **Student Success supporting Employability:**

### *Disability*

The Careers team met with staff from the *Be Employed* Internship Programme. This initiative assists students with disabilities gain paid work experience in their chosen area. This programme is fully funded through the Ministry of Social Development. The work can be either full or part-time over a period of 4-16 weeks. We are promoting the opportunity to students who meet the following criteria:

- The student must be in their penultimate or final year of study,
- The internship placement must be relevant to the students area of study,
- The student must have had less than two years' previous work experience,
- The student must be registered with the Disability Resource Service.

Careers is also working with Workbridge New Zealand, a supportive employment service for people with disabilities. Disabled people in New Zealand are less likely to have secondary or tertiary qualifications or to be employed when compared to any other minority group. When disabled people do get qualifications, they are employed at about the same rate as other New Zealanders *without* a qualification. Young disabled people are almost twice as likely as young non-disabled people to leave school without a qualification. Seventy-five percent of disabled people do not require any extra equipment or other modifications or support to work.

Students with impairments to achieve often face key issues, such as developing confidence and interpersonal skills that are transferable to the workplace, and which reduce the impact of a person's impairment on employment. Employers may need assistance to understand how a person's disability impacts on their ability to do the job, rather than knowledge about particular disabilities. Often, negative attitudes are the major barrier for disabled people in gaining and retaining employment. More disability equity training is needed to assist work colleagues and the community to recognise and value the skills of disabled employees and overcome negative stereotypes.

The Disability Resource Service and Careers, Internships & Employment teams are looking to develop strategies in partnership with Workbridge to help minimise these barriers and concentrate on developing strategies to increase and improve work experience opportunities for disabled students. We are developing a strategy to significantly increase the numbers of young disabled people employed in the state and private sector, with particular emphasis on overcoming barriers to recruitment and retention. By offering a direct link to possible employers through Workbridge rather than having to go through the normal channels traditionally accessible by recruitment companies, access to the job market is opened up. This initiative is currently in its infancy and in a discussion phase.

### *International students*

A new initiative developed by Careers, Internships & Employment is introducing international students to New Zealand ways of work and the culture of the workplace. A group of international students were taken to visit our UC Marketing and Communications and Engagement teams and another group visited UC's Finance teams. This series of visits will continue, with the next planned visit to Human Resources. The students have found the visits highly engaging, and it has given staff who do not regularly engage with our students an opportunity to do so.

### *Female students*

Careers Internships & Employment will be hosting a seminar ‘Empowering Women to Negotiate their Salary’. This event with three key speakers is an opportunity for female students to gain the knowledge needed to successfully negotiate salary offers and pay increases. Bookings can be made through CareerHub. It will be followed later in the year with a salary negotiation workshop.

### *IT Opportunities*

The University of Canterbury ICT Fair on 2 August, hosted by Careers, Internships & Employment saw 27 companies attending and providing Computer Science and Software Engineering students an opportunity to gather employment and labour market information, network and connect with potential employers.

### *Sports Opportunities*

UC Sport provides a range of opportunities for students to extend their key skills and attributes in an applied and practical setting. We currently employ 25 UC students across a variety of positions including refereeing, supervisors and event coordinators – all activities which are part of the Co-Curricular Record. We are growing a pathway for students to complete internships or volunteer work with our UC Sport teams and regional sport organisations in Canterbury.

#### **3.4.1 Student Success supporting retention through early intervention:**

The Student Development Team is offering workshops for students in the Academic Progress Review. At the end of each semester, the records of students who have failed to make satisfactory academic progress are reviewed, and students whose grades are of concern are directed toward help and support. The content of the workshops is based on a successful early intervention pilot programme held in Semester One. Food will be provided as an incentive for the students to attend, and content includes goal setting, identifying personal strengths, time management and resilience. Students will also be referred to Careers, Internships & Employment to help them develop a plan.

#### **3.4.2 Student Success supporting Equity and Diversity:**

The UC RecCentre is committed to providing a space where all our students feel they belong. Privacy during exercise is a cultural need for many women in our UC community and the RecCentre aims to provide culturally responsive services. At the request of the [Student Wellness Advisory Group \(SWAG\)](#) the UC RecCentre, with the support of UC MBA students, investigated whether providing women only hours would help meet the needs of all women at UC. This research was presented to the Central Equity and Diversity Committee (CEDAC), which endorsed the proposal to trial women only services and to improve our communications of existing services for implementation in Semester Two. In providing these services, the UC RecCentre is recognising [UC's commitment to equity and diversity](#). The recommendation was to implement the following services, in effect from Monday 25 July 2016:

- [Women only hours](#), supervised and unsupervised, in selected areas of the facility as [per advertised schedule](#).
- [Train Me](#) - available to all members, with option to request a female instructor at the time of booking
- [Teach Me](#) - available to all members, with option to request a female instructor and/or female only group at the time of booking
- [Small Group Training](#) - women only sessions available, as per advertised schedule each term.

- Private Group Fitness classes - arrange your own group and we can provide the space and the teacher.
- [UC Women's Weightlifters Club](#) - the UC RecCentre provides support to this club through provision of a qualified and experienced fitness consultant in club session times, funding three hours per week during term time, and one hour per week in non-term time, to help with technique (all levels) and general fitness queries/programming. In addition, our (male) fitness consultant, and some other local Personal Trainers choose to volunteer their own time provide coaching services. This club is a supportive group of women (and some men) who meet regularly to train together, and provide camaraderie for all training levels.

This offering will continue to be developed over the coming months, and feedback is welcomed. At the end of 2016, the services offered will be evaluated and decisions will be made on what combination of services can be offered for 2017 and beyond.

### **3.4.3 Pacific Development**

#### *Enrolments*

Overall Pasifika EFTS are at 379, following the Semester Two intake. We are now 14 ahead of the 2015 end of year total EFTS. Total Pasifika headcount is at 448 – 10 ahead of the 2015 end of year total.

#### *Recruitment/Outreach*

The Pacific Development team delivered its first UC Me XL Holiday Programme session for the year in July. Ninety-four NCEA Level 1-3 students from local secondary schools attended the July programme – 24 more than last year. The programme was hosted at the UC Staff Club. The team also engaged with well over 100 students during UC Open Day by having an interactive stall that attracted both prospective students and staff throughout the day.

#### *Pastoral Care, Engagement and Retention*

The team continues to provide transition and follow-up support to students as they settle into the semester. The team has been actively using social media and other communications to engage students with our support services, such as our Semester Two refresh session, and weekly PASS Learning Skills Workshops.

The team collaborated with the College of Education, Health and Human Development to host Jandals 3: Fiafia Night. More than 200 guests included secondary school students, teachers, parents, family members and community groups. It was a great way to promote the College to external groups and it was an opportunity for our students to tell their stories and share their UC experience.

#### *Pasifika Postgraduate Network*

The Pasifika Postgraduate Talanoa Access Grid is co-ordinated by the AUT Institute of Public Policy and is a nationwide video conferencing opportunity for Pacific students from across all New Zealand universities to share their research. The last Talanoa grid session was hosted by UC and two of our own Pacific postgraduates presenting to their peers and academic staff linked in from other New Zealand universities and from overseas.

The University Council has asked three of their members to engage with management to understand what it would take to get a “stepwise” change in Pasifika recruitment and success at UC.

#### **4. CONCENTRATE**

*Enhance research and creative work in chosen areas of endeavour; increasing efficiency, especially in the use of time in teaching and related activities per EFT; raising quality in teaching effectiveness and research outputs; and increasing focus and concentration of effort.*

##### **4.1 Office of the Assistant Vice-Chancellor Māori**

###### Te Wiki o te reo Māori 2016

This year the national Te Wiki o te reo Māori dates were in mid-year break, so UC's Te Wiki was expanded into a fortnight of activities. Colleagues from many teams and departments across the university collaborated to make this a very successful celebration. Students and staff participated in several initiatives, including a 'phrase of the day' tweet. Our Te Wiki o te reo Māori posts on Twitter made up five of the top 10 posts out of all universities for the month of July. This shows that our Twitter audience is clearly very interested in learning te reo Māori.

UC colleagues and postgraduate students attended 'Te reo in the workplace' workshops, as part of Te Wiki, also emphasising the appetite to learning te reo. We would like to express our sincere thanks to colleagues who collaborated in creating a memorable Te Wiki o te reo Māori fortnight: the UC Communications and Engagement Team, the Aotahi School of Māori and Indigenous Studies, the College of Education, Health and Human Development, the UC Library and the UC RecCentre. We would also like to acknowledge Te Akatoki Māori Students' Association and many students for their contributions.

###### Service Units

The UC Cultural Narrative implementation within the UC Campus Master Plan is well under way. Capital Works and Engineering Services staff are primarily leading these projects, but a number of external consultants and project managers are also involved. There have been numerous workshops for the following projects: Campus Master Plan, Signage and Wayfinding Project, Landscape and Transport Master Plan, CETF Landscape Project, UCSA new build, RSIC #1 and #2 build and Kirkwood Accommodation refurbishment.

A large group of Capital Works and Engineering Services staff who are heavily involved in the campus master plan attended marae visits at Tuahiwi and Ngā Hau e whā marae in June to gain a deeper understanding and appreciation for the UC Cultural Narrative. The group is also scheduled to attend Te Wheke Marae (Rāpaki) for another workshop in August. Feedback from colleagues has been very positive and has noted that this learning will enrich CMP projects.

###### Staff professional development courses

The staff professional development course 'Tangata Tū, Tangata Ora' has been fully booked out for 2016, so we have added another course date. 'Te reo in the workplace' is continuing to be well attended.

## 4.2 Māori Development Team

Statistics on Māori demographics (at July 2016), are as follows:

- 8.2% of UC students are Māori
  - 922.0 EFTS
  - 1,116 Headcount
- 33% First Year UC
- 30% Ngāi Tahu
  - 2% Aged <18
  - 30% Aged 18-19
  - 39% Aged 20-24
  - 15.5% Aged 25-34
- 55% female, 45% male
- 52% Canterbury region (school)

### Māori student EFTS and Headcount at July 2016

<b><u>Academic College</u></b>	<b>EFTS</b>	<b>Headcount</b>
<b>College of Arts</b>	231.6	464
<b>College of Business &amp; Law</b>	166.4	310
<b>College of Education (less Ed Plus)</b>	187.8	283
<b>College of Engineering</b>	171.1	349
<b>College of Science</b>	148.1	374
<b>Service Units</b>	17.1	52
<b>Total All (unique)</b>	922.0	1,116

*\*Figures from Cognos. Please note that some students are doing double degrees and others are taking papers in colleges other than their major.*

### Māori Postgraduate Statistics, 2008-2016

<b>Year</b>	<b>PhD</b>	<b>Masters</b>	<b>Honours</b>
<b>2008</b>	19	60	28
<b>2009</b>	21	66	37
<b>2010</b>	22	75	57
<b>2011</b>	20	69	68
<b>2012</b>	21	75	59
<b>2013</b>	24	55	81
<b>2014</b>	22	62	66
<b>2015</b>	23	90	47
<b>2016</b>	32 (1 x EdD)	91	69

## Ākonga Māori Update

The Māori Development team is very busy completing phone callouts and supporting students who have been flagged under academic review. They are also welcoming new students starting at the midyear point. At this stage we have an additional 28 new students starting this semester and our total Māori student cohort remains over 1,000 headcount.

University Council has asked three of its members to engage with management to understand what it would take to get a “stepwise” change in Maori recruitment and success at UC.

## **Māori Research**

Office of AVC Māori is continuing to support Research and Innovation with Māori research processes. The Kaiārahi Māori Research is working with Research and Innovation to develop a workshop to assist researchers to more effectively engage in the Vision Mātauranga process. This workshop will be held in early September and publicity about the workshop will be circulated shortly.

### **4.3 DVC Research and Innovation**

Professor Ian Wright joined the University as planned on 22 August to assume responsibilities as DVC Research and Innovation. Professor Jarg Pettinga has been Acting DVC Research since the retirement of Professor Steve Weaver in May. This was Professor Pettinga’s third time on the Senior Management Team – once as Acting PVC of Science following onto Acting PVC of Arts, in 2012 as Acting DVC Research and most recently as Acting DVC Research. Jarg’s contribution has once again been very much appreciated.

Nominations for both the Innovation Medal and the Early and Emerging Career Researcher Award have now closed for 2016 and sub committees will be reviewing these in the coming weeks.

SMT has approved a change in policy with respect to unspent funds remaining in research grants. The policy will be revised and become operational shortly.

Nigel Harris (Ngāi Tahu) has been appointed as the Māori Research Kaiārahi and joined Research and Innovation on 1 August. Nigel has a background in resource management, has worked with the Ministry of Fisheries, several Councils, and several tertiary educational organisations, and was the Research Fellow/Manager for the Mātauranga Māori Theme of the BioProtection CoRE. Nigel is the Secretary of the Te Ngāi Tūāhuriri Rūnanga and the Deputy Chair of Matapopore. The Māori Research Kaiārahi role has been expanded from 0.5 FTE to 1 FTE and will have an increased focus on engagement with Māori and promoting the integration of Vision Mātauranga into research at UC.

Dr Rebecca Warr has been appointed as the Business Development Manager Science and will join Research and Innovation in late September has been working as the Strategic Support Manager at Izon Science Ltd and has a Chemistry PhD from the Australian National University.

Research and Innovation is working on the 2017 MBIE Endeavour Fund Round (formerly the Contestable Science Fund). Smart Idea applications (*2-3 years funding to allow researchers to rapidly test innovative research ideas that, if successful, have potential benefit for New Zealand*) will be due in November, Research Programme (*3-5 years larger-scale research projects and programmes to develop ambitious, but well-defined research ideas with the potential to deliver significant benefit for New Zealand through credible pathways to market*) applications will be due in February (*dates still to be confirmed*). A Vision Mātauranga (VM) Workshop will be held on 2

September to help researchers understand how VM applies to their research and how to meaningfully engage with Māori; VM is a key factor in the assessment of applications.

The PBRF 2018 Guidelines have been released. These are divided into four sections, each targeted at a different audience: Guidelines for TEOs, Guidelines for Assessment, an Overview of the PBRF for Participants and Panel-Specific Guidelines. These are available via the [Research Support/PBRF](#) page on Learn. The PBRF Team will be developing targeted resources, such as a PBRF eligibility fact sheet for hiring managers and Human Resources.

Another Tech JumpStart competition is being held this year. A total of 17 entries were received, all of high quality. Six have been shortlisted for three prizes of \$20,000 each and a WNT Ventures sponsored prize also of \$20,000.

The University continues to prepare to respond to the Entrepreneurial University initiative announced by the Minister for Tertiary Education, Hon. Stephen Joyce. (\$35m over four years subject to dollar-for-dollar matching). We are also engaged with a number of Universities in assessing an all University response to the proposal to establish and fund Centres of Pacific Excellence.

#### **4.4 DVC Academic**

At the recent joint UCIC/UC meeting a number of items were covered, including progression to UC, UCICs physical location from the end of 2017 and the recent restructure of Navitas's parallel pathway colleges internationally. I would like to note the work of Andrew Dawkins in establishing UCIC, Andrew has recently resigned after nineteen-and-a-half years at Navitas to pursue an opportunity at Western Sydney University.

The UC Council recently received 39 CUAP proposals for consideration. It acknowledged work by academic and professional staff in prepping proposals and discussed with interest a number of them. Particular interest was shown in terms of avoiding cannibalisation of already extant UC students and final year structures. These proposals will now proceed to round two of CUAP which will culminate in the round two meeting in November this year.

Round one proposals were accepted, and again I would like to acknowledge the work of those who put them together and work by academic staff and professional staff in the peer review process which is critical to the success of CUAP.

In the past few weeks, academic deans and student advisors have been heavily involved in the review of the academic progress of undergraduate and postgraduate students. This is a key process in supporting success for students whether they are at this institution or others. I would like to acknowledge the work of all staff involved.

The working group preparing advice on the role and composition of Academic Board met and input has been received from Dr Robin Mann and Emeritus Professor John Burrows.

AAC is to consider UC's position in relation to conjoint degrees. While other New Zealand Universities offer Conjoint Degrees, UC does not. There are opportunities and risks of moving from the current policy but the matter should be considered in light of the apparent attractiveness of conjoint degrees to prospective students and the ability to create innovative programmes of study.

Further work is being undertaken to review how programme and course enrolment limits are set as we seek to manage capacity constraints, the quality of the student experience, teaching demands and diversity in class composition as we grow enrolments.

A work programme to give effect to the union of Faculties and Colleges has been drafted and progress has been made on reviewing policies and regulations, seeking advice on any legal obligations the Council may have to meet in giving effect to the union and the design of the College.

## 5. CONNECT

**Intercom:** Average opening rate for July: 40.64%. This is 19% more than the international benchmark for opening an Electronic Direct Mail (EDM) for the Education and Tertiary sector (MailChimp – 21.8%).

**Insider's Guide student newsletter:** Average opening rate of 48.16% for July.

**Twitter:** @UCNZ continues to rank as the top Twitter account for engagement out of all New Zealand universities. It is attracting an average of 130 new followers each month.

**Chronicle 2, 2016:** Content development under way.

### Events

The most important recruitment event on the UC Calendar, Open Day on 14 July provided an opportunity for future students to come onto campus and experience UC. The day included subject information sessions, information expo, accommodation tours, department tours, exhibitions, activations, international food market. Actual attendance of 4,724 far exceeded the expected attendance of 2,500.

In addition to a carefully planned media campaign, social media was used to generate interest and engagement. The Facebook Event page was set up in late February with 8,900 people viewing the event page, 2,300 people responding and a total reach exceeding 147,000.

Of the 415 people who responded to the event survey, 94% agreed that it was a worthwhile experience, 87% agreed that it was helpful and informative. After attending Open Day, the number of respondents that intend to apply to enrol increased from 71% to 83%.

It is important to acknowledge the support from across the University for this Event. Thank you to all current staff and students who contributed their time, space and patience.

#### 5.1.1 Project Communications

Final content to the Capital Works website has been added and was expected to go online early August. A staged launch is planned to allow more time to complete the Campus Planning and Development section.

The 2015 Campus Master Plan Communications Strategy has been updated and the implementation plan is being prepared. A relocations Communication Strategy will be included to help manage the large number of expected movements on campus in 2017 and the associated change and disruption.

A video presentation is being prepared for global insurance brokers in London in September on behalf of the New Zealand Universities Insurance Collective. A video fly-over of the campus has been conducted to support this. The footage taken will have multiple uses.

The Think first winter campaign was launched this month with a theme of safety around construction sites on campus. Communications include an animated video playing on digital screens, messages on digital screens, posts on the student blog (including links to the animated

video) and posters. A Think first merchandise giveaway held in the Undercroft on 22 July was well received by students and provided an opportunity to talk to students face-to-face about Think first messages.

An updated Rehua (formerly NEB) hoarding banner and new UCSA hoarding banners were finalised and sent to print in July. All banners were installed in early August.

Recently the CCC released a draft policy in respect of consultation on suburban car parking. For some years the University has encouraged the City Council to create residential parking privileges for near neighbours of the University who have repeatedly expressed concerns that staff and students, as well as contractors, at the University park in neighbouring streets precluding them and their visitors from securing on street parking. In September the University Council will consider an Integrated Transport and Parking Plan to inform the setting of parking fees for 2017 and beyond. The recent Community Meeting held at the University encouraged the University to again support parking privileges for local residents. The deadline for submissions (15 September) falls before the University Council workshop. I intend to write to the City Council again expressing support for residential parking privileges.

### **5.1.2 Media**

More than 20 news stories were released or pitched, and more than 30 media queries responded to in July.

July media coverage of UC-related topics over the 31 days included: four UC students winning Canterbury Youth Awards, Patrick Shepherd on synaesthesia research, Jeremy Finn on brain-scan lie detector research, Alex O’Keefe and his Len Lye artwork, and the Townsend-Teece Telescope donors visit. The Vice-Chancellor was interviewed on leadership by Management magazine, and on possible guest lectures by Roger Sutton by the DomPost. Paul Millar was interviewed about the ICJ anti-nuclear anniversary celebration in Christchurch.

Other UC experts appeared prominently in the media, including Bronwyn Hayward on being invited to join IPCC scoping meeting in Geneva on scientific response to climate change and on John Minto’s mayoral race, Tim Bell featured on computer science as part of the school curriculum, Bruce Robertson on UC motorsport careers for students, Ian Culpan on Olympic ethics, Mark Menzies on his music career and new role, and Greg Newbold on rape and domestic violence, police sting success, police access to firearms and black market gun sales.

Rob Lindeman discussed his precursor to the Pokemon GO augmented reality game, while Martin Holland discussed Brexit, Angus MacFarlane spoke about a Pushkin poem translated into Maori, John Hearnshaw spoke on a proposed Dark Sky Park for Christchurch’s red zone, UC student Josiah Tualamali’i spoke on youth leadership, UC research fellow Eliza Oldach talked about habitat cascades, Ekant Veer spoke about Christchurch’s identity, Maggie-Lee Huckabee spoke about an ‘adopt a scientist’ programme as a positive way of getting youth excited about science, and Jeanette King spoke on te reo revival.

### **5.1.3 External Engagement**

Among the external issues managed this month were a complaint from some attendees of a public lecture ‘Feminism and Rape Awareness in New Zealand’ given by Professor Greg Newbold. A letter of complaint was received from a number of students, alumni and members of the public. Professor Ursula Cheer, Dean of the School of Law, agreed to investigate the complaint and provide advice. The advice has been accepted and all recommendations adopted. A public lecture on a relevant topic from a different perspective will be held, training will be provided to students who host public lectures and opportunities will be sought to allow students to give public lectures.

UC Connect public lectures were well received, including two – UC political scientist Amy Fletcher on the US Presidential Election, and Weta Digital director Joe Letteri on movie visual special effects - which were both full. There are four UC Connect public lectures scheduled for August.

#### **5.1.4 Stakeholder Relations**

The next UC Community Meeting is scheduled for 22 August.

#### **5.1.5 Alumni and UC Foundation**

##### *Fundraising*

Philanthropic Income:

July:	July YTD:
\$1,049,986	\$4,482,941

Distributions:

July:	July YTD:
\$222,604	\$1,586,772

The Annual Appeal has generated 355 donors to the 2016 campaign [www.canterbury.ac.nz/alumni/appeal](http://www.canterbury.ac.nz/alumni/appeal). 53% of income is unrestricted to a specific project in the Annual Fund. 15% to Bright Start Scholarships, 7% to Pukemanu, 14% to Pacifika Outreach, 9% to Rose Centre, 1% to Sport and the General Fund - \$48k for 2016 with repeat donations pledged ongoing from 229 donors.

UCSA – \$5m target. We have supported the Students' Association with promotion of the Exec Reunion on 5-6 August. The first Prospectus has gone to print and we have the final architectural drawings and alumni quotes. Meetings with Corporates have started this month and the first Alumni mailings will start in September. Income to date is \$115,530. This effort was punctuated by media coverage this month on the new Ngaio Marsh Theatre.

Negotiations with a local firm over sponsorship of the Chancellor's Dinner for 2016 and beyond are ongoing. Negotiations are also progressing for a Trading Floor in Business and Law as well as research on SME businesses.

#### **5.1.6 Stewardship**

- The Christchurch corporate donor thank you event on 27 July had 89 guests. Thank you to Professor Julia Rucklidge for her excellent keynote speech.
- We continued planning for Malaysia/Singapore visit. \$160k of additional money has been pledged from stewardship of this region for the trip.
- We are continuing to get thank you letters from scholarships recipients and sending them out to donors.
- Excellent feedback from the STAR Maths programme on impact of donors funds.

#### **5.1.7 Alumni**

- E-News went out in July to over 40,000 contactable alumni and even generated a donation, \$1,000 to the annual fund. This engagement generated a 33% readership.
- The Crusaders pre-game event (120 people at \$35 each). Sadly the Crusaders lost but the event achieved media coverage.

## **6. ENABLERS**

*Efficient, effective and sustainable use of the human, physical and financial resources available to the University*

### **6.1 Library**

The University Council will receive an update on the current moratorium on taking new materials into the archive collections at its meeting in August.

### **6.2 Staff Matters**

#### **6.2.1 Health and Safety**

The Health and Safety representative elections are currently under way. The H&S Committee structure provides a great opportunity for all staff to be kept informed of the H&S developments across campus and influence current and future H&S policies and procedures. It is important to reflect the UC community in the H&S committee structure so a diverse group of representatives are welcome.

#### **6.2.2 Excess Annual Leave**

I am pleased to advise that there are now virtually no staff with more than the target five weeks' accrued forecast annual leave at the end of the year.

I am very pleased to announce the appointment of Associate Professor Catherine Moran to the fixed term position of Dean of Academic Strategy in the Deputy Vice-Chancellor Academic Office. I look forward to working with Catherine in this exciting new role to lead and support academic projects including Graduate Profile and E-Learning and other strategic projects.

Please note the timeframe of Catherine starting in this role is yet to be confirmed as a recruitment process is currently under way to backfill the role of Dean of Science. Professor Wendy Lawson has invited applications for the role of Dean of Science, with a view to the appointee also being appointed as Deputy PVC.

### **6.3 Infrastructure**

Details of building status are contained in the appendix.

Work is continuing to finalise the Campus Master Plan as at 2016. Work is progressing on the Integrated Transport and Parking Plan which will inform a Council decision about parking charges for 2017, the Landscaping Plan and the Campus Occupancy Plan. The last of these seeks to identify the permanent home for most departments by 2019 and includes the assumption that the temporary villages will not form part of our space from 2018.

A call for submissions on the Space Allocation Policy has been made. Submissions are due by the end of August. The policy will be reviewed in light of submissions made to Academic Board as well as any further submissions and the outcome of consultation. Any proposed changes to the current policy will be considered by SMT in September and Academic Board will have an opportunity to advise on any proposed changes in October.

Expressions of interest will be sought from the market to advise the University on priorities and likely costs to enhance protection from cyber-crime perpetrated against the University.

#### 6.4 ICT Graduate School

While there have been further meetings, a revised operating plan and budget have yet to be completed, approved and agreed by TEC.

### 7. Financial Outcomes: (Management Accounts to 31 July 2016)

July 2016	Actual Year to Date \$000	Budget Year to Date \$000	Budget Variance Year to Date \$000 Fav/(Unfav)*	Budget Full Year \$000	Forecast Full Year \$000	Full Year Forecast to Budget Variance \$000 Fav/(Unfav)*
Total Operating Income	195,315	188,368	6,947	323,214	331,831	8,617
Total Operating Expenditure	192,582	198,050	5,468	336,871	341,204	(4,333)
<b>Net Surplus/(Deficit)</b>	<b>2,733</b>	<b>(9,682)</b>	<b>12,415</b>	<b>(13,657)</b>	<b>(9,373)</b>	<b>4,284</b>
Net Surplus/(Deficit) as a % of Total Operating Income	1.4%	(5.1%)		(4.2%)	(2.8%)	
<b>Capital Expenditure</b>	<b>101,266</b>	<b>171,648</b>	<b>70,382</b>	<b>274,635</b>	<b>208,875</b>	<b>65,760</b>
Cash/ Short Term Investments/ Short Term Government Stock	303,169	71,552	231,617	42,081	228,298	186,217
Working Capital	228,976	37,595	191,381	8,296	199,513	191,217

\* A variance enclosed in brackets indicates an UNFAVOURABLE financial variance e.g. income is less than budgeted income OR expenditure is greater than budgeted expenditure.

Actual Total Operating Income is favourable to budget as at July 2016. This overall favourable position is due mainly to favourable variances in tuition fees, interest income, and sundry income. Actual Total Operating Expenditure is favourable to budget. The favourable variance relates to operating expenses and depreciation, partially offset by unfavourable variances in total personnel expenses and finance charges.

We had been budgeting for an operating **deficit** as at the end of July 2016 of \$9.682 million, but have returned an operating **surplus** of \$2.733 million. The favourable variance to budget of \$12.415 million is an increase of \$0.899 million from the favourable variance reported at 30 June 2016. The main change is coming from general external recoveries in the College of Education.

Capital expenditure is currently \$70.382 million below budget. \$74.452 million of the expenditure incurred to date is UC Futures related (CETF, RSIC, and NEB) against a year to date budget of \$134.013 million. At this stage of the year the remaining capital spend (excluding UC Futures), against budget, is favourable by \$10.821 million.

#### 7.1 Cash Flow

The July 2016 cash position of \$303.169 million is higher than budget by \$231.617 million due largely to higher than expected balances at 31 December 2015 and failure to meet budgeted capital expenditure expectations. We are holding adequate short term cash reserves to meet expected capital costs for the CETF and RSIC projects, with significant deposits maturing in August 2016 that have been reinvested.

Forecast cash flows including the Government's financial support now show no immediate requirement to borrow in the next three years. However, careful husbandry of balances will be required in 2018 and 2019, with capital and operating expenditure needing to be closely managed.

TEC, which must approve all borrowing under the Education Act 1989, have provided a borrowing consent, of which a key condition is that once UC is required to borrow more than \$65 million an independent advisor will be appointed who will advise on the financial risk to the Crown and assist the UC Council in managing financial risk.

There are no specific additional MOE covenants, but the Funding Agreement with the Government sets out certain financial targets to be reported to the Governance Oversight Group (GOG) appointed under the Funding Agreement. As at the end of July 2016, the University is tracking to meet its targets. The University's achievement for 2015 was within the ranges set.

## **7.2 Working Capital**

Working capital<sup>1</sup> of \$228.976 million at 31 July 2016 is \$191.381 million more than budget, mostly due to the additional cash balances as a result of the lower capital expenditure (see above).

The TEC has advised that it will exercise its' discretion not to seek recovery for under delivery of Student Achievement funding in 2017. This is expected to leave \$8m of unearned funding with UC in the 2017 financial year. No commitment has been made in respect of under delivery in 2018. There will be no support for under delivery in 2019.

The draft of the UC TEC Investment Plan 2017 – 2019 will be reviewed by Council at its August meeting and is available to the August meeting of academic Board for comment.

Financial Services will work with UC Foundation and Colleges to confirm what funds the Foundation is presently holding that relate to expenditure that the University has incurred, is entitled to be recovered from the Foundation but has not been claimed.

## **8. COLLEGE SUMMARIES –**

### **8.1 College of Arts (Te Rāngai Toi Tangata)**

Professor Le Cocq has been in the UK for three weeks, combining leave with professional development opportunities. In his absence Professor Paul Millar has acted as Pro-Vice-Chancellor.

Associate Professor Bronwyn Hayward of Political Science and International relations has been appointed to the International Panel on Climate Change scoping report responding to the Paris climate meeting target of 15 degrees. She is one of 78 international experts selected from an international nomination panel of 600. The Scoping report is the IPPC's crucial science planning meeting to advise how the world's scientific community should structure research and respond to the challenge of limiting global warming and meeting the needs of the poor and sustainable development.

In addition to the highly successful Open Day, in which all Arts presentations were fully attended, the College has hosted a number of successful recruitment initiatives, including three hundred

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<sup>1</sup> assets due to become cash or be consumed within 12 months less liabilities due to be paid in cash within 12 months

teachers attending the New Zealand Association of Teachers of English conference, two hundred students attending History Day, and over one hundred students attending Art History Day.

On 8 July two events were held in conjunction with the Disarmament and Security Centre to mark 20 years since a historic judgment by the International Court of Justice (ICJ) on the legal status of nuclear deterrence. A symposium at UC featured international speakers, including former New Zealand prime ministers, the Rt Hon Sir Geoffrey Palmer QC and Rt Hon Jim Bolger, respected lawyers, diplomats and veteran anti-nuclear campaigners from the Project. This was followed by an evening celebration held at the Transitional Cathedral, chaired by the Mayor of Christchurch Lianne Dalziel. Among the evening's musical offerings UC's newly appointed Professor of Music Performance, Mark Menzies in his first public appearance in his new role, performed an original composition based on Pau Casal's peace anthem 'Song of the Birds'.

In the coming month we will be interviewing three candidates for the position of lecturer in Music performance. Each candidate's interview process will include a public performance at the School of Music.

## **8.2 College of Business and Law (Te Rāngai Umanga me te Ture)**

### **Industry and Community Engagement News**

The UC Centre for Entrepreneurship will be a Channel Partner at Singularity University's Australasian Summit to be held in Christchurch this November. Singularity University is based in Silicon Valley with a mission 'to educate, inspire and empower leaders to apply exponential technologies to address humanity's grand challenges'. The Summit will bring together worldwide leaders and New Zealand and Australia's leaders of today and tomorrow to consider the socio-economic and political implications of rapidly accelerating technologies.

To maximise this partnership, the UC Business School has introduced a new, experiential course for credit to enable up to 20 students to attend the Summit free of charge and then apply the knowledge gained from the Summit to their own Start-up venture or business project. Following the Summit, UC will also engage with other local tertiary institutions to run a Canterbury Tertiary Summit for youth.

UC Executive Development Programmes is currently running a Thought Leaders speaker series for UC students, alumni and industry stakeholders. The latest presentation in this series on 26 July was given by John Spence, recognised as one of the top 100 Business Thought Leaders in America and author of several influential texts on leadership and high performance culture. John addressed an audience of over 150 students and external guests, highlighting the challenges facing all industries (including tertiary education) by exponential technological change and innovation. The next presentation in this series will be delivered on 25 August by Geoff White, CEO of Trade Aid. Geoff will discuss the challenges of running a business required to balance commercial and social outcomes.

Law School colleagues have had a productive month on the research front. Within the last four weeks Law School staff have published two books (one by Lynne Taylor on insolvency law and another by Dr Christian Riffel on World Trade Organisation law), three journal articles, one book chapter and presented 13 papers at national and international conferences. Particular congratulations go to Dr John Hopkins for receiving the Oxford University Press award for best paper at the Australasian Law Teachers Association (ALTA). Additionally, Professor Jeremy Finn, Professor Liz Toomey and Dr John Hopkins have recently been awarded \$119,000 from the New Zealand Law Foundation for their research project, 'Disaster Proofing the Law: Developing Legal Resilience for New Zealand'.

Following several weeks' intensive recruitment activity, the College has appointed the following new academic staff, who will be joining us between now and January 2017: Associate Professor, Dr Tom Coupe (Econometrics), Associate Professor, Dr Ravi Sharma (Business Information Systems), Senior Lecturer, Dr Anushia Inthiran (Business Information Systems), Professor Elisabeth McDonald (Feminist Legal Theory and Criminal Law), and Lecturer, Dr Toni Collins (Land Law). Ariana Johansson, currently UC Māori Liaison Officer, has also been appointed as Student Advisor in the Law School.

### **8.3 College of Engineering (Te Rāngai Pūkaha)**

At the UC Open Day on 14 July, the PVC and a student advisor were present during the day at the Engineering kiosk in the Undercroft. Both were kept very busy, often with queues of prospective students wanting to speak with them with a range of questions. There was considerable interest shown in all of the engineering degree offerings in the College. We followed this up with a day of student tours around the new Electrical wing which is now fully open, to attract Intermediate students to study in that department. This was also of interest to some people from out of town who had stayed in Christchurch overnight after the Open Day. Teaching has now commenced in the new Electrical wing.

Since the departure of our Academic Manager we have been very pleased to appoint a new Senior Academic Advisor, Arran Yuill, who was previously a Student Advisor in the College. We are now looking to complete the student advising and support team in the College Office due to a retirement and Arran taking up his new role.

Work is now under way designing courses for the new Masters in Renewable Energy, created partly as a result of interest from overseas markets, and this new degree will commence in February 2017. We are also working closely with UniKL in Malaysia, taking direct entry students into the first professional year of engineering, and the students who come through this pathway have a very high success rate.

Finally, our 2016 Formula SAE race car is well on the way to completion, and we plan to compete once again in the Formula SAE event in Australia later this year. Results in the past three years have been excellent for both engineering design and race results, and we have high hopes for this year's car.

### **8.4 College of Education, Health and Human Development (Te Rāngai Ako me te Hauora)**

Our College hosted a successful "Principals Day" on campus which provided secondary school principals the opportunity to meet our students in secondary teaching and to indicate to our students what their school could offer them as a new teacher. We had a record number of principals attend from around the country (62 principals – 15 of whom flew down from Auckland). The principals were very impressed by the quality of our students and particularly interested in recruiting our maths, science, and technology teachers. They indicated there is a critical shortage of these teachers applying for open positions. They were very pleased to learn that 40% of our 81 secondary teaching students who will graduate this year will be qualified to teach in maths and the sciences.

The Ministry of Education has confirmed the continuation of our Specialist Teaching contract which we offer in partnership with Massey University for a further three years. The contract offers postgraduate diploma endorsements to prepare experienced teachers to become specialists in working with children who have learning and behaviour problems, are deaf or hard of hearing, or have complex learning needs. One endorsement also focuses on preparing early intervention specialists for young children with very high needs. Congratulations to Dr Laurie McLay,

programme co-coordinator in our School of Health Sciences, and the teaching team, in securing the contract renewal which results in over 150 student enrolments for UC each year of the contract.

## **8.5 College of Science (Te Rāngai Pūtaiao)**

In the area of international student recruitment, we are very pleased to have been notified in July that subsequent to our hosting a delegation from MOH Holdings Singapore to our speech and language pathology programme in March, it has added our degree to their list of approved programmes for their scholarships for aspiring health leaders in Singapore.

This outcome, following their probing assessment of our offering and Singaporean students' experiences of it, is a strong indicator of the international quality of our programme.

Following the recent announcement of the appointment of our Dean of Science, Associate Professor Catherine Moran, to a role in the office of the Deputy Vice Chancellor (Academic), we have begun an internal search for a new Dean. We will miss Catherine immensely, and we wish her all the best in her new role. Meanwhile, this provides an exciting opportunity for one of our academic leaders to step up into a key pan-College role.

We are proud to have learned that Professor Andy Sturman, in the Department of Geography, will be awarded the Distinguished New Zealand Geographer Award for 2016 from the New Zealand Geographical Society.

Finally, a key milestone in July has been the approval by Academic Board of our new major in Environmental Science in the Bachelors of Science. This new major has been carefully designed as an intentionally interdisciplinary major, and embodies the intent of the RSIC in interlinking a range of disciplines in new ways. We are also pleased to be offering this new undergraduate programme with the support of the Ngāi Tahu Research Centre, and in which bicultural competence – as well as the other graduate attributes – is deeply embedded by design at the outset.

## **9. CONCLUSION**

At a recent planning and development day, SMT focused on a commitment to enhance collaboration within the University. It is clear that we can all make a contribution to improve collaboration by finding ways to do things which enhance outcomes for the University which may involve giving ground on matters that are advantageous to individuals or groups within the University. Some staff express the view that their immediate colleagues are highly collaborative but more remote groups appear to be destructively competitive or self-promoting. I believe the University has made progress in developing a more collaborative culture in recent years but accept there are many opportunities to do more. There is unlikely to be one single initiative that promotes enhanced collaboration but much is made of the need for a shared vision and goals. For the next couple of years the vision of people prepared to make a difference remains a constant vision which informs the need to recruit students and ensure they succeed at UC. It informs the imperative of the commitment to transform the attributes and learning outcomes for our students and it maintains a focus of the quality of teaching and learning, research to inform teaching and the need to complete the major investments in the built environment to support research informed teaching and learning.

It is reassuring to see early positive signs of enrolment for 2017 but much work remains to turn expressions of interest into enrolled students. It is also pleasing to see progress on the major buildings but there remains significant uncertainty and disruption until the major projects are completed. We will all need to play our part in getting through 2017 but real progress is now evident.

## **9.1 Appendix 1: Building Update**

### **Overall**

Site works progressed steadily during July 2016 for RSIC 1 (Main Building). Steelwork and suspended floor systems installation continues with suspended flooring scheduled for completion towards the end of July 2016 and structural steelwork first week in October 2016.

The bridges between the east and west buildings are complete. Installation of the first fix of building services continues to levels one, two, three and four of both the East and West buildings. At roof level, the waterproof membrane is being installed and the erection of the roof steelwork continues. Progress remains relatively slow due, in part, to continued discussions between Fletcher and Thermosash on a revised programme and the challenges associated with installing the shop front windows to level two.

For CETF Hawkins is now forecasting a 27 September handover date for CAPE and a 16 November handover for the Core. Hawkins have claimed the delay results from the resolution of waterproofing details to Building E on the Core.

CNRE wing works are slightly behind programme primarily due to delays in the issues of structural steel shop drawings. In addition, work has progressed on site for the Mechanical wing following the final clearance of asbestos. The effect on programme is still to be clarified and an updated programme is due in August.

An intervention has been implemented by UC with the agreement of Hawkins to introduce an independent party to undertake a review of the program and on site works on both Tranche 1 and 2. This is intended to provide support and advice to both Hawkins and the UC external PM in an endeavour to improve program planning and sequencing of trade resources thereby improving project performance in meeting agreed project program dates.

On the Rehua building (NEB), structural steelwork is progressing on site but there are delays to the south wing. The Hawkins structural steel subcontractor does not currently have the capacity to supply steel at the volume required by the programme. The project team and Hawkins are investigating alternative suppliers with additional capacity and reviewing the programme to minimise the impact of any delay.

Fluid Viscous Dampers (FVD) manufacture is progressing according to plan and the first FVD is due on site on 6 September. Façade delivery is also proceeding and the first batch is due on site on 6 October.

Recognising that programme delivery would be a key risk on the Rehua site, an early intervention, in the form of an independent consultant, has been engaged to ensure that forward planning processes are effective and provide early warning of variance. This work involves close collaboration across UC, Hawkins and the subcontract supply chain.

### **Campus Construction Safety Group**

The Campus Construction Safety Group continues to meet focussing on the construction projects and their health and safety implications on the University's day-to-day business and reputation.

The contractor round-table meetings continue and in July Hawkins shared, by way of a presentation, their experience and response to a recent near-miss on the Rehua site. This event, and the subsequent learnings, generated a very constructive discussion. The responses included sharing of other similar near-miss events involving cranes by other contractors present and mitigations employed by them, which in return was very useful to Hawkins and others in attendance. The demolition contractor Southbase, which is about to commence site works on the UCSA Building, will be invited together with the UC external PM to future round-table meetings.

### **Key progress this month:**

#### **Regional Science and Innovation Centre (RSIC)**

Site works progressed steadily during July for RSIC 1 (Main Building). Steelwork and suspended floor systems installation continues with suspended flooring scheduled for completion towards the end of July and structural steelwork first week in October. The bridges between the east and west buildings are complete. Installation of the first fix of building services continues to levels one, two, three and four of both the east and west buildings. At roof level, the waterproof membrane is being installed and the erection of the roof steelwork continues.

The façade installation has restarted on the northern third of the western face. Progress remains relatively slow due, in part, to continued discussions between Fletcher and Thermosash on a revised programme and difficulty installing the shop front windows to level two. Following agreement from CCC's Building Inspectors, Fletcher have undertaken to temporary wrap sections of the building to provide a weather tight environment. This has allowed internal timber framing and plasterboard to be installed and programme to be maintained.

Internal wall framing continues to levels two, three and four of the east and west buildings and plasterboard installation is now progressing on levels two and three of the western building.

Services installation, fire, electrical, HVAC, lab gasses, AV, security and hydraulics continues on all available floors; services installation is the main driver of the critical path.

The number of personnel on site has increased over the period with about 260 daily resources now on site.

#### **Canterbury Engineering the Future (CETF)**

The main challenge for the project team continues to be the delivery of Tranche One buildings (CAPE and Core) and formalisation of ECE Practical Completion together with the need to gain alignment with Hawkins over a number of contract administration issues, of which agreement of scope change is the most significant. A further meeting chaired by the Chair of the PCG was held on 27 July to progress discussions on how to close out the obvious misalignment between UC and Hawkins in respect to these matters.

Recognising the difficulties associated with the delivery of Tranche One a CETF Re-Launch meeting was held to focus on Tranche Two. This was attended by all project partners and covered three main areas; agreement of the top six fundamental issues and actions, a review of the meeting and communication structure and a review of the ongoing need for health check workshops. Clear deliverables were identified to assist resolution of the fundamental issues, a revised communication and meeting structure was developed and it was agreed that the revised structure covered the areas covered under the Health Check workshops meaning this meeting was no longer required. The proposed revised structure will be presented and recommended to the August PCG meeting for consideration and endorsement.

A statement of occupation has been received for ECE and occupation by UC of all areas aside from two labs has been completed. Hawkins subsequently applied for practical completion of the building but it has not been awarded. There are a number of post contract works that have been identified as being required in order to ensure appropriate functionality of the building and schedules are being prepared to deliver these works.

The latest monthly report from Hawkins forecasts a 27 September handover date for CAPE. Hawkins has not provided an explanation for this change in date and the project team is now making further enquiries.

The programmed handover date for the Core has also changed to 16 November, and Hawkins have cited the potential delay resulting from the satisfactory resolution of waterproofing details to building E on the Core as the cause.

CNRE wing works are slightly behind programme primarily due to delays in the issue of structural steel shop drawings. Work is proceeding on the consent application for the emissions control equipment package and there is potential for this to cause delay. Both items are being closely monitored by the UC external PM.

Work has progressed on site following the final clearance of asbestos from the Mechanical wing. The effect on programme remains to be clarified and an updated programme is awaited from Hawkins. The North-South walkway closed as a thoroughfare on 12 August.

### **Electrical Link Reclad**

Detailed design continues. RLB report the Business Case budget remains on track for the project.

### **Relocation of the College of Education Health and Human Development – Rehua (New Education Building, ex-Commerce)**

The Stage Two Fit-out NZS3910 contract was signed by UC on 4 July 2016. This contract supersedes the existing letter of intent and provides further certainty to the programme and budget.

Structural steelwork is progressing on site but there are delays to the south wing. The Hawkins structural steel subcontractor does not currently have the capacity to supply steel at the volume required by the programme. The project team and Hawkins are investigating alternative suppliers with additional capacity and reviewing the programme to minimise the impact of any delay.

Fluid Viscous Dampers (FVD) manufacture is progressing according to plan and the first FVD is due on site on 6 September.

Façade delivery is proceeding and the first batch is due on site on 6 October 2016.

A key risk is project delivery and meeting of due dates. As part of the strategy for managing this risk, an independent consultant has been engaged to ensure that forward planning processes are effective and provide early warning of variance. This work involves close collaboration across UC, Hawkins and the subcontract supply chain.

The design team is working with the College of Education, Health and Human Development, Maori and Pasifika groups to finalise the cultural influences on the building fit-out. An artist has been commissioned by Pasifika to provide patterning for machined wall panels in the Coppertop entry. A meeting is planned for 3 August to select from options provided by the artist. These options do not impact on project cost or programme.

## **Other Buildings/ Projects**

### **UCSA**

Construction works and inspections to the Dovedale ELC are now all completed. The ELC has already begun relocation and set up. The budget and programme for this project has been delivered according to plan. The UCSA has funded the development works. Parents and staff are pleased with their new facility at Dovedale and the project has been a success to all involved. This achievement can be largely attributed to the collaborative and can-do attitude of the main contractor, Portacom Ltd.

The enabling works for the new USCA building are complete and the site has been handed over to the demolition contractor, Southbase. The transition from the existing services to the new services rerouted around the building site has been successful with minimal disruptions. Traffic management is in place to ensure risk is mitigated appropriately.

The design team is under way with finalising the room data sheets with the various user groups and key stakeholders. The team is on track to issue the developed design with a revised cost estimate to the September PCG. Following on from this, detailed design will be completed in Jan 2017.

The procurement plan is under way and is on track for endorsement by the August PCG. The draft business case (stage one of two) is currently planned for review by the September PCG before progressing to Council.

### **Arts Centre**

A revised programme was issued by the contractor on 27 July shows a completion date of 21 December 2016. Initially, the contractor had notified UC there was a potential delay in the ground floor recital room due to the unforeseen additional basebuild strengthening work for the floor cracks. However, this work has progressed well and has brought the programme back on schedule to still enable a target completion before Christmas 2016.

Services installation, fire, electrical, HVAC, AV and security continues on all floors and is 75% complete. Internal wall framing is under construction to basement, ground floor, first floor and attic floor. The plasterboard installation and gib-stopping has commenced on the attic floor. The first floor fit-out is ahead of schedule but there is a slight delay in the basement due to basebuild changes to the corridor ceilings. This delay does not affect the critical path of the programme.

At this stage, the basement will be complete in November, while the first floor and attic area are set to be completed by start of December, followed by the completion of the ground floor on 21 December. A weekly site and programme meeting is held every Monday to discuss issues raised and any changes to the sequencing of work to avoid any delay to the programme.

The Logie Gallery design was tendered to a shortlist of specialist suppliers, with the tender closing on 29 July. Only one response was received from the three shortlisted companies. The team is reviewing this and will continue to discuss with Financial Services how this result should be addressed.

## **Residential (Student) Accommodation**

The PCG providing oversight of the student accommodation projects for UC has established a number of work streams. These are:

- Demand and supply of beds
- Postgraduate apartments
- Undergraduate halls of residence
- Kirkwood Ave Hall
- Head leases and standalone houses
- Existing UC temporary sites
- New temporary beds

### **1. Demand and supply of beds**

The Capital Works team continue to monitor demand for accommodation, and are working with both the accommodation office and external consultants to confirm parameters for modelling required increases to supply. An update to the Student Accommodation Strategy 2014-2023 was completed by Price Waterhouse Coopers (PWC) during July, and this is being considered by the PCG in August with the proposal to develop a programme to address the identified bed shortfall over the next seven years.

### **2. Postgraduate apartments at Dovedale**

Following the July PCG, the decision was taken to split this project into two stages with a Business Case being developed for August PCG endorsement and Council approvals which anticipates the development of 80 beds on the current tennis court and staff car park area ready for 2018. In parallel with this the team will revisit the brief for the education gym site taking account of the latest trends in accommodation supply, as demonstrated by developments such as Queen Mary at University of Sydney, and also the indicated increase demand for beds in the PWC report. This will inform the ongoing design process of this proposed development by the current design team, for an anticipated delivery date of this stage for 2019.

### **3. Undergraduate Hall of Residence**

The June PCG confirmed that the Undergraduate Hall development is not required until 2020 in line with the latest demand reports. Work on this design will commence in 2017.

### **4. St Nicholas Hall (Kirkwood Avenue Halls)**

The team has selected Naylor Love as the preferred contractor, and is now undertaking ECI with the design team. The intention is for the construction contract to be signed in September to allow procurement of any long lead time items prior to access on site on 31 October. Meetings with the purchasers of the site have confirmed the removal of various chattels that UC did not require, and that Bupa is on programme to release the site as expected.

### **5. Head leases and standalone houses**

No change has been implemented to the work stream in the past month.

## **6. Existing UC Temporary Sites**

In recognition of the site clearance date requirements and lease expiry dates for Waimairi Village and Waitakiri Village respectively, planning for packing down the villages remains at its initiation stage.

## 9.2 Appendix 2: Upcoming Events

<b>Date</b>	<b>Time</b>	<b>Venue</b>	<b>Event name</b>	<b>Primary purpose</b>
Thursday 25 August	7pm - 8.30pm	John Britten Building	Parents as Career Educators seminar	Recruit
Tuesday 23 August	6pm - 8pm	ASB Showgrounds, Auckland	UC Engineering Info Evening (Auckland)	Recruitment & Retention
Tuesday 23 August	7 - 8pm	C3	UC Connect: Riding the exponential wave of change. Presented by Kaila Colbin, SingularityU	Engage
Thursday 25 August	TBC	Undercroft 101	EDP Thought Leadership Series: TBC with Geoff White (TradeAid)	Engage
Monday 29 August	2pm - 3pm	Undercroft 101	VC Forum (for direct reports of SMT members)	Engage
Thursday 1 September	10am - 11am	Undercroft 101	VC Forum (for direct reports of SMT members)	Connect
Thursday 1 - Friday 2 September	-	Ilam Homestead	Tertiary Counsellors Conference	Conference
Wednesday 7 September	7pm - 8pm	C3	UC Connect: Is New Zealand food safe? A toxicologist's view of food	Engage
Wednesday 14 September	7pm - 8pm	C2	UC Connect: EQC: a revenge comedy in the making. Presented by Dr Christina Stachurski	Engage
Wednesday 21 September	5.15pm - 7pm	Undercroft Common Area	Postgraduate Options Expo / Fair	Recruitment & Retention
Friday 23 September	3pm - 4pm	Undercroft 101	UC Connect: Dare to be Different. Presented by Rob Fyfe, CEO Icebreaker	Engage
Mon 26 Sep - Thu 6 Oct	10am - 4pm	Undercroft 101	XL October	Recruitment & Retention
Wednesday 28 September	5.30 - 8pm	John Britten Building	EDP Information Evening (MBA - External/Industry)	Recruitment & Retention

### 9.2.1 Appendix 3: VC Activities

<b>Past</b>	
28 July 2016	<ul style="list-style-type: none"> <li>• Attended the Admin Plus Staff Length of Service Awards</li> <li>• Attended the Canterbury Learning and Legacy Sponsors Group Meeting</li> </ul>
02 August 2016	<ul style="list-style-type: none"> <li>• Hosted an SMT Development day</li> </ul>
03 August 2016	<ul style="list-style-type: none"> <li>• Hosted Sir John Armitth President of the Institution of Civil Engineers on campus</li> <li>• Hosted a community dinner alongside Sue McCormack and Keith Longden</li> </ul>
05 August 2016	<ul style="list-style-type: none"> <li>• Attended the UCSA Executive Reunion</li> </ul>
06 August 2016	<ul style="list-style-type: none"> <li>• Attended the UCSA Fundraising Function</li> </ul>
08 August 2016	<ul style="list-style-type: none"> <li>• Attended the International Education Brief at Christchurch City Council</li> <li>• Spoke at a Golden Key Event</li> </ul>
11 & 12 August 2016	<ul style="list-style-type: none"> <li>• Attended a Universities NZ Meeting for Vice-Chancellor's in Wellington</li> </ul>
16 August 2016	<ul style="list-style-type: none"> <li>• Attended Jo Tyndall's Lecture on Climate Change</li> </ul>
22 August 2016	<ul style="list-style-type: none"> <li>• Attended a Community Meeting</li> </ul>
24 August 2016	<ul style="list-style-type: none"> <li>• Spoke at the Tech Jump Start Awards</li> </ul>
25 August 2016	<ul style="list-style-type: none"> <li>• Attended the Governance Oversight Group Meeting</li> </ul>
26 August 2016	<ul style="list-style-type: none"> <li>• Attended the Malaysia Day Dinner</li> </ul>

<b>Upcoming Events</b>	
02 September 2016	<ul style="list-style-type: none"> <li>• Attending the Quake CoRE Board Meeting in Taupo</li> </ul>
07 September 2016	<ul style="list-style-type: none"> <li>• Hosting a Community Dinner alongside Dr John Wood and Jeff Field</li> </ul>
08 September 2016	<ul style="list-style-type: none"> <li>• Attending the Canterbury Recovery Learning and Legacy Sponsors Group</li> </ul>
12 September 2016	<ul style="list-style-type: none"> <li>• Hosting the CUEB Delegation</li> </ul>
21 September 2016	<ul style="list-style-type: none"> <li>• Hosting a VC Forum alongside the UCSA</li> <li>• Attending the Champion Canterbury Awards</li> </ul>



Report to the Council from a meeting of the  
Finance, Planning and Resources Committee  
held on Monday 15 August 2016

The Committee recommends:

1. CAPEX Report to 30 June 2016

**That: Council note the CAPEX Quarterly Report to June 2016.**

2. Fair Trade

**That: Council endorse the University seeking Fair Trade accreditation**

Ms Catherine Drayton  
**Chair**  
**Finance, Planning and Resources Committee**

24 August 2016



# Memorandum

## Learning Resources

To:	Council
From:	Alex Hanlon, Director of Learning Resources
Date:	18 August 2016
Subject:	<b>Quarter 2 (ending 30<sup>th</sup> June) 2016 CAPEX Report</b>
Purpose:	To provide information

### CAPEX Quarterly report

The Quarter 2 2016 report on the progress of all capital funded projects is attached for your information.

### Recommendation

For information.



**Alex Hanlon**  
Director, Learning Resources

**Quarterly Capital Projects Report**

**LEARNING RESOURCES**

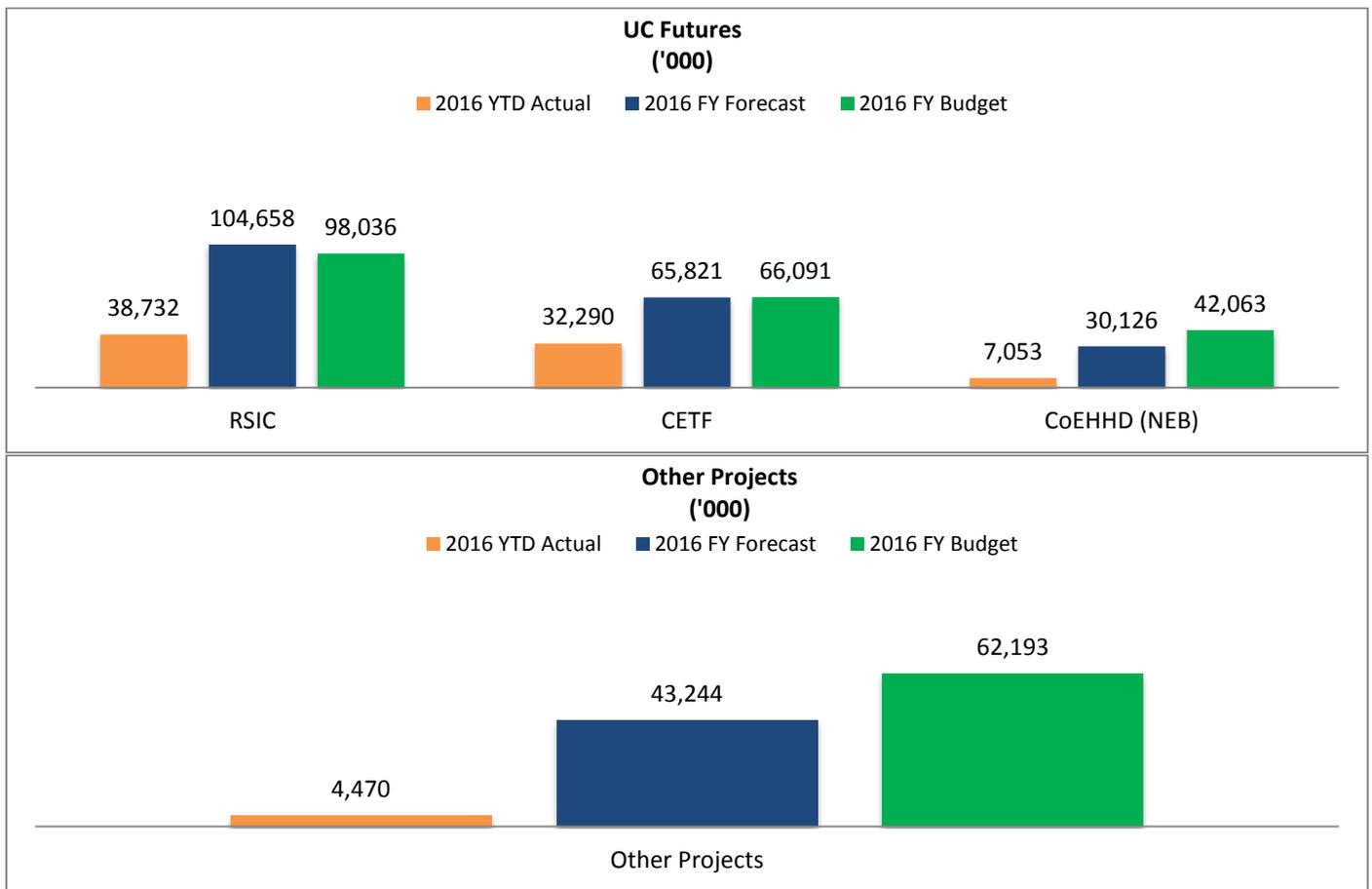
**June 2016**

Prepared by:	Sarah Guo, Genevieve Thornley & LR Project Managers
Prepared for:	Alex Hanlon
Date:	27 <sup>th</sup> July 2016
Version:	1.0

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## Executive Summary



### Overall position – UC capex report

	YTD Total Project Actual	YTD Opex Actual	YTD Capex Actual	YTD Capex Budget	YTD Capex Variance	2016 Budget	% of Budget Spent	% of Yr elapsed	Notes
<b>UC Futures</b>	78,797,743	721,753	78,075,991	114,486,618	36,410,627	206,190,229	37.9%	50.0%	1
<b>Other Projects</b>	6,814,405	2,344,813	4,469,592	28,212,939	23,743,346	62,193,112	7.2%	50.0%	2
<b>Total</b>	<b>85,612,148</b>	<b>3,066,565</b>	<b>82,545,583</b>	<b>142,699,557</b>	<b>60,153,974</b>	<b>268,383,341</b>			

	2016 Total Project Forecast	2016 Opex Forecast	2016 Capex Forecast	2016 Budget	2016 Variance	2016 Forecast % of Budget	Notes
<b>UC Futures</b>	202,236,735	1,631,574	200,605,161	206,190,229	5,585,068	97.3%	3
<b>Other projects</b>	43,243,822	3,846,869	39,396,953	62,193,112	22,796,158	63.3%	4
<b>Total</b>	<b>245,480,557</b>	<b>5,478,443</b>	<b>240,002,114</b>	<b>268,383,341</b>	<b>28,381,227</b>		

#### Notes:

- Both RSIC and NEB Quarter Two actuals are tracking behind budget, while CETF Quarter Two actuals are in line with 2016 budget figures.
- Quarter Two spend on all other Learning Resources projects has been less than budgeted as Capital Works and ITS teams have worked to plan, while having also initiated the new PSR initiatives into their programme of works. A challenge for both Capital Works and ITS teams has been keeping to delivery schedules with so many initiatives already in-flight.
- CETF is currently forecasting that they will finish the year on budget. RSIC had a significant increase in June spending (\$11M), which is expected to remain the case until next quarter.

<sup>1</sup> 2016 FY Budget figures are as per the 2016 Capital budget as approved by UC Council in Nov 15. Project budgets would have been set based on the project/QS forecasts available at that time.

4. The NEB Implementation Business Case was approved by Council in June. The latest QS forecast for 2016 is \$30.1M, which is \$11.9M under the 2016 budget allocation.
5. There is an increase in spend expected across the third and fourth quarters for 2016. Learning Resources' projects are, however, forecast to finish the year under budget. This pertains to the SMS project (\$6m), the Recreation Sport Centre (\$8M), and UCSA building (\$4m).

## Capital Projects – In flight (excluding separately reported major projects)

Capital Projects Open \$000's			Total Project							Full year (2016)		
Project	YTD Capex	Project To Date	Expected Project Cost	Approved (excl. Contingency)	Variance	Contingency	Total Approved	Forecast	Budget	Var		
<b>Top Projects</b>												
1 My UC - DVSMS	L0098	(1,628)	12,251	45,000	13,887	(31,113)	1,732	15,619	1,800	6,000	4,200	
2 Electrical Link (EN17)	B1857	942	7,645	8,405	8,536	131	180	8,716	1,553	1,675	122	
3 Electrical Link (EN17) - Recladding	B1857R	228	228	5,491	4,634	(857)	857	5,491	2,179	-	(2,179)	
4 Art Centre	B1846	193	650	4,552	4,389	(163)	163	4,552	3,258	1,968	(1,290)	
5 UCSA Demo	B1785D	99	252	2,193	2,009	(183)	183	2,193	2,047	-	(2,047)	
6 UCSA Building	B1785	241	386	26,700	4,958	(21,742)	-	4,958	941	4,958	4,016	
<b>Buildings and services</b>												
7 Kirkwood Hall (Student Accommodation)	B1848	7	169	2,951	2,567	(384)	384	2,951	1,784	1,000	(784)	
8 Other (Building Retentions and Accruals)	B9999	(125)	860	860	-	(860)	-	-	(125)	-	125	
<b>Technology and processes</b>												
9 CS Gold Replacement	L0118	1	353	353	156	(197)	23	179	75	-	(75)	
10 Copyright Compliance & Reporting	L0213	28	47	91	168	77	34	202	73	134	61	
11 Skype for Business	L0180	193	656	1,584	1,206	(378)	172	1,378	745	969	223	
12 Exam Manager	L0260	25	29	188	157	(31)	31	188	180	82	(98)	
13 RIMS - Symplectic Elements	L0261	94	113	591	495	(96)	96	591	568	249	(319)	
14 Online Experience Phase 3	L0264	15	33	1,891	1,681	(210)	210	1,891	994	-	(994)	
<b>Total Open Projects</b>		314	23,673	100,850	44,843	(56,007)	4,065	48,908	16,072	17,035	963	
15 Minor Capital		3,287	3,287						16,582	19,206	2,624	
16 Closed Projects - Prior Years	NA	774	199,390						1,056	701	(355)	
17 Approvals in Principal		94	2,439						9,534	25,252	15,718	
<b>Total Project</b>		<b>4,470</b>	<b>228,789</b>						<b>43,244</b>	<b>62,193</b>	<b>18,949</b>	

## 5 Year Forecast

Capital Projects Open \$000's		Total Project Forecast						
Project	Prior Years	2016	2017	2018	2019	2020	Total	
<b>Top Projects</b>								
1 My UC - DVSMS	L0098	11,855	1,800	8,500	10,000	12,845	45,000	
2 Electrical Link (EN17)	B1857	6,703	1,553	149	-	-	8,405	
3 Electrical Link (EN17) - Recladding	B1857R	-	2,179	3,312	-	-	5,491	
4 Art Centre	B1846	453	3,258	840	-	-	4,552	
5 UCSA Demo	B1785D	107	2,047	39	-	-	2,193	
6 UCSA Building	B1785	145	941	8,500	12,000	5,114	26,700	
<b>Buildings and services</b>								
7 Kirkwood Hall (Student Accommodation)	B1848	166	1,784	1,001	-	-	2,951	
8 Other (Building Retentions and Accruals)	B9999	985	(125)	-	-	-	860	
<b>Technology and processes</b>								
9 CS Gold Replacement	L0118	278	75	-	-	-	353	
10 Copyright Compliance & Reporting	L0213	19	73	-	-	-	91	
11 Skype for Business	L0180	415	745	424	-	-	1,584	
12 Exam Manager	L0260	-	180	8	-	-	188	
13 RIMS - Symplectic Elements	L0261	-	568	23	-	-	591	
14 Online Experience Phase 3	L0264	-	994	897	-	-	1,891	
<b>Total Open Projects</b>		21,126	16,072	23,693	22,000	17,959	100,850	
15 Minor Capital		16,657	16,582	19,759	19,376	33,191	131,550	
16 Closed Projects - Prior Years	NA	198,396	1,056	(4)	-	-	199,448	
17 Approvals in Principal		2,277	9,534	62,985	39,591	74,920	218,282	
<b>Total Project</b>		<b>238,456</b>	<b>43,244</b>	<b>106,432</b>	<b>80,967</b>	<b>126,070</b>	<b>650,129</b>	

## Closed projects

The following table lists projects which have been closed in 2016.

Capital Projects Closed in 2015-2016 \$000's			Total Project					Total Capitalised Project to Date
			Completed Project	Approved (Excl. Contingency)	Variance	Contingency	Total Approved	
<b>Closed Projects</b>								
1	Fire Main Ring Upgrade Project - Sitewide	B1827	2,228	2,212	(16)	143	2,355	2,133
2	Service Oriented Architecture (SOA) Gateway	L0175	678	747	69	149	896	542
3	UC FMIS Refresh Project	IT031	3,105	3,213	108	824	4,037	2,591
4	Forestry Admin & Lab Block - FO01A, B - FO01	B1787	10,279	10,493	214	241	10,734	10,277
5	Online Experience Phase 2	L0249	990	901	(89)	92	993	772

*More details on individual capital project costs are included in Annex 1.*

## Post Implementation Reviews (PIRs)

Following the Audit and Risk Committee's endorsement of performing PIRs, the Quarter 1 2016 CAPEX report provided an overview of prioritised PIRs, and their anticipated timeframes.

Review Order	Code	Description	Reason for Priority	PIR anticipated start
1 =	B1791	EN18: Civil Mechanical Block	Size, risk	Nov-15
1 =	L0175	SOA Gateway	Diversity, IT, risk	Jan-16
2	IT031	UC FMIS refresh project	Diversity, timing, complex IT	Jan-16
3	B1787	Forestry (EQ)	Size, risk	Feb-16
4	B1857	Electrical Link	Size, risk	TBC
5	B1794	Geography Staff	Size, risk	TBC

### Post Implementation Review updates:

#### EN18: Civil Mechanical Block

This PIR was provided to the Audit and Risk Committee in March.

#### SOA Gateway

This is the first post-implementation review of an IT project at UC. An IT-tailored PIR approach has been used for this review. Project Assurance has completed the review and the final draft report is being reviewed by the Chief Information Officer. This PIR will be submitted to the Audit and Risk Committee in August 2016.

#### UC FMIS refresh project

This PIR is still underway. The submission of this PIR to the Audit and Risk Committee is still to be determined.

#### Forestry (EQ)

This PIR plan is being prepared for submission to the Audit and Risk Committee in August 2016.

## Business cases expected in 2016

Initiative	Business Case Expected
Co-location of Communications Disorders & Psychology	Aug 2016
PeopleSoft v9.2 Upgrade	Aug 2016
CRM Phase 1 Recruitment	Aug 2016
Dovedale Student Accommodation Stage 1 & 2	Aug 2016
Arts Precinct - Locke & Logie	Sept 2016
New Teaching Spaces (mid level 50-150)	Sept 2016
Innovation (Modernise) Learning Environments Programme	Sept 2016
Biological Science Building (Seismic Programme)	Sept 2016
UCSA Building	Oct 2016
Residential Accommodation Programme (Refurb Social Spaces; Manuka, Sonoda, Kowhai, Uni Hall & Ilam)	Oct 2016
Undercroft Reconfiguration (Retail)	Oct 2016
The Recreation Sport Centre	Nov 2016
Te Ao Marama Refurbishment	Nov 2016
eLearning Programme	Nov 2016
myUC Residual Systems	TBC
Homestead Lane Hall (incl. Relocation of Grounds)	2017
UC Reporting, Analysis/Data Warehousing	2017
IDMS (Identity Management System)	2017

*Please note that for the upcoming CAPEX report for the quarter ending 30 September 2016, this table is likely to be removed due to overlap with the Council workplan.*

## UC Futures

The original business case forecasts are shown below.

Cashflow \$000's	2013	2014	2015	2016	2017	2018	2019	Total
RSIC	4,890	19,710	65,433	54,635	32,881	28,433	6,517	212,500

Cashflow \$000's	2013	2014	2015	2016	2017	Total
CETF	2,960	13,860	84,760	39,020	2,200	142,800

Cashflow \$000's	2013	2014	2015	2016	2017	Total
Relocation of the College of Education - New Education Building	-	27	21,209	27,903	5,861	55,000

### UC Futures Projects Financial Summary

Capital Projects Open \$000's	Project	YTD Capex	Total Project					Full year (2016)			
			Project To Date	Expected Project Cost	Approved (Incl. Contingency)	Variance	Contingency	Forecast	Budget	Var	
<b>RSIC</b>											
Regional Science and Innovation Centre	B1724	38,732	81,087	216,000	216,000	(0)	11,820	104,658	98,036	(6,622)	
<b>CETF</b>											
Canterbury Engineering the Future	B1734	32,290	92,162	144,630	144,280	(350)	5,350	67,452	66,091	(1,361)	
<b>NEB</b>											
Relocation of the College of Education: New Education Building (Commerce)	B1493	7,053	16,567	79,314	79,332	18	4,400	30,126	42,063	11,937	
<b>Total UC Futures</b>		<b>78,076</b>	<b>189,816</b>	<b>439,944</b>	<b>439,612</b>	<b>(332)</b>	<b>21,570</b>	<b>202,237</b>	<b>206,190</b>	<b>3,953</b>	

Capital Projects Open \$000's	Project	Total Project Forecast						
		Prior Years	2016	2017	2018	2019	2020	Total
<b>RSIC</b>								
Regional Science and Innovation Centre	B1724	42,354	104,658	39,538	27,019	2,280	150	216,000
<b>CETF</b>								
Canterbury Engineering the Future	B1734	59,173	67,452	18,005	-	-	-	144,630
<b>NEB</b>								
Relocation of the College of Education: New Education Building (Commerce)	B1493	9,491	30,126	39,697	-	-	-	79,314
<b>Total UC Futures</b>		<b>111,018</b>	<b>202,237</b>	<b>97,240</b>	<b>27,019</b>	<b>2,280</b>	<b>150</b>	<b>439,944</b>

# Annex 1 – Detailed project financials

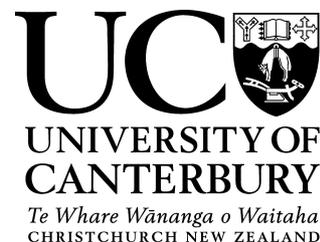
Capital Projects - Expenditure Schedule  
as at: June 2016

Project name	Project number	PM	Prior Yrs CAPEX	Prior Yrs Opex	2016 Project costs from general ledger				2016 Project \$			Project Figures					Project Cash Flow Forecast					Oracle Budget Figures					
					Costs to end of previous financial year	June 2016 YTD CapexCosts	June 2016 YTD OpexCosts	Life to date Actual costs	2016 Project Forecast Spend	2016 Budget As per Oracle Does not change	2016 Expected Variance	Total Authorised Project \$ Value	Authorised Project Contingency	Authorised Project Cost	Expected Project Cost	Variance	Balance brought forward from previous years	2016	2017	2018	2019	2020	2016 Annual Budget As per Oracle Does not change	2016 Variance			
<b>Summary</b>																											
a	Project Capex - Open			17,532,003	3,594,468	21,126,471	314,242	2,232,107	23,672,820	16,072,051	17,034,669	962,619	48,907,937	4,064,792	44,843,145	100,849,952	(56,006,807)	21,126,471	16,072,051	23,692,531	22,000,000	17,958,899	-	17,034,669	962,619		
b	Minor Capital			16,644,562	11,988	16,656,550	3,287,178	-	3,287,178	16,581,825	19,205,957	2,624,131	-	-	-	-	-	16,656,550	16,581,825	19,758,527	19,375,758	33,190,829	25,986,177	19,205,957	2,624,131		
c	Approvals in Principle			1,059,992	1,242,040	2,302,033	94,036	42,525	2,438,594	9,534,305	25,251,807	15,717,502	-	-	1,105,500	-	-	2,276,880	9,534,305	62,985,145	39,591,471	74,920,456	28,973,288	25,251,807	15,717,502		
d	Project Capex - Closed			193,051,673	5,494,088	198,545,760	774,137	70,180	199,390,077	1,055,641	700,674	(354,967)	149,569,357	4,410,467	145,158,890	199,333,048	(2,398,000)	198,396,097	1,055,641	(4,089)	-	-	-	700,674	(354,967)		
	<b>Total</b>			<b>228,288,230</b>	<b>10,342,584</b>	<b>238,630,814</b>	<b>4,469,592</b>	<b>2,344,813</b>	<b>228,788,669</b>	<b>43,243,822</b>	<b>62,193,107</b>	<b>18,949,285</b>	<b>198,477,294</b>	<b>8,475,259</b>	<b>191,107,535</b>	<b>300,183,000</b>	<b>(58,404,807)</b>	<b>238,455,998</b>	<b>43,243,822</b>	<b>106,432,114</b>	<b>80,967,229</b>	<b>126,070,184</b>	<b>54,959,465</b>	<b>62,193,107</b>	<b>18,949,285</b>		
	<b>LR Budget (Total Excluding RSIC &amp; CETF &amp; NEB)</b>						<b>4,469,592</b>	<b>2,344,813</b>	<b>228,788,669</b>	<b>43,243,822</b>	<b>62,193,107</b>	<b>18,949,285</b>	<b>198,477,294</b>	<b>8,475,259</b>	<b>191,107,535</b>	<b>300,183,000</b>	<b>(58,404,807)</b>	<b>238,455,998</b>	<b>43,243,822</b>	<b>106,432,114</b>	<b>80,967,229</b>	<b>126,070,184</b>	<b>54,959,465</b>	<b>62,193,107</b>	<b>18,949,285</b>		
<b>(a) Project Capex</b>																											
<b>Largest Project Approvals</b>																											
	My UC - DVSMS	L0098	Philip F	10,512,339	1,342,705	11,855,043	(1,627,885)	2,023,983	12,251,142	1,800,000	6,000,000	4,200,000	15,619,000	1,732,000	13,887,000	45,000,000	(31,113,000)	11,855,043	1,800,000	8,500,000	10,000,000	12,844,957	-	6,000,000	4,200,000		
	Electrical Link (EN17)	B1857	Ian S	6,618,788	84,093	6,702,880	942,179	-	7,645,060	1,553,042	1,675,048	122,006	8,715,685	179,731	8,535,954	8,405,040	130,914	6,702,880	1,553,042	149,117	-	-	-	-	1,675,048	122,006	
	Electrical Link (EN17) - Recladding	B1857R	Ian S	-	-	-	228,401	-	228,401	2,178,658	-	(2,178,658)	5,491,000	857,000	4,634,000	5,491,000	(857,000)	-	2,178,658	3,312,342	-	-	-	-	-	(2,178,658)	
	Art Centre	B1846	Lucy Eng	434,452	18,986	453,439	192,504	4,259	650,201	3,258,229	1,968,263	(1,289,965)	4,551,588	162,850	4,388,738	4,551,591	(162,853)	453,439	3,258,229	839,924	-	-	-	-	1,968,263	(1,289,965)	
	UCSA Demo	B1785D	David W	-	107,241	107,241	99,001	45,572	251,814	2,046,869	-	(2,046,869)	2,192,640	183,200	2,009,440	2,192,640	(183,200)	107,241	2,046,869	38,530	-	-	-	-	-	(2,046,869)	
	UCSA Building	B1785	David W	-	144,636	144,636	241,421	-	386,058	941,421	4,957,850	4,016,429	4,957,850	-	4,957,850	26,700,000	(21,742,150)	144,636	941,421	8,500,000	12,000,000	5,113,942	-	4,957,850	4,016,429		
	<b>Five Largest Project Approvals Total</b>			<b>17,565,578</b>	<b>1,697,661</b>	<b>19,263,239</b>	<b>75,622</b>	<b>2,073,814</b>	<b>21,412,675</b>	<b>11,778,219</b>	<b>14,601,161</b>	<b>2,822,942</b>	<b>41,527,763</b>	<b>3,114,781</b>	<b>38,412,982</b>	<b>92,340,271</b>	<b>(53,927,289)</b>	<b>19,263,239</b>	<b>11,778,219</b>	<b>21,339,913</b>	<b>22,000,000</b>	<b>17,958,899</b>	<b>-</b>	<b>14,601,161</b>	<b>2,822,942</b>		
<b>Buildings and services</b>																											
	Kirkwood Hall (Student Accommodation)	B1848	Sonia B	-	166,234	166,234	6,509	(3,250)	169,493	1,783,766	1,000,000	(783,766)	2,951,000	384,000	2,567,000	2,951,000	(384,000)	166,234	1,783,766	1,001,000	-	-	-	-	1,000,000	(783,766)	
	EQR projects don't included in LR Capex Report	Quak3		(1,341,481)	1,282,300	(59,182)	-	-	(59,182)	-	-	-	-	-	-	(59,182)	59,182	(59,182)	-	-	-	-	-	-	-	-	
	Infrastructure EQ Works 53711 - UN00	B1739		-	-	-	23,435	-	23,435	23,435	-	(23,435)	-	-	-	23,435	(23,435)	-	23,435	-	-	-	-	-	-	(23,435)	
	Old Maths Rutherford, Von Hasst Prior Yr EQR - LR Other	OldM		3,555	131,613	135,168	-	-	135,168	-	-	-	-	-	-	135,168	(135,168)	135,168	-	-	-	-	-	-	-	-	
	Building Retentions	B9999	Annual	760,897	-	760,897	(148,209)	-	612,688	(148,209)	-	148,209	-	-	-	612,688	(612,688)	760,897	(148,209)	-	-	-	-	-	-	148,209	
	CWRKs Accruals	B1829		148,359	-	148,359	-	-	148,359	-	-	-	-	-	-	148,359	(148,359)	148,359	-	-	-	-	-	-	-	-	
	<b>Buildings and services Total</b>			<b>(428,671)</b>	<b>1,580,147</b>	<b>1,151,476</b>	<b>(118,265)</b>	<b>(3,250)</b>	<b>1,029,961</b>	<b>1,658,992</b>	<b>1,000,000</b>	<b>(658,992)</b>	<b>2,951,000</b>	<b>384,000</b>	<b>2,567,000</b>	<b>3,811,468</b>	<b>(1,244,468)</b>	<b>1,151,476</b>	<b>1,658,992</b>	<b>1,001,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,000,000</b>	<b>(658,992)</b>	
<b>Technology and processes</b>																											
	CS Gold Replacement	L0118	Emma dL	135,032	142,756	277,788	595	74,141	352,524	74,736	-	(74,736)	179,000	23,000	156,000	352,524	(196,524)	277,788	74,736	-	-	-	-	-	-	(74,736)	
	Copyright Compliance & Reporting	L0213	Emma dL	4,546	14,174	18,720	28,031	-	46,751	72,631	134,000	61,369	201,825	33,638	168,188	91,351	76,837	18,720	72,631	-	-	-	-	-	134,000	61,369	
	Skype for Business	L0180	Vincent J	255,517	159,731	415,248	193,211	47,116	655,575	745,235	968,508	223,273	1,378,092	172,113	1,205,979	1,584,080	(378,101)	415,248	745,235	423,597	-	-	-	-	-	968,508	223,273
	Exam Manager	L0260	Jeremy F	-	-	-	25,403	3,724	29,127	180,069	82,000	(98,069)	187,900	31,317	156,583	187,900	(31,317)	-	180,069	7,831	-	-	-	-	-	82,000	(98,069)
	RMS - Symplectic Elements	L0261	Elaine W	-	-	-	94,218	18,978	113,196	568,491	249,000	(319,491)	591,390	95,911	495,479	591,390	(95,911)	-	568,491	22,899	-	-	-	-	-	249,000	(319,491)
	Online Experience Phase 3	L0264	Debbie J	-	-	-	15,427	17,584	33,011	993,676	-	(993,676)	1,890,967	210,033	1,680,934	1,890,967	(210,033)	-	993,676	897,291	-	-	-	-	-	(993,676)	
	<b>Technology and processes Total</b>			<b>395,096</b>	<b>316,660</b>	<b>711,756</b>	<b>356,885</b>	<b>161,544</b>	<b>1,230,184</b>	<b>2,634,839</b>	<b>1,433,508</b>	<b>(1,201,331)</b>	<b>4,429,174</b>	<b>566,011</b>	<b>3,863,163</b>	<b>4,698,213</b>	<b>(835,050)</b>	<b>711,756</b>	<b>2,634,839</b>	<b>1,351,618</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,433,508</b>	<b>(1,201,331)</b>	
	<b>Project Capex - Open Total</b>			<b>17,532,003</b>	<b>3,594,468</b>	<b>21,126,471</b>	<b>314,242</b>	<b>2,232,107</b>	<b>23,672,820</b>	<b>16,072,051</b>	<b>17,034,669</b>	<b>962,619</b>	<b>48,907,937</b>	<b>4,064,792</b>	<b>44,843,145</b>	<b>100,849,952</b>	<b>(56,006,807)</b>	<b>21,126,471</b>	<b>16,072,051</b>	<b>23,692,531</b>	<b>22,000,000</b>	<b>17,958,899</b>	<b>-</b>	<b>17,034,669</b>	<b>962,619</b>		
<b>(b) Minor Capital</b>																											
	Library - Information Resources	LBS	Anne S	6,527,061	-	6,527,061	1,672,650	-	1,672,650	3,818,880	3,818,880	-	-	-	-	-	-	6,527,061	3,818,880	3,895,258	3,973,163	6,304,085	6,430,167	3,818,880	-		
	Library - Art Purchases	LBA	Anne S	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Engineering Services - Minor Capital	ENGS	Rob O	5,540,200	-	5,540,200	923,846	-	923,846	4,269,720	4,269,720	-	-	-	-	-	-	5,540,200	4,269,720	4,355,114	4,942,217	7,931,061	4,621,682	4,269,720	-		
	Engineering Services - H&S Campus Safety	ENG H&S	Rob O	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	ITS - Equipment	ITSM	Andy K	3,915,502	11,988	3,927,490	260,072	-	260,072	3,463,656	3,607,406	143,750	-	-	-	-	-	3,927,490	3,463,656	3,214,826	4,527,026	11,697,771	9,522,471	3,607,406	143,750		
	Campus Services	CMPS	Michael O	645,209	-	645,209	492,712	-	492,712	1,458,538	1,458,538	-	-	-	-	-	-	645,209	1,458,538	807,200	1,306,000	2,016,300	641,000	1,458,538	-		
	Campus Services - Supporting Remediation	DMED	Michael O	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Campus Services - Fleet	CMPS F	Michael O	-	-	-	-	-	-	365,976	365,976	-	-	-	-	-	-	-	365,976	373,296	380,761	388,377	396,144	365,976	-		
	LRNR Director Learning Resources (Provisions)	DD		16,590	-	16,590	(62,102)	-	(62,102)	3,205,055	5,685,437	2,480,381	-	-	-	-	-	16,590	3,205,055	7,112,833	4,246,591	4,853,235	4,374,713	5,685,437	2,480,381		
	<b>Minor Capital Total</b>			<b>16,644,562</b>	<b>11,988</b>	<b>16,656,550</b>	<b>3,287,178</b>	<b>-</b>	<b>3,287,178</b>	<b>16,581,825</b>	<b>19,205,957</b>	<b>2,624,131</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>16,656,550</b>	<b>16,581,825</b>	<b>19,758,527</b>	<b>19,375,758</b>	<b>33</b>					



**Financial Services**

Office: 6th Floor, Matariki  
Extension: 93454  
Email: [keith.longden@canterbury.ac.nz](mailto:keith.longden@canterbury.ac.nz)



To:	University Council
From:	Keith Longden
Date:	16 August 2016
Subject:	<b>University of Canterbury Fair Trade Accreditation</b>
Purpose:	<b>For Endorsement</b>

**Fair Trade Accreditation**

The Procurement team within Financial Services works closely with the Sustainability Office to embed ethical and sustainable thinking within procurement activity, and where practical and financially viable, positively influence behaviour on campus. One such initiative is for UC to become Fair Trade accredited.

Fair trade is a social movement whose stated goal is to help producers in developing countries achieve better trading conditions and to promote sustainability. Members of the movement advocate the payment of higher prices to exporters, as well as higher social and environmental standards. The World Fair Trade Organization (WFTO) is a global network of organisations representing the Fair Trade supply chain, a widely recognised and trusted certification mark. It tackles all the elements that farmers need to make their lives sustainable in the long term – these include being financially stable, protecting the environment and supporting the community.

Students know and understand what Fair Trade means, but moreover indicated they would like UC to be accredited in the recent UCount survey. From a UC perspective, the criteria to become Fair Trade accredited are straightforward to comply with,

The key requirements are:

- Endorsement by the governing body of the organisation
- Implement a Fair Trade policy statement (to be included within the existing Procurement Policy)
- A minimum of 50% of kitchen consumables purchased are Fair Trade products

SMT support this recommendation, and management are committed to meeting the requirements.

**Recommendation**

The University Council endorses the management’s plan for the University to gain Fair Trade Accreditation.

Keith Longden  
Chief Financial Officer



Report to the Council from a meeting of the  
Audit and Risk Committee  
held on Monday 15 August 2016

The Committee recommends:

1. Health and Safety

***That: Council note the Health and Safety Report.***

Peter Ballantyne  
**Chair**  
**Audit and Risk Committee**

24 August 2016



# Memorandum

## Human Resources

<b>To:</b>	Council
<b>From:</b>	Maura Minnock/ Paul O’Flaherty
<b>Date:</b>	August 2016
<b>Subject:</b>	Health and Safety

### Purpose

This paper informs the University of Canterbury Council of the recent developments in H&S at the University of Canterbury:

1. Field Activities Update
2. Contractors Update
3. Wellbeing
4. Health Monitoring
5. College of Engineering SOP project

### Key Performance Indicators (pages 4 to 6)

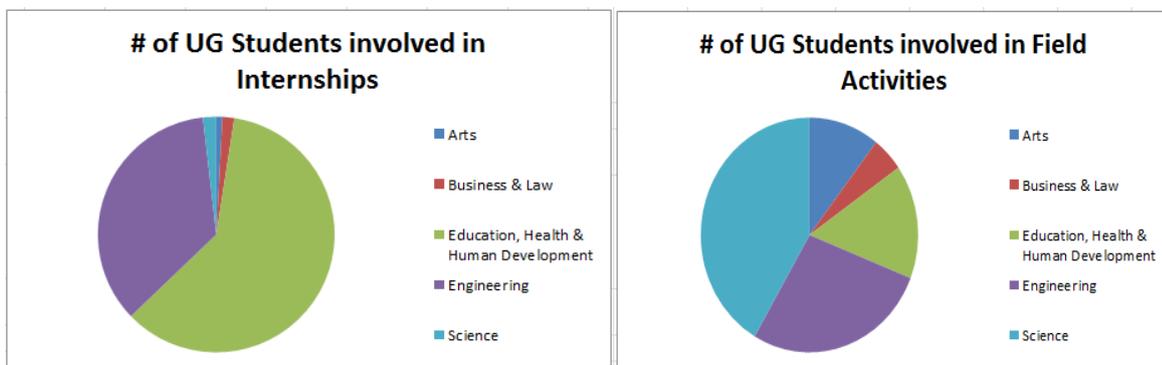
This is a summary of the 2016 results as of the 1<sup>st</sup> of August 2016.

## 1. Field Activity Process Review

The initial stages of this review have involved;

1. Legal opinion on the implications of the new legislation
2. Gap analysis between current UC processes in line with international best practice
3. Gathering undergraduate student data to inform;
  - a. UC perspective of the nature and extent of internships and field activities undertaken
  - b. Who should be involved from across UC in the review process, to ensure suitable representation
4. Initial meetings with known key users across UC (to date) have included;
  - a. College of Education, Health and Human Development
  - b. College of Business and Law
  - c. College of Science
  - d. College of Engineering (to a lesser extent)

The overview based on information received to date;



### Next Steps

1. Provide College level information to the college executives for comment/ feedback
2. Facilitate focus groups to drill down into the detail of the requirements/ expectations for;
  - a. Internships
  - b. Field Activities
3. Gather additional information to inform a better understanding of the postgraduate data.
4. Present findings to the Senior Management Team

## 2. Contractor Update

Contractor Round Table meetings are continuing to provide a constructive forum for both UC and the contractors to discuss relevant safety issues. At the meeting in July Hawkins provided an over view of an incident that had occurred on the NEB site. This was a great opportunity to allow those contractors and project managers not directly involved in the incident investigation to benefit from the learnings. This was a very useful and informative session and we will continue to use this forum as an opportunity to disseminate learnings as well as identify new initiatives.

## 3. Wellbeing

The UC Wellbeing group, which is comprised of a range of key stakeholders from across UC, are working on finalising a strategy to present to SMT. This group is also working towards the NZ Mental Health Awareness Week (10-16 Oct) and co-ordinating a number of UC specific events which can be tailored for the varied community here at UC.

#### 4. Health Monitoring

Health monitoring is part of the overall Health and Safety strategy to identify and manage hazards in the workplace.

Under the Health and Safety at Work Act 2015, the University of Canterbury has a responsibility to monitor worker exposure to a significant hazard that has been minimised. The purpose of health monitoring is to:

- evaluate the effectiveness of the controls implemented to minimise the risk
- enable early identification of any health issues relating to the hazard and provide the necessary medical care and support.

The 2016 Health Monitoring conducted at the University included;

Type of Test	Reason	# of Staff
Spirometry Testing	Staff exposed to hazardous dusts/ fumes	81
Audiometry	Staff exposed to loud noise	99
Skin Checks	Staff exposed to UV	92
Eye tests	Staff working with Lasers	9

In line with the Health & Safety at Work Act 2015 the central H&S team will be completing a review of our processes and systems around Health Monitoring. This is to ensure that all hazardous processes and exposed staff have been identified and are being appropriately monitored. This will also inform requirements to complete additional area monitoring to identify where circumstance may have changed, and re-evaluate PPE requirements.

#### 5. College of Engineering

The central H&S team have also been working very closely with the College of Engineering as they plan to re-occupy refurbished spaces or occupy new spaces. This collaboration has predominantly centred on the review of Standard Operating Procedures (SOP) for machinery across the college which will become a template for all of UC. To date 100 SOP's have been reviewed and updated to a new template.

This work will also inform the Health Monitoring review mentioned above as well as a schedule of independent external audits on the workshops once they have been re-occupied. This is to provide reassurance to the University that we are consistently managing our high risk activities in a systematic way as required by law.

<b>Lagging Performance Indicators (as of Aug 1<sup>st</sup>)</b>	<b>2016</b>
Total Occurrences employees (excluding Rec Centre)	114 ↓
Total Occurrences non-employees (excluding Rec Centre)	36 ↓
Total Occurrences (excluding Rec Centre)	150 ↓
Total Occurrences from the Rec Centre	59 ↓
Lost time occurrences	4 ↓
Days lost	73 ↑
UC Average Time lost rate (days)	18.25 ↑
UC LTI Incident Rate	0.16% ↓
Illness reported	7 ↑
Incident reported	25 ↓
Injury reported	56 ↓
Near Miss reported	34 ↓
Discomfort & Pain reported	28 ↑
Notifiable Incident	2 ↓
Total Occurrences	209 ↓
Worksafe NZ Investigations	0 →
<b>Leading Performance Indicators (as of Aug 1<sup>st</sup>)</b>	<b>2016</b>
Health & Safety Tours completed by Council <ul style="list-style-type: none"> <li>• Departments - 1</li> <li>• Construction Sites - 1</li> </ul>	2 ↑
Health & Safety Tours completed by SMT <ul style="list-style-type: none"> <li>• Departments - 8</li> <li>• Construction Sites - 5</li> </ul>	13 ↑
Health & Safety audits completed by specialist <ul style="list-style-type: none"> <li>• Departmental Assessments – on hold for 2016</li> <li>• Construction Site Audits – 7</li> <li>• Radiation Safety Audits – 3</li> <li>• Biological Safety Audits (MPI) - 2</li> </ul>	12 ↑
Ergonomic Assessments Completed <ul style="list-style-type: none"> <li>• Online Tool – 35</li> <li>• Ergonomic Assessor - 85</li> </ul>	120 ↓
# of Flu Vaccinations <ul style="list-style-type: none"> <li>• Staff – 789 ↑</li> <li>• Students –1319 ↑</li> </ul>	2,108 ↑
# of Trainings completed (211 participants)	18 ↓
# of Health Monitoring completed	281 ↑
# of Elected Health and Safety Representatives (Election process underway)	90 ↑
# of Health and Safety Committee meetings Held	20 →
# of Contractor Round Table Meetings Held	7 ↑

\*Note: Arrows indicate comparison to the same period in 2015

<b>Key Performance Indicators: Operational Health and Safety - University of Canterbury</b>												
<b>As at July 31st 2016</b>												
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	Notes	
Total occurrences involving employees	163	232	282	205	187	167	187	238	256	114	Total occurrences do not include the Recreation Centre	
Total occurrences involving non employees	26	56	61	55	52	99	84	103	62	36	Total occurrences do not include the Recreation Centre	
Total occurrences	189	288	343	260	239	266	271	341	318	150	Injury/Illness/Near Miss/Discomfort & Pain/Serious Harm	
Lost time occurrences (employees only)	7	12	15	12	14	13	15	8	9	4	Absence from work for WRI for more than 1 day	
Days lost to OHS Incidents (Days)	114	137.5	368	115	193	157	116	148	99	73		
University of Canterbury Average Time Lost Rate (Days)	16.3	11.5	24.5	9.6	13.8	12.1	7.7	18.5	11.0	18.3		
<b>KPI 1</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Notes</b>	
Average Headcount	2427	2485	2342	2873	2580	2528	2453	2468	2154	2496	Number of Lost Time Occurrences ÷ University Employees (headcount) x100	
University of Canterbury LTI Incidence Rate	0.29%	0.48%	0.64%	0.42%	0.54%	0.51%	0.61%	0.32%	0.42%	0.16%		
<b>KPI 2</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>Notes</b>		
University of Canterbury Average Time Lost Rate (Days)	16.3	11.5	24.5	9.6	13.8	12.1	7.7	18.5	11.0	18.3	Days lost to OHS Incidents (Days) ÷ Number of Lost time occurrences	

# Key Performance Indicators: Main Construction Contractors Health and Safety Reporting

As at 1<sup>st</sup> of August 2016, arrows indicate comparison from previous A&R report

KPI Description	Hawkins – CETF		Hawkins - NEB		Fletchers - RSIC	
	YTD	3 Month Average	YTD	3 Month Average	YTD	3 Month Average
Hours worked	309,594	38,479.00 ↓	34,343	7,256.33	184,949	42,427.67 ↑
Average number of people on site	229	187.00 ↓	223	42.33	1,117	230.00 ↑
Total Number of People Inducted to Site	737	85.67 ↓	150	40.33	690	125.57 ↑
<b>Incidents</b>						
First aid treatment	15	3.00 ↑	9	1.00	15	3.67 ↑
Medical treatment injuries	11	1.00 ↓	2	.33	1	0 ↓
Near Misses	15	2.33 ↑	4	.67	59	17.33 ↓
Damage to property	10	2.00 ↑	0	.00	110	17 ↓
<b>Total</b>	<b>51</b>	<b>8.00</b> ↑	<b>15</b>	<b>2</b>	<b>185</b>	<b>38</b> ↓
<b>H&amp;S Incident Rate (IR)</b>						
<b>Number of Occurrences/No. of workers x 100</b>	22.32	4.28 ↑	6.73	4.72	88.85	9.21 ↓
<b>Lost Time</b>						
Number of lost time injuries (LTI)	3	.67 ↑	1	0.00	4	.67 →
Total number of LTI days lost	41	10.33 ↑	5	0.00	16	2 ↓
<b>Lost Time Injury Frequency Rate (LTIFR)</b>						
<b>Number of occurrences/No. of hours worked x 1,000,000</b>	9.69	17.33 ↑	29.12	0.00	21.63	18.15 ↓
<b>Toolbox Meetings</b>						
Site Wide Toolbox Talk	28	4 →	28	4	15	2.33 ↑

\*Note arrows indicate comparison to previous A&R report in May

**UNIVERSITY OF CANTERBURY**  
**REPORT OF THE ACADEMIC BOARD MEETING HELD ON**  
**WEDNESDAY 17 AUGUST 2016**  
**TE POARI AKORANGA**

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The Academic Board reports for information the following matters that have been considered since the July 2016 meeting of the Board:

**1. THE VICE-CHANCELLOR'S REPORT**

The Vice-Chancellor presented his report as read and highlighted the following:

- The mid-year financial accounts were to be released and as in previous years these will differ from the management accounts. The difference related to when the additional SAC support funding from the Government is accounted for;
- He reiterated the need to maintain fiscal constraint;
- It is still far too early to indicate the trend for new student enrolments for 2017, but did note that the applications to the Halls were up on last year;

Questions and comments from the floor included:

- Is there any new news on the ICT Grad School? The VC noted the issue is still unresolved.
- What are the student (current and future) perceptions of the generic University graduate attributes? The VC noted that there is no systemic response yet, but that anecdotal evidence was encouraging.
- What is the status of the space allocation policy review? The review has started and the prior report from Board has been fed into that process.
- What is the status of the moratorium on collections for the Library? The VC outlined the paper sent to Council, and would describe it as a slow trickle rather than an outright moratorium. He noted that the movement of the Library Collection from the Dovedale to the Ilam campus would allow reconsideration of the moratorium.

**2. REPORT FROM THE ACADEMIC ADMINISTRATION COMMITTEE**

A CUAP proposal was presented by the Associate-Dean of Arts for changes to the postgraduate Philosophy programmes. The change is to replace the current 15-point course offerings with 30-point course offerings. This aligns Philosophy with other postgraduate courses in the Arts, making an easier selection of these courses within a students' programme of study. It was noted that longer term discussions are needed to improve the inclusion of Rautaki Whakawhanake Kaupapa Māori, the Māori Development Strategy within their course design.

**3. THE UNIVERSITY INVESTMENT PLAN**

The Deputy Registrar presented a draft version of the University Investment Plan for the Tertiary Education Commission. He sought comment and questions. There was commentary on the quality and consistency of the editing of the document. The Chair invited members to directly contact the Deputy Registrar on editorial changes and minor errors of fact. While it was agreed the changes may be substantial they would not

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substantially change the substance of the Plan and the Board endorsed a revised version going forward to Council.

#### **4. REPORTING TEMPLATE FOR THE GRADUATE ATTRIBUTES**

The Deputy Vice-Chancellor (Academic) gave a brief summary of progress to-date on adopting the University wide generic graduate attributes. He outlined the need for a simple single page status report to Governance groups to demonstrate the state of progress towards the adoption of the attributes within the Bachelor programmes. He indicated the template is a draft and while he expected it to change over time as part of continuous improvement, the first version for adoption is planned before the end-of-the-year.

#### **5. THE ACADEMIC YEARS 2018-2020**

The Secretary presented a plan for setting the semester dates for 2018 to 2020 and sought advice from the Board for the Deputy Vice-Chancellor (Academic) so that he may make a decision for 2018 and to signal the likely dates for 2019 and 2020. Discussion from the floor included the following points:

- The lack of alignment with other partner institutions, University of Auckland and Lincoln University, can make joint teaching activities difficult. It was noted that there is no general agreement between the various Universities.
- Concern about lost teaching time due to statutory holidays and that these can impact some courses more than others.
- That Academic Services should investigate the concept of a “Special Teaching Week” to cover both field work and other teaching activities (noted above) to clarify the meaning and use of the longer break between terms 1 and 2. That such investigation include the view of students.
- The Board resolved that “in principle the number of teaching days rather than the number of teaching weeks in a semester be fixed at 60 days.”.

*Note: The Deputy Vice-Chancellor (Academic) subsequently has decided that dates presented to the Board for discussion will be used; Semester One will start on the 8<sup>th</sup> Monday (19 February 2018) and Semester Two on the 29<sup>th</sup> Monday (16 July 2018).*

#### **6. THE LIBRARY REPORT**

Ms Alison McIntyre, on behalf of the Librarian, spoke to the Board on a proposal to cancel subscription services to a number of citation reporting services. The report noted the significant decline in use of the Web of Science service. The Board noted that Scopia, an alternative to Web of Science, was not so much an alternative but a complimentary service as it had a different reach of material, functionality and importance to some subject groups. Board resolved to approve the cancellation, with one vote against.

The Chair of the Library committee, Associate Professor M. Grimshaw, spoke briefly to the Library report and highlighted the library hours for 2017 and funding for article process charges.

#### **7. STUDENT EVALUATION OF TEACHING**

A summary report from Academic Services on the student evaluation of teaching for Semester One was presented. This is the first iteration of the new form of surveying of student opinion of course and teacher evaluation, and had seen a marked increase in response rates from the order of 25% to 70%.

#### **8. REPORT FROM THE FACULTY OF LAW ON THE ACADEMIC WORKLOAD MODEL**

Professor Karen Scott, Head of School of Law, spoke to the Faculty of Law's report on concerns with the continuation towards a common academic workload model, as signalled in the latest update of "Financial Measures" from the Vice-Chancellor. In particular, the change of accounting of research supervision from a teaching activity to a research activity. The concern is that this model does not necessarily match Law's model of working. The student's research is often conducted independently of the supervisor, and thus the supervisor's role is more in line as a teacher on how to conduct the research. Law feel that discretion at the HOD/S level for the accounting should be adopted. They noted the negative impacts of the change. It was noted in the meeting that the Faculty of Arts, Faculty of Education, Health and Human Development and the Postgraduate Committee also supported a mixed model. The Vice-Chancellor noted that it would perhaps be better called a "teaching workload model" and that he was looking for a process that supported transparency and fairness across the University. He also noted differences in practice on both a discipline basis and College basis – which could operate against the intended principles. A member also noted there are differences in the accounting of staff time to service activities. The Vice-Chancellor asked, and the Board resolved, to refer the report to the Senior Management Team.

**9. REPORT FROM THE FACULTY OF ARTS**

Dr Alison Griffith, Associate Dean of Arts, spoke to the report and requested that where naming of buildings and places is of a person that it include the first name as well as the last name to give appropriate attribution.

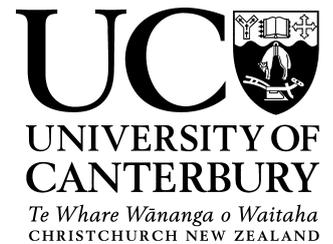
**10. REPORT FROM THE FACULTY OF ENGINEERING AND FORESTRY**

It was raised by a member in the Faculty's report that the wording of the kaupapa for the common University graduate attribute on Bicultural Competence and Confidence are not just for guidance.

Dr Andrew Bainbridge-Smith  
**Secretary**  
**Te Poari Akoranga – Academic Board**

20 July 2016

**TE POARI AKORANGA  
ACADEMIC BOARD**



**REPORT TO THE COUNCIL FROM A MEETING OF THE ACADEMIC BOARD  
HELD ON WEDNESDAY 17 AUGUST 2016**

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The Board recommends:

1. Qualification proposals

***That: Council approve the following qualification proposal:***

***From the Faculty of Arts***

1. ***To amend the Master of Arts, Master of Science, Postgraduate Diploma in Science, Bachelor of Arts with Honours, and Bachelor of Science with Honours to include the new postgraduate courses in Philosophy that will now all be 30 points.***

Dr Hamish Cochrane  
**Chair**  
**Te Poari Akoranga – Academic Board**

17 August 2016

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**TEMPLATE 3 – REGULATION CHANGES****DETAILS**

<b>Title of qualification</b>	Postgraduate Diploma in Science (PG Dip Sc), Master of Science (MSc), Master of Arts (MA), Bachelor of Arts with Honours (BA (Hons)), Bachelor of Science with Honours (BSc (Hons))		
<b>Year of introduction of the proposed change</b>	2017		
<b>Department or School</b>	Philosophy, School of Humanities and Creative Arts		
<b>Faculty or College</b>	College of Arts		
<b>Contact person</b>	Jack Copeland	<b>Phone number</b>	0273411053

**1. Purpose of the proposal**

To amend the UC Calendar to reflect the fact that from 2017 the 400 level courses that we teach will be 30 points and not 15 points; and to add two existing 400 level PHIL courses that are for some reason missing from the run of course numbers on certain of the Science pages of the 2016 UC Calendar.

**2. Justification**

From 2017 Philosophy will teach 30 point courses at 400 level, in line with standard practice in the College of Arts.

The background of this proposal is that some years ago the department reduced the size of its 400 level courses (which were at that time the equivalent of 30 points) to the equivalent of 15 points. This was an experiment, to see whether offering students a broad palette of 'half-courses' would improve student satisfaction and enhance our flexibility of delivery. The results of the experiment were undoubtedly negative: the student perception is on the whole that (a) they are being required to do more work relative to honours students in other Arts departments, where only half as many courses are required, and (b) they are confronted by a large and somewhat bewildering array of course choices. From the point of view of the department, on the other hand, the introduction of half-courses brought with it an increase in administrative complexity for no improvement in the quality of our product; and moreover the originally envisaged broad and varied palette of half-courses has proved increasingly difficult to sustain as the number of teaching staff has fallen (the department has approximately halved in size since the half-course regime was introduced).

Returning to a system of 30 point courses will simplify the administration and delivery of our 400 level courses, and enable us to teach sustainable and well-integrated Hons and MA (Part 1) programmes whose student workload requirements are clearly equivalent to those of other departments in the College of Arts.

### 3. Proposed new regulations

- 2016 UC Calendar page 455. Please amend the wording under the heading 'Philosophy' to read '120 points chosen from PHIL431...'. Please also add PHIL 495 and PHIL498 to the list of admissible Philosophy courses for the qualification of PGDipSc.
- 2016 UC Calendar page 439. Please amend the wording under the heading 'Philosophy' to read 'Part 1: 120 points chosen from PHIL431,...'. Please also add PHIL 495 and PHIL498 to the list of admissible Philosophy courses for the qualification of MSc.
- 2016 UC Calendar page 190. Please amend the wording under the heading 'Philosophy' to read 'Part 1: 120 points chosen from PHIL431-498 as approved by the Head of School'.
- 2016 UC Calendar page 178. Please amend the wording under the heading 'Philosophy' to read '90 points chosen from PHIL431-498 as approved by the Head of School, and the Research Essay (PHIL480).'
- 2016 UC Calendar page 769. Add PHIL 493, 494, 495, 496, 497, 498 to the course catalogue
- All 15-point courses will be discontinued via the MCCA