



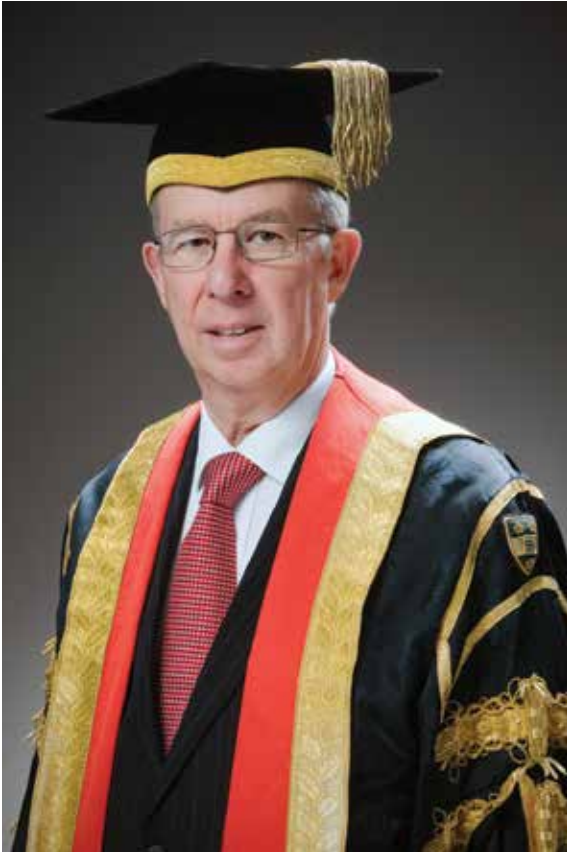
Victoria University Annual Report 2012

Front cover: Model of Wellington's iconic Albemarle Hotel, by Victoria University architecture student Hamish Byrne. Hamish redesigned the Albemarle as part of a project where fourth-year students from the School of Architecture explored the future of Cuba Street. They created plans showing how heritage buildings could be seismically strengthened, as well as creating a physical model of the street, showing how it may look in the year 2035. Plans were developed for 70 buildings as part of the project, which was supervised by structural engineers and architects, and supported by the New Zealand Historic Places Trust and Wellington City Council.

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Introduction from the Chancellor



I am very pleased to write this introduction to the 2012 Annual Report of Victoria University of Wellington. It has been another year in which the University has continued to offer a high standard of teaching and learning, well supported by outstanding research. Victoria constantly reviews its role, ensuring it meets the needs of all involved, while also accepting its responsibility to contribute to the wellbeing of society.

During 2012 there has been further development of facilities and investment in services and equipment to give appropriate support to Victoria's strategic goals. Council's role is that of setting the strategic goals and monitoring their implementation, the aim always being that Victoria remains at the forefront of tertiary education—which includes offering an interesting and worthwhile student experience.

Council acknowledges the leadership and management of Vice-Chancellor Professor Pat Walsh and his senior team, along with the contribution of all academic and general staff in ensuring Victoria University serves its student body well while contributing through research to the betterment of society. Council is well aware of commitment of staff to the implementation of the University's strategic goals and values the Vice-Chancellor's reports at each Council meeting accordingly.

Tertiary environment

The University is conscious of the fiscal restraints existing throughout the country. However, it is important it highlights the increasing costs, many set internationally, faced by universities. Victoria will always wish to meet its obligations, both within the University and nationally, with 'Public Contribution' one of its eight strategic goals which sit comfortably alongside the goal of 'Research'. To meet these obligations, however, there must be recognition of the value to society of a well-educated and skilled population—thus the importance of ongoing investment.

The passing of the Education (Freedom of Association) Amendment Act in 2011 meant a subsequent change to student representation on Council. Council and the University undertook to ensure student engagement continued at all levels of governance and management, the outcome being the implementation of the consultative student body, the Student Forum, and continued collaboration with student association, VUWSA.

This year Council worked closely with management to ensure its Investment Plan for 2013–15 addressed the expectations given by the Tertiary Education Commission (TEC): focus on Māori and Pacific learners; excellence and distinctiveness; and the links of research activities to economic enhancement. The University covers such expectations within its strategic goals.

Capital development

The University's 10-year Campus Development Framework, underpinned by the University's strategic goals, guides the implementation and management of improved facilities to support Victoria's teaching, learning and research activities.

The year saw significant progress in the Campus Hub project, with the new three-level central building and outdoor areas almost at completion. The Hub building offers students a number of social spaces, comfortable study areas, food outlets and a pharmacy. The \$67 million investment will ensure that Victoria continues to offer a first-rate student experience, with easy access to many of the needs of students.

Council, with management, has also been focused on ensuring student safety. The University has been proactive in assessing seismic risk and in planning and implementing remediation. Earthquake assessments have been conducted and, where necessary, strengthening work has been undertaken.

Council has also been aware of the considerable demand for accommodation by students from outside Wellington and it has responded positively to initiatives from management to meet this situation. This has included improvements to current accommodation and the development of new accommodation.

Academic initiatives

Victoria is committed to a sound academic environment and appreciates this can be further enhanced by developing strong relationships with other similar organisations and institutions, both nationally and internationally. The Vice-Chancellor is to be commended for his focus in this area and for the benefits it brings to the University, and Council is pleased to give support accordingly. The Strategic Plan has as a goal of 'External Relationships' for the reasons given here, not least in recognising the advantage of a global perspective. Victoria is committed to increased participation in the international community.

Council recently approved the establishment at Victoria of the New Zealand India Research Institute, an Institute also involving Auckland University of Technology, Auckland, Waikato, Massey, Canterbury and Otago Universities. The Council has supported the Vice-Chancellor and the Senior Management Team in a number of other initiatives such as the signing of Memoranda of Understanding with universities in Indonesia and Thailand, which have solidified Victoria's position as a sector leader in international engagement.

Further, Council continues to support other university institutes at a governance level, including the New Zealand Contemporary China Research Centre, which, with the New Zealand Institute of International Affairs, held a symposium marking the 40th anniversary of the establishment of New Zealand and China diplomatic relations. The University was very pleased to host the keynote speaker, Chinese NPPCC Chairman, His Excellency Jia Qinglin.

Victoria continues to gain momentum in improving overall research performance and creating new knowledge with major social, economic or scholarly impact, and Council commends the Vice-Chancellor on first-class achievements in various areas such as international rankings and research grants. In addition to this *Annual Report*, the University's *Research with Impact* publication, released in October of this year, highlights the quality of Victoria's research.

Awards and honours

At the year's graduation ceremonies the University conferred honorary degrees on distinguished astrophysicist, Professor Warrick Couch; well-respected business leader Sir John Anderson; and leading industrial designer, Peter Haythornthwaite.

In August the University was pleased to recognise the Samoan Prime Minister, Hon Tuilaepa Sa'ilele Malielegaoi, with an honorary degree of Doctor of Laws for his significant contribution to his country and to the Pacific region. At the same time, Victoria's long-standing relationship with Samoa was further recognised with various agreements for cooperation signed, including for scholarships.

Friends of the University

It is appropriate to record here the role of the Victoria University Foundation. The Foundation enables supporters of the University to continue their association with Victoria while assisting in ensuring a more certain future. Council appreciates the leadership of the Foundation by its Chair, Elaine McCaw, and the support it receives from the University's Development Office. I also record here the gratitude of Council for the substantial gift of the Gama Foundation, giving a firm foundation to the Institute for Governance and Policy Studies.

During 2012 the University lost three much valued friends: Professor Sir Paul Callaghan, distinguished international scientist and outstanding communicator; David Carson Parker, Hunter Fellow and loyal supporter of the Arts; and Marie Bell, well-known educationalist and one of the oldest PhD recipients in the University's history.

University Council

At its bi-monthly Council meetings, consideration is given to reports from the committees, including approving the monthly financial reports. The Vice-Chancellor reports at each Council meeting on progress towards the Strategic Plan, with Council receiving his overview of the year at its November workshop.

Council has a responsibility to set an Annual Budget that identifies projected revenue, and forecasts expenditure required to achieve the implementation of the Investment Plan. The Vice-Chancellor and the Senior Management Team are commended for their efforts, particularly in their careful oversight of expenditure.

Council members attend bi-monthly workshops to discuss key issues whereby they are better informed in their decision-making. Topics this year included the Investment Plan 2013–15; Controlled and Associate Entities; Māori at Victoria (discussion here benefiting from Te Aka Matua, the Māori Advisory Group); and aspects of external communications at Victoria.

Early in the year the Minister of Tertiary Education appointed to Council Victoria Heine and John Selby. They replaced Trish McKelvey and James Ogden, two members who had given a number of years of service, including Chairing key committees of Council—both receive the warm thanks of Council. Council also welcomed the student representative, Max Hardy, and the 2012 President of the Victoria University of Wellington Students' Association and Chair of the Student Forum, Bridie Hood.

At the end of 2012, Dr Jock Phillips completed his third term on Council and I place on record the appreciation of Council for his long-standing interest in Victoria and insightful comments at Council. Helen Sutch relinquished the position of Pro-Chancellor in December but remains on Council and I thank her for her three years as Pro-Chancellor.

Council members all give a great deal of time to the governance of the University and I thank them for all they give to Victoria. Likewise to the Vice-Chancellor, also a member of Council, and all members of staff who supported him in his role during 2012.



Ian McKinnon
Chancellor



Pictured above: Members of the Victoria University Council 2012.

Back row from left: Victoria Heine, Leah Gifford (Secretary to Council), Professor Paul Morris, Charles Finny. Third row from left: Max Hardy, John Selby, David Chamberlain, Megan Clark, Professor Charles Daugherty. Second row from left: Bridie Hood, Graeme Mitchell, Brenda Pilott, Kevin Duggan. Front row from left: Dr Jock Phillips, Roger Taylor, Helen Sutch (Pro-Chancellor), Ian McKinnon (Chancellor), Professor Pat Walsh (Vice-Chancellor), Rosemary Barrington. Absent: Patricia McKelvey, James Ogden.

Governance

The University Council

The governing body of the University is the Victoria University Council, established under section 165 of the Education Act 1989. The Functions and Powers of the Council are consistent with those prescribed in the Education Act 1989, sections 180, 181 and 192. Council's key functions are to:

- a) appoint a chief executive
- b) prepare and submit an Investment Plan, and to determine policies and ensure the University is managed in accordance with that plan
- c) undertake planning relating to the University's long-term strategic direction
- d) determine, subject to the State Sector Act 1988, the policies of the institution in relation to the management of its affairs.

The Vice-Chancellor

The Education Act 1989 assigns the Vice-Chancellor, as Chief Executive of the University, with the academic and administrative management of the institution. The State Sector Act 1988 designates the Vice-Chancellor as the employer of all staff.

Governance documents

Strategic Plan and Investment Plan

Council is responsible for approving the University's Strategic Plan, the overarching governance document that defines the University's mission, values and commitments to the Treaty of Waitangi. Council is also responsible for preparing and submitting an Investment Plan in order to seek government funding.

We are required to produce an Investment Plan by TEC. The Investment Plan is an articulation of how the goals in the Strategic Plan will be achieved. It is the responsibility of Council to ensure that the University is managed in accordance with that plan, by determining the policies for its implementation.

Annual Budget

The Annual Budget identifies the projected revenue, and operating and capital expenditures required to achieve the implementation of the Investment Plan in a calendar year. It is the responsibility of Council to approve the Annual Budget for each ensuing year.

Annual Report

Included in the Annual Report are the University's financial statements, and the Statement of Service Performance (SSP) which reports against performance measures specified in the Investment Plan. Council approves the Annual Report.

Committees of the Council

The University Council has appointed, under section 193 of the Education Act 1989, specific committees, each with terms of reference. Each committee operates within the relevant provisions of the Education Amendment Act 1990 and the Local Government Official Information and Meetings Act 1987.

Academic Board

The Academic Board, established under sections 182(2), 193 and 194 of the Education Act 1989, advises Council on matters relating to courses of study, awards and other academic matters. The Board may also exercise powers delegated to it by Council and the Vice-Chancellor under sections 222 and 197 of the Education Act 1989.

Audit and Risk Committee

The Audit and Risk Committee is responsible for assisting Council in discharging its responsibilities relative to financial reporting, oversight of risk management and compliance with legislation. The Committee's scope encompasses the University and its subsidiaries. The Committee meets on a regular basis with the External and Internal Auditors of the University, giving full consideration to their reports, as it will to the Risk Register presented to it on a regular basis by senior management.

Finance Committee

The objective of the Finance Committee is to give Council timely assistance in discharging its responsibilities for assuring the quality and integrity of the financial management of the University. This includes financial planning and strategy, financial control, financial reporting, the management of risk and the monitoring of financial performance.

Governance Committee

The Governance Committee is responsible for advising Council on its role, processes and performance, including the fulfilment of Council's statutory responsibilities. Governance Committee members are appointed by Council.

Honorary Degrees and Hunter Fellowships Committee

The Honorary Degrees and Hunter Fellowships Committee is responsible for making recommendations to Council regarding the criteria, conferment or award for/of an honorary degree, Hunter Fellowship or any other honorary award which Council may wish to bestow.

Te Aka Matua—Māori Advisory Committee

The objective of the Māori Advisory Committee is to provide Council with timely advice on the University's relations with Māori communities as they support the development and implementation of the Strategic Plan. The Committee receives reports and makes recommendations to Council about its responsibilities as they concern Māori communities.

Vice-Chancellor's Performance Review Committee

The Vice-Chancellor's Performance Review Committee aids Council to meet its responsibility to monitor and evaluate the Vice-Chancellor's performance, as prescribed in section 180 of the Education Act 1989.

Disciplinary Appeals Committee

The Disciplinary Appeals Committee is established on a case-by-case basis, with its powers conferred by the Student Conduct Statute pursuant to sections 193 and 222 of the Education Act 1989. The Statute sets out the procedures that apply in the event that a student is alleged to have breached acceptable standards of conduct.

Any appeal against a deciding manager's decision regarding a complaint of misconduct or serious misconduct, with the exception of those complaints that have been addressed using the tikanga Māori process, is made to the Disciplinary Appeals Committee.

Council membership for 2012

OFFICERS

Chancellor

Ian McKinnon QSO JP

Pro-Chancellor

Helen Sutch

Chair, Finance Committee

Roger Taylor MNZM

Vice-Chancellor

Professor Pat Walsh

MEMBERS

Appointed by the Minister of Education

David Chamberlain

2009–2013

Patricia McKelvey CNZM MBE

2007–February 2012

James Ogden

2007–February 2012

Victoria Heine

March 2012–2016

John Selby

March 2012–2016

Vice-Chancellor

Professor Pat Walsh

2005–2013

Elected by academic staff

Professor Charles Daugherty ONZM

2009–2012

Megan J. Clark

2011–2014

Professor Paul Morris

2009–2012

Elected by general staff

Kevin Duggan JP

2011–2014

Appointed by Executive of the Students'

Association

Max Hardy

2012

Elected by the Court of Convocation

Rosemary Barrington

2009–2012

Dr Jock Phillips

2009–2012

Ian McKinnon QSO JP

2011–2014

Helen Sutch

2011–2014

Co-opted by the University Council

Graeme Mitchell

2009–2013

Roger N. Taylor

2011–2013

Bridie Hood

2012

Appointed by the University Council—in

consultation with the New Zealand Council of

Trade Unions

Brenda Pilott

2008–2012

Appointed by the University Council—in

consultation with Business New Zealand

Charles Finny

2009–2012

Vice-Chancellor's commentary



Looking back over 2012, it is clear that another outstanding year has passed for Victoria University of Wellington. We have continued to focus on achieving our strategic goals while working within a changing global economic landscape. I am very proud of the achievements we have made, and it gives me great pleasure to review some of the highlights.

Research

Our staff and students undertake leading-edge research and create new knowledge to the benefit of New Zealand and all New Zealanders.

Postgraduate students are highly valued at Victoria, and we are committed to developing the next generation of researchers. In 2012, student levels remained strong, with 836 PhD and 539 Master's by Thesis students, and applications for postgraduate study increased over 2011. During the year, there were 115 PhD and 321 Research Master's degree completions.

Our researchers were again very successful in the Marsden funding round, scooping 12 prestigious Marsden grants worth \$6.75 million in total, along with one grant for a collaborative project. I was delighted to see that the grants were spread across six University faculties, including the first Marsden grant awarded to a researcher in our Law faculty.

I am also pleased to report our considerable success in gaining funding from other external funders, to support research of significant public value. This included three researchers gaining funding of \$5.2 million over four years in the Ministry of Business, Innovation and Employment's 2012 High Value Manufacturing and Services Research Fund, and Professor Colin Wilson winning a highly prized James Cook Fellowship, funding his research into supervolcanoes with \$220,000 over two years.

Staff and student success

Victoria University has an established reputation in New Zealand and internationally for academic excellence, and this was demonstrated through a number of high-profile awards over the year.

I was pleased to see Victoria's Chair of Public Finance, Professor Norman Gemmell, awarded the prestigious Economist of the Year title from the New Zealand Institute of Economic Research, and Dr Ocean Mercier, a Māori Studies lecturer in Te Kawa a Māui, winning a 2012 Sustained Excellence in Tertiary Teaching Award from Ako Aotearoa.

I was also very proud of our Law and Engineering faculties, with Law placing 23rd in the world in the 2012 Quacquarelli Symonds World University Rankings by Subject, and our

Engineering degree programme achieving full accreditation from the Institution of Professional Engineers New Zealand (IPENZ).

The outstanding calibre of our students was reflected in their many national and international successes in 2012.

Victoria students Gareth Kean and Samantha Lucie-Smith were selected for New Zealand's Olympic swim squad, with Gareth also receiving an award at the New Zealand Universities Blues Awards for his outstanding performance at the World University Games.

Chloe Oldfield, an International Relations student, made history when she became the first female New Zealander to speak in the United Kingdom Parliament. Chloe represented New Zealand at the 5th Commonwealth Youth Parliament in December—a very impressive achievement.

We also continued our proud debating tradition, winning the New Zealand Impromptu Debating Champs, and the Joynt Scroll New Zealand Universities Prepared Debating Championships for a record seventh consecutive year.

Engaging locally

As the nation's capital city university, Victoria has a mandate that sets it apart from others, and a commitment to actively engaging and fostering dynamic partnerships with business, creative, government and cultural institutions across the country.

Over the year this has included substantial contributions to major government research projects such as the Tax Working Group, Welfare Working Group, Better Public Services, the Long-Term Fiscal External Panel and the Expert Advisory Group on Solutions to Child Poverty. We also host co-funded chairs in Public Finance and e-Government.

Two innovative new Master's programmes, which will connect students with the computer graphics and technology industries, were established. We collaborated with companies including Weta Digital and Sidhe to set up the Master in Computer Graphics, and the Master of Advanced Technology Enterprise gives students the opportunity to pitch their technology start-up business plans to an expert panel of investors.

We work with our national museum Te Papa on collaborative activities with national value, which during the year included providing solutions to halt the deterioration of historic Māori cloaks, and providing two public lectures by the archaeologists who in 2003 discovered the species *Homo floresiensis* in Indonesia.

I was also pleased to see the establishment of an agreement with the Tuatapere Hump Track Board in Fiordland, set up to support and develop a joint research programme into tourism, ecology and community development in this stunningly beautiful part of the country.

Connecting globally

We are particularly proud of our extensive international relationships, particularly in South East Asia, China and India. We offer complementary programmes through our offshore campus in Vietnam, as well as through international relationships and agreements.

In April, I visited Indonesia as part of the Prime Minister's Trade Mission Delegation, and signed an agreement with the Indonesian Ministry of Education and Culture to provide support for Indonesian university staff members to undertake PhD study at Victoria—becoming the first New Zealand university to conclude such an agreement.

The strength of Victoria's contribution to the creative industries is an integral component of our distinctive identity. During the year Victoria staff shared their talents—often to critical acclaim—on the local, national and international stage, including performing at the week-long festival of New Zealand-themed music at King's Place in London and representing the country at the Frankfurt Book Fair. Victoria was also proud to be a partner of the 2012 New Zealand Writers and Readers Week.

Altogether, 162 Victoria students took part in international exchanges over the year, to destinations including Washington, Buenos Aires and Madrid, and 126 students travelled to Victoria from abroad. Many more participated in the Victoria International Leadership Programme, a programme of seminars, events and activities designed to help students become more cross-culturally competent and globally aware.

Equity and diversity

We are committed to working towards the achievement of our equity and diversity goals.

We offer a range of specialist facilities, services and support mechanisms to support those with disabilities, and over the year developed our first university-wide Disability Action Plan.

Vic Volunteers, a key initiative in this area, continues to grow from strength to strength, and in 2012, around 200 staff members volunteered to become note-takers, van drivers and team leaders.

We are proud of our work towards improving the retention and achievement of Māori and Pasifika students, and were very pleased to see the successful Strengthening Pathways project funded by TEC for another year.

We have continued our work to provide specialised study and learning spaces for Māori and Pasifika students, and new areas opened in both in the Law Library and at Victoria Business School. We also launched Pasifika Haos, a study and social space for Pasifika students.

A Pasifika Staff Success Plan, which complements our Pasifika Student Success Plan, was developed to improve the recruitment, development and retention of Pasifika staff over the next three years.

Victoria Learning Partnership

We aspire for our students to be part of a unique learning partnership, intended to foster global-mindedness, entrepreneurship, engagement, collaboration, communication skills and cultural awareness. To this end, in 2012, we were very proud to launch the Victoria Learning Partnership, a new strategy setting out Victoria's approach to undergraduate education. We developed the strategy with the input of a large number of staff and students, and were delighted with the high levels of engagement.

The Victoria Learning Partnership, which will be fully implemented by the end of 2014, will mean all of the University's undergraduate programmes are developed and delivered consistently, according to an integrated set of key elements: excellence; engagement; enquiry; and experience.

Support of alumni and friends

Following a very generous \$3 million donation from the Gama Foundation, a charitable trust set up by Christchurch philanthropists Grant and Marilyn Nelson, Victoria launched the new Institute for Governance and Policy Studies in the School of Government. The Institute, which replaced the long-standing and very successful Institute of Policy Studies, will produce independent, high-quality and high-impact research on public policy, decision-making and governance issues.

We hold in very high regard our links with alumni in New Zealand and abroad, and are committed to furthering this engagement. In 2012, alumni events were held in Wellington, Auckland, New York, London, Germany, Hong Kong, Indonesia, Malaysia, Singapore, Thailand and Vietnam, and, for the first time, in Samoa, the Cook Islands and Tonga. We also held two Young Alumni events in Wellington, which proved very popular, and launched a new Vic Online Community for alumni.

The number of people notifying us of their intentions to leave Victoria a bequest in their will has continued to rise, and we are very grateful for this generous support.

Looking forward

Early in 2013, I announced I would not be seeking a further term as Vice-Chancellor of Victoria University. It has been a great honour and privilege to have been Vice-Chancellor since 2005, and to have contributed to the further development of this great university.

One aspect of which I am very proud is the great depth and breadth of the connections we have made over the years, both locally and globally. We have aspired to connect with big issues, good ideas and original thinkers, wherever in the world they may be, and in doing so, have secured the very best opportunities for our staff and students.

There are many to thank who have supported Victoria during my term as Vice-Chancellor, in the Wellington community and beyond, in the tertiary, cultural, business, creative and government sectors, and those who have served on University Council—but my deepest gratitude is extended to the staff and students, past and present, who have worked to make the University what it is today, and who will shape it into the future.

The year ahead will be a busy one, as we advance our response to the challenging financial situation we face, and further the work on developing and articulating Victoria's distinctive academic identity. In addition, there are many strategic initiatives underway which are vital to ensure the continuing success of Victoria and its students, most importantly in learning, teaching and research.



Professor Pat Walsh
Vice-Chancellor

About Victoria



Pictured above: Victoria University's Hunter Building, which officially opened on 30 March 1906. Today, the building houses the offices of the Vice-Chancellor, official reception areas including the Council Chamber and the Victoria Room, and a number of pieces from the Victoria University of Wellington Art Collection.

Overview

Victoria University is a research-led university with high standards of teaching, which attracts exceptional staff and students from around the world. As a capital city university, Victoria has strong links with government departments and agencies, international organisations, industry, regional and local government, iwi and environmental organisations, as well as some of New Zealand's major research institutes. The University also has extensive collaborative and student exchange links with renowned universities throughout the Pacific, Asia, North and South America and Europe.

Engaging with New Zealand, connecting with the world

Victoria University is characterised by the depth, consistency and effectiveness of our culture of domestic and international engagement. Our commitment to reciprocal, high-quality relationships springs from identifying and understanding the need for New Zealand to achieve sustainable development.

Victoria has developed close ties with a wide range of businesses and government organisations, and several recent initiatives are aimed at improving the University's engagement with industry.

Victoria's historic strength in public policy has been fully demonstrated by substantial contributions to major government projects, and entrepreneurship education is an emerging strength on which we intend to build. Victoria also gives high priority to engagement with Māori and Pacific communities.

We aim to produce graduates whose learning has been developed inside and outside of the classroom, experientially, and informed by a global perspective.

Our mission

Victoria's mission is to play a leading role in shaping New Zealand's future by:

- adding significantly to the knowledge and understanding of natural phenomena, society, culture and technology through research, teaching and interdisciplinary perspectives
- engaging with local, national and international communities in creating, disseminating and applying knowledge that has scholarly or societal impact
- developing graduates with skills in leadership, communication and critical and creative thinking.

Our commitment to the Treaty of Waitangi

The Treaty of Waitangi Statute is the formal expression of Victoria's commitment to Māori as tangata whenua and Treaty partners. We had a number of successes in 2012 in meeting our Treaty commitments, which are evident throughout the Annual Report.

Victoria is committed to:

- Māori student recruitment, retention and achievement
- Māori research excellence with the potential for significant social, economic and scholarly impacts
- the contribution of mātāuranga Māori (Māori knowledge) to scholarship across disciplines
- building long-term and positive relationships with Māori stakeholders
- building Māori staff capability
- increasing the capability of all staff to engage with Māori interests
- the contribution of te reo Māori and tikanga Māori to the culture of Victoria.

Our history

Victoria University is one of New Zealand's oldest and most prestigious tertiary institutions with a proud tradition of academic excellence.

Founded by an Act of Parliament to celebrate the diamond jubilee of Queen Victoria in 1897, the then Victoria College began teaching and research in 1899 with the arrival of our four pioneering professors—Thomas Easterfield, Hugh Mackenzie, Richard Maclaurin and John Rankine Brown.

Victoria University came into being through its own Act of Parliament, on 1 January 1962.

The University incorporated the Wellington College of Education as the Faculty of Education on 1 January 2005. The following year, Victoria and Massey Universities set up the New Zealand School of Music (NZSM), a centre of musical excellence which combined the institutions' music programmes.

Our faculties

Victoria has nine faculties, seven of which conduct teaching and research—Architecture and Design, Education, Engineering, Humanities and Social Sciences, Law, Science and Victoria Business School. These faculties are divided into schools, many of which are closely aligned with the University's numerous research centres and institutes.

The Faculty of Graduate Research is responsible for the administration of all PhD students, and the virtual faculty Toi huarewa is a forum for Māori academic issues at Victoria and ensures appropriate Māori content in Victoria's teaching and research programmes.



Members of Victoria University's Senior Management Team 2012.

Back from left: Professor David Bibby, Professor Bob Buckle, Vicki Faint (Secretary), Andrew Simpson, Annemarie de Castro, Professor Dugald Scott, Professor Rob Rabel. Front from left: Professor Deborah Willis, Professor Penny Boumelha, Professor Pat Walsh, Professor Neil Quigley, Professor Piri Sciascia. Absent: Professor Tony Smith.

Our campuses

The University operates from several sites.

The Kelburn Campus is the home of schools with interests in humanities and social sciences, science and engineering, and of the University's administration.

The Te Aro Campus, in the centre of Wellington's creative Cuba quarter, is the home of schools relating to architecture and design.

The Pipitea Campus, close to Parliament and the courts, consists of the Government Buildings Historic Reserve, neighbouring Rutherford House and the Wellington Railway Station West Wing. It is home to the University's schools specialising in the study of law, government, commerce and management.

The Karori Campus is the home of the schools specialising in teacher education policy, educational psychology, and Māori and Pasifika education.

We also have specialist facilities including the Graduate School of Nursing and Midwifery based at Wellington Hospital, and the Coastal Ecology Laboratory on Wellington's South Coast.

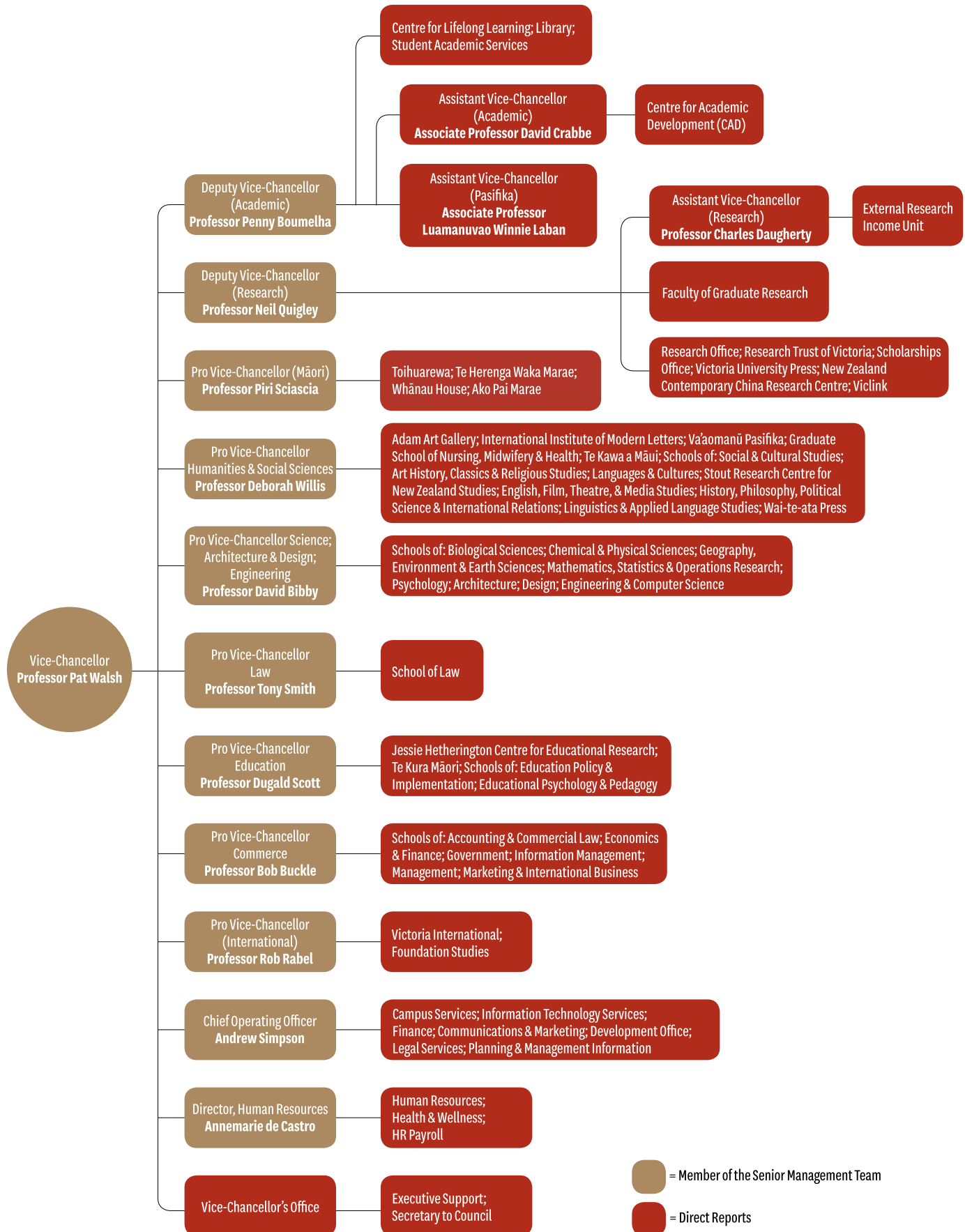
In addition, the University teaches internationally, offering English language and commerce courses at the University of Economics' Campus in Ho Chi Minh City in Vietnam, and an International Master of Business Administration programme in Hong Kong, in association with the Asia-Pacific Institute of Business, of the Chinese University of Hong Kong.

Our strategic goals

The 'Year in Review' section of the Annual Report is a snapshot of activities and achievements that have contributed towards the delivery of each of the University's strategic goals, namely:

- Research
- Learning and teaching
- Student experience
- External relationships
- Capability
- Resources
- Public contribution
- Equity

Organisation chart as at 31 December 2012



2012 at a glance

Figures exclude Te Kōkī New Zealand School of Music

Students

Qualifications awarded

Qualification level and type	2010	2011	2012
UNDERGRADUATE			
Certificates and Diplomas	965	1,604	728
Degrees	3,019	2,919	2,824
POSTGRADUATE			
Certificates and Diplomas	298	307	293
Honours	455	393	331
Master's	652	632	546
PhD	146	103	107
TOTAL	5,535	5,958	4,829

Equivalent Full-time Students (EFTS)

TYPE	2010	2011	2012
Government funded	15,719	15,173	15,064
Full-fee	1,554	1,698	1,723
LEVEL			
Undergraduate	14,629	14,224	14,154
Taught postgraduate	1,595	1,550	1,524
Research postgraduate	1,049	1,097	1,109
TOTAL	17,273	16,871	16,787

Student ethnicity (headcount)

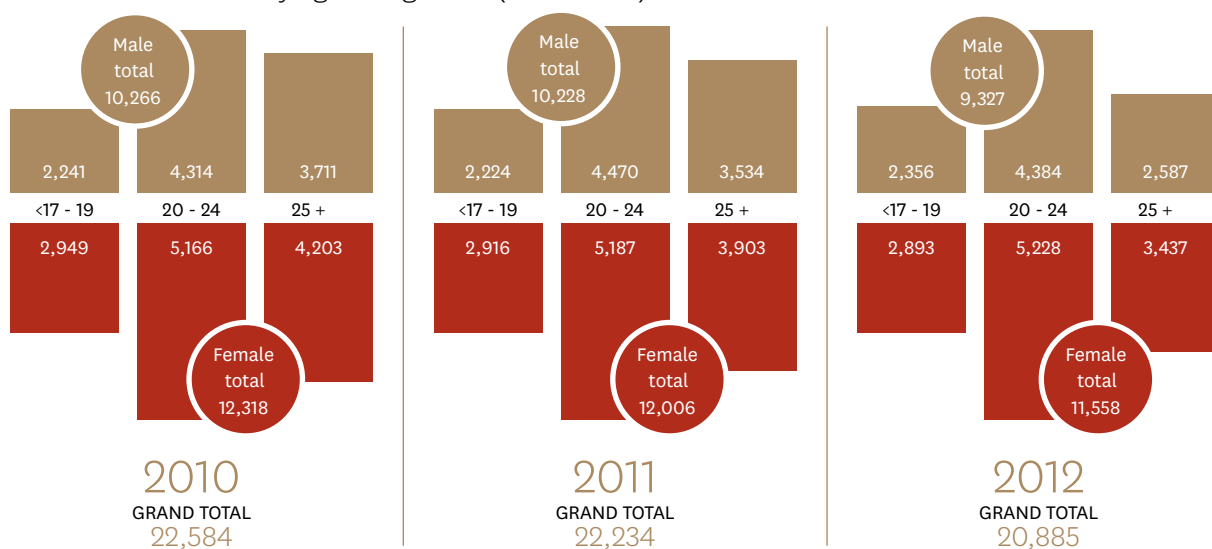
Ethnicity	2010	2011	2012
Māori	1,994	1,980	1,822
Pasifika	1,109	1,064	993
European/Pākehā	16,251	15,862	14,827
Asian	4,049	4,046	4,046
Other	1,381	1,442	1,353
TOTAL	24,784	24,394	23,041

Note: Students are permitted to select more than one ethnicity. The table incorporates all choices that students have made, and therefore the total will exceed the total enrolment numbers.

Country of origin for international students (headcount)

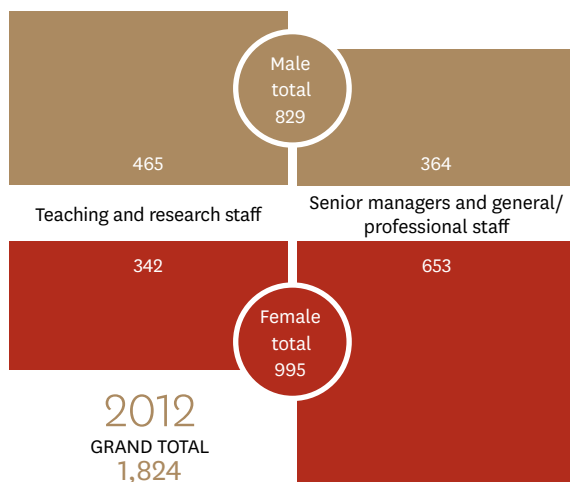
Country	2010	2011	2012
China	522	577	660
Malaysia	365	408	377
Vietnam	250	289	360
United States	348	411	344
Australia	192	197	180
Japan	86	91	104
India	82	92	91
Germany	162	111	85
United Kingdom	65	61	53
Canada	59	49	52
Saudi Arabia	66	54	48
Korea	79	61	47
Indonesia	41	55	45
Other	449	497	473
TOTAL	2,766	2,953	2,919

Student distribution by age and gender (headcount)



Staff

Full-time Equivalent (FTE) staff 2012



Note: Previous years are not provided, as they are not comparable due to a change to the calculation of figures required by the Ministry of Education. The change saw casual lecturing staff (sessional assistants) eliminated from the data from 2012.

Research

Research students

Enrolled (headcount)

	2010	2011	2012
Master's	729	889	852
PhD	930	952	967
TOTAL	1,659	1,841	1,819

Grants

	2010	2011	2012
External research revenue	\$32.6m	\$34.5m	\$39.5m
Number of external grants	555	522	445

Financial

Financial performance

	2010 \$'000	2011 \$'000	2012 \$'000
Total revenue	332,262	336,798	349,163
Total expenditure	313,733	322,284	330,383
SURPLUS FOR THE YEAR	18,529	14,514	18,780

Financial position

	2010 \$'000	2011 \$'000	2012 \$'000
Total current assets	64,030	65,144	63,812
Total non-current assets	659,068	681,436	681,467
Total assets	723,098	746,580	745,279
Total current liabilities	65,008	69,875	74,389
Total non-current liabilities	53,354	57,747	52,852
Total liabilities	118,362	127,622	127,241
TOTAL COMMUNITY EQUITY	604,736	618,958	618,038

Statistics

	2010	2011	2012
Surplus to total revenue	5.6%	4.3%	5.4%
Surplus to total assets	2.6%	1.9%	2.5%
Current assets to current liabilities	98%	93%	86%
Assets to equity	120%	121%	121%
Liabilities to equity	20%	21%	21%

Physical resources

Land occupied (hectares)

	2010	2011	2012
Crown	11.2	11.2	11.2
University	10.5	10.5	10.6
Ground lease properties	0.3	0.3	0.3
TOTAL	22.0	22.0	22.1

Net usable square metres occupied

2010	2011	2012
108,322	108,403	110,844

The year
in review



Pictured above: A team led by Director of Biotechnology Dr David Ackerley is seeking to enable microbes that cause diseases such as measles, botulism, gangrene and the common cold to be used as the basis for new cancer therapies.

Research

Our 'research' strategic goal is to dramatically improve Victoria's overall research performance by focusing resources on developing and rewarding research excellence, particularly in areas of disciplinary and interdisciplinary strengths, and creating new knowledge that has major social, economic or scholarly impact.

Victoria staff and students operate at the international frontiers of academic research, and through that engagement bring global perspectives to local issues. The intensity and quality of the research effort at Victoria is reflected in the proportion of academic staff who are active in publishing research and in supervising postgraduate research students. The wide range of prestigious awards and fellowships earned by Victoria staff, and the growth in the level of external research funding during 2012, reflect the local and international impact of our research programmes.

Research success

Since 2007, Victoria University has implemented a comprehensive research strategy which has increased research intensity, research income and research student enrolments.

The 2012 Performance Based Research Fund (PBRF) round demonstrated the intensity of Victoria's research. Victoria submitted 695 portfolios and expects that no more than 1 percent of our total PBRF eligible academic staff will be judged as research inactive (that is, will not receive a 'C' or higher in the PBRF).

By increasing our engagement with partners in business, government and the community, Victoria is helping to make a positive difference to New Zealand's economy and society through the dissemination and application of our knowledge and expertise.

A culture of research

A core goal of Victoria's Research Strategy has been to significantly increase the number of research students, as a strong postgraduate research culture is a clear measure of research intensity. In 2012, Victoria received 1,027 completed applications for entry to the PhD programme, and from these applications, 198 students entered the programme. During the year, 128 PhD candidates completed their degrees. Victoria also enrolled 388 Master's by Thesis students in 2012, with 352 Master's completions. The proportion of postgraduate students at Victoria increased to 7.3 percent of total EFTS.

In 2012, the University's internal research funds were used to award 108 PhD Scholarships, with additional students awarded partial scholarships. The University offered 46 full Master's by Thesis Scholarships for 2013 study along

with 83 Victoria Graduate Awards for students applying for Honours or Part One Master's, 22 more than in 2011.

Following substantial work on PhD examination processes, the average time from submission of the PhD thesis to recording of a final grade is now 118 days, compared with an average of 263 days in 2009. An online system for PhD applications was created in 2012, which replaced the previous paper-based application form from early this year. The system delivers significant benefits to students, as well as substantial savings in administrative time.

A major revision of the Master's Thesis Policy was completed, aimed primarily at dramatically increasing the proportion of Master's students completing their thesis in 12 months.

The high quality of Victoria's PhD programme was demonstrated by graduate Dr Adam Day being announced as the winner of the 2011 Sacks Prize for his PhD dissertation, an award given for the best thesis in logic worldwide.

To encourage more students into postgraduate study and research, Victoria extended its Summer Research Scholarships programme, now in its fourth year. The University has partnered with companies, government agencies and professional organisations to place high-performing students with organisations to work on research projects.

A significant increase in scholarships and partner organisations enabled Victoria students to benefit New Zealand in a range of ways. Of the 231 scholarships awarded, 86 were funded in part or in full by parties external to the University, including private companies, Crown Research Institutes, government departments and local bodies.



Baining people, painted barkcloth mask, Papua New Guinea, collected between 1890-1913, Museum der Kulturen, Basel.

New book shifts the paradigm on Oceanic art

Art historian Dr Peter Brunt completed a five-year project co-editing a landmark book on Pacific art entitled *Art in Oceania: A History*.

The publication has been lauded as breaking new ground by setting the art of Oceania in its full historical context, and features more than 500 illustrations gathered from museums and collections around the world.

Its creation was funded through a number of grants from organisations including Victoria and Auckland Universities, the Marsden Fund, Te Papa, the British Museum, the Museum of Archaeology and Anthropology and the Arts & Humanities Research Council. Dr Brunt co-edited the book with Professor Nicholas Thomas from Cambridge University.

External research funding

Victoria staff were again successful in attracting external research funding to pursue research projects that will benefit New Zealand.

In the last five years Victoria has steadily increased the value of external research income earned, and in 2012, the total contract value of the 445 external research grants in the Research Trust of Victoria was \$115.1 million—up from \$73.7 million across 303 grants in 2007.

Professor Colin Wilson from the School of Geography, Environment and Earth Sciences was awarded one of four prestigious James Cook Research Fellowships, awarded to researchers who have achieved national and international recognition in their area of scientific research. He will use the Fellowship, which provides funding of \$220,000 over two years, to continue his work into supervolcanoes.

Three Victoria researchers were successful in gaining funding of \$5.2 million over four years from the Ministry of Business, Innovation and Employment's 2012 High Value Manufacturing and Services Research Fund aimed at supporting science and innovation with economic benefits for New Zealand.

Dr Gerald Smith, Associate Professor of Chemistry, received \$500,000 per annum for two years for his research into creating more efficient solar energy cells using organic polymers, Dr Robin Dykstra, from the Faculty of Engineering, received \$880,000 per annum for four years for his research investigating new applications for nuclear magnetic resonance technology and Dr Richard Tilley, from the School of Chemical and Physical Sciences, received funding of \$500,000 per annum for two years to develop new types of cancer treatments using nanoparticles.

Dr John Townend, Associate Professor/EQC Fellow from the School of Geography, Environment and Earth Sciences, was awarded \$1 million in funding by the International Continental Drilling Project, to continue his work with GNS Science on slow earthquakes.

Marsden grants

In 2012, Victoria's researchers attracted a significant portion of the highly competitive Marsden grants, a continuation of success in previous years. Researchers received 12 Marsden grants, out of 86 grants funded nationwide, totalling \$6.75 million. This consists of eight standard grants and four Fast Start grants for emerging researchers.

For the first time, the Marsden grants were spread across six University faculties: with six for Science, two for Humanities and Social Sciences, and one each for Education, Engineering, Law and Victoria Business School, showing the diversity and breadth of the research being carried out at Victoria.

The successful projects include research into the adaptability of corals to climate change; differing attitudes to blue- and white-collar offending; motivation and achievement in education; and the way that changes in land ownership have shaped the histories of New Zealand and other Pacific countries, compared to the Americas.

The recipients of the standard Marsden grants for 2012 were: Dr Jeff Shima, School of Biological Sciences; Dr Simon Davy, School of Biological Sciences; Dr Melanie Johnston-Hollitt, School of Chemical and Physical Sciences; Professor Lydia Wevers, Stout Research Centre for New Zealand Studies; Professor Richard Boast, School of Law; Professor Rod Downey, School of Mathematics, Statistics and Operations Research; Dr Richard Arnold, School of Mathematics, Statistics and Operations Research; and Professor Mengjie Zhang, School of Engineering and Computer Science.

Marsden Fast Start recipients for 2012 were: Dr Nick Golledge, Antarctic Research Centre; Dr Flaviu Hodis, School of Educational Psychology and Pedagogy; Dr Lisa Marriott, School of Accounting and Commercial Law; and Dr Jason Young, School of History, Philosophy, Political



Victoria professor named Economist of the Year

Professor Norman Gemmell, Chair in Public Finance at Victoria Business School, was named the New Zealand Institute of Economic Research Economist of the Year for 2012. He received the award for his contribution to international literature on fiscal policy and economic growth, tax policy development in New Zealand and for setting up the Government Economics Network in his role as Treasury's inaugural Chief Economist in 2010.

The prestigious award is only made when a suitable candidate is identified, and acknowledges the impact of an individual's efforts to advance economic matters of lasting importance to New Zealand.

Science and International Relations and Contemporary China Research Centre.

In addition, Aroha Te Pareake Mead, a Senior Lecturer in Victoria's School of Management, is involved in a successful University of Waikato-led Marsden grant.

Staff awards and accolades

Victoria staff were recognised for their outstanding contributions with many national and international awards in 2012.

Two staff from the School of Mathematics, Statistics and Operations Research received international recognition for their expertise. Dr Noam Greenberg won a John Templeton Foundation Turing Research Fellowship—one of only five awarded internationally to commemorate the work of renowned mathematician Alan Turing on the centenary of his birth—and Professor Rod Downey was selected to join the inaugural class of Fellows of the American Mathematical Society in honour of his distinguished contribution to mathematics.

Dr Richard Tilley was awarded the 2012 Maurice Wilkins Centre Prize for his contributions to chemistry by the New Zealand Institute of Chemistry.

Professor Lionel Carter, from the Antarctic Research Centre, received the Marsden Medal in recognition of his lifetime of outstanding service to science. Dr Eric Le Ru, Associate Professor in Physics, received the Research Medal of the New Zealand Association of Scientists—awarded for outstanding research published by a scientist under the age of 40.

Professor Shaun Hendy from the School of Chemical and Physical Sciences, Professor Laurie Bauer from the School of Linguistics and Applied Language Studies and Professor John Pratt from the School of Social and Cultural Studies were elected Fellows of the Royal Society of New Zealand. Professor Hendy also received the Prime Minister's Science Media Communication Prize for 2012.

Professor Kim Fam, Head of the School of Marketing and International Business, received an honorary doctorate from Széchenyi István University (SIU) in Győr, Hungary.

Dr Edwina Palmer, Director of Victoria's Japanese programme, was the first New Zealander to receive the Inoue Yasushi Award for Outstanding Research in Japanese Literature in Australia and New Zealand. She won the prize for her article that brought new information to light about Poem 16–3828 of the *Man'yōshū* collection—a poem thought to date from circa 700 CE.



Medals awarded to Victoria researchers

Three Victoria researchers were honoured with prestigious awards from the Royal Society of New Zealand in 2012.

Professor Robert Goldblatt was awarded the Jones Medal for his lifetime of dedicated service to mathematics and world-leading research in modal logic and category theory; Professor Shaun Hendy received the Callaghan Medal in recognition of his work in raising public awareness of science and its role in increasing economic prosperity; and Professor Janet Holmes was a joint recipient of the Dame Joan Metge Medal for her unique contribution to linguistics.



First ever dictionary of legal Māori terms

A team of lecturers, senior students and graduates from Victoria University's Faculty of Law are compiling the first ever dictionary of legal Māori terms which will be published in 2013.

Led by Māmari Stephens, a Senior Lecturer in the School of Law, the team is drawing on a corpus of legal Māori texts comprising more than eight million words dating from 1828 up to the present day.

The dictionary will be unique among Māori dictionaries in that it will allow users to track the use of a term over time.

A feature-length documentary about the Lak people of Papua New Guinea, created by Victoria film lecturer Dr Paul Wolfram, won a top visual anthropology award. Dr Wolfram spent two years living with the Lak people in the remote region of southern New Ireland in Papua New Guinea to undertake the project. His film *Stori Tumbuna: Ancestors' Tales* received the 2012 Jean Rouch Award from the Society for Visual Anthropology in San Francisco, for collaborative and participatory work.

Staff from the Faculty of Architecture and Design received international accolades for their work including Simon Twose, a Senior Lecturer in the School of Architecture, who was invited to curate an architectural exhibit as part of the 2012 Venice Architectural Biennale; and Doug Easterly, Associate Professor of Media Design, whose 'Notepad' project was selected for the New York Museum of Modern Art's permanent collection.

Professor Tony van Zijl from Victoria Business School received the Outstanding Contribution to the Profession Award from the New Zealand Institute of Chartered Accountants in December, in recognition of his long career and contributions both in New Zealand and internationally.

Global connections

Three staff received Fulbright New Zealand Scholar Awards, enabling them to research, teach or present their work in the United States. Professor Susy Frankel from the School of Law will research the application of international treaty interpretation rules and methods to intellectual property law, at New York University. Dr Barrie Gordon from the School of Education Policy and Implementation will carry out research on a series of after-school sport-based programmes aimed at teaching personal and social

responsibility to at-risk youth, at North Illinois University. Dr John Townend will research the earthquake-generating characteristics of New Zealand's Alpine Fault, at the University of Wisconsin-Madison and Stanford University, California.

Dr David Harper, Associate Professor in the School of Psychology, and Dr Peter Nelson from the School of Mathematics, Statistics and Operations Research received Fulbright travel funding to present their work in the United States.

Four American researchers elected to use their Fulbright Awards to lecture and conduct research at Victoria University.

Victoria also hosted a large number of researchers from academic institutions around the globe during 2012. For example, historian Dr Patty O'Brien, from Georgetown University in Washington D.C., visited Victoria University as the 2012 J.D. Stout Research Fellow. Her research in New Zealand has involved comparing and contrasting the history of New Zealand and Australia and their governance of external territories.

A new initiative launched during the year was the Stephen Turnovsky Visiting Scholar programme, which brings leading young academics from overseas to Victoria for a short period of time to expand Victoria Business School's research capability in economics and finance. The two inaugural recipients of the programme were Dr Martin Boileau from the Department of Economics at the University of Colorado in the United States, and Dr Nathalie Moyon from the Leeds School of Business in the United Kingdom.



Bedrock breakthrough in Antarctica

Victoria University's Dr Nancy Bertler led an international team in Antarctica that successfully drilled more than 760 metres through the ice to the bedrock, on an island in the Ross Sea.

The project has been headed up by GNS Science, Victoria University and Antarctica New Zealand. Dr Bertler, from Victoria's Antarctic Research Centre and GNS Science, completed the drilling in late December when the drill bit brought up sediment from the base of the ice sheet.

The drill cores will provide the most detailed record of the climate history of the Ross Sea region for the last 30,000 years, and give new insights into how the Ross Sea region will respond to global warming.

Strengthening our research partnerships

In 2012, the University continued to focus on working with others on research projects which benefit New Zealand.

For example, staff from Victoria University's New Zealand Climate Change Research Institute are taking part in a national project to identify potential climate change trends over the next 90 years in a new \$7.2 million initiative to 'climate proof' New Zealand. 'New Zealand climate changes, impacts and implications', is being led by NIWA and Landcare Research and will take place over four years.

A new version of the *Māori Law Review*, a monthly review of law affecting Māori, was launched, with support from Victoria University's Faculty of Law and the Office of the Pro-Vice Chancellor (Māori). The Review, which records the development of our bi-cultural legal system, is co-edited by Carwyn Jones, a Lecturer in the School of Law, and Crown Counsel Craig Linkhorn, with other Victoria academics involved as part of the editorial team.

Commercialising research

Victoria University's commercialisation company, Viclink, focuses on the commercial development of intellectual property developed by University staff and students. Following a strategic review in 2011, Viclink directed its efforts during 2012 on providing a catalyst for innovation and entrepreneurship at Victoria.

With support from the Ministry for the Environment, a Viclink spinout company, Wetox Limited, is building a pilot plant in Palmerston North. This plant will demonstrate technology developed at Victoria to treat waste products in a variety of settings and demonstrates

Viclink's contribution to sustainability initiatives at the University. It is an exciting commercialisation prospect, with international market potential in specialist waste and water treatment applications.

Viclink continues, in close partnership with the Faculty of Education, to develop EdPotential, a reporting tool for schools to help improve teacher and student achievement outcomes. The tool is being developed in conjunction with a leading American software company, and using Kiwinet funding.

One of Viclink's most exciting projects is the annual computer gaming boot camp. This is a joint activity with the School of Design and local start-up company Creative HQ, and ran for the second time in 2012. Through the boot camp, design students have the opportunity to create computer games and then take them to market, by creating and running their own start-up companies. Each team is linked to a New Zealand company that has a potential need for gaming technology applications.

During the year, Viclink made investments in a number of early stage projects including wireless sensors for structural building monitoring, software development, small battery child safety, compounds that modify functions in cells and the seismic protection of large plant and equipment.

Viclink continued to invest in a number of existing companies. Following a merger with German magnet maker ACT GmbH, Magritek continues to make progress on sales and the development of new products. Further development of the iPredict platform has occurred, with an external party expressing interest in undertaking due diligence preparatory to a possible investment or licensing agreement. In addition, Viclink has grown licence revenue from agreements within New Zealand, the United Kingdom and the United States from nanotechnology, environmental testing and biological and chemical inventions.



A focus on India

Victoria was announced as the host of the New Zealand India Research Institute, which will bring together scholars actively engaged in research on India.

The new institute, led by Professor Sekhar Bandyopadhyay from Victoria's School of History, Philosophy, Political Science and International Relations, will promote and facilitate research on India and New Zealand-India relations.

Researchers from Victoria, Auckland University of Technology, Auckland, Waikato, Massey, Canterbury and Otago Universities will collaborate through the Institute, which has been established with the support of the New Zealand Government and funding from Education New Zealand.

The Institute has already signed a Memorandum of Understanding with Jawaharlal Nehru University in New Delhi and is negotiating a similar agreement with the University of Hyderabad.



Pictured above: Students rehearse with David O'Donnell, Associate Professor in the School of English, Film, Theatre, and Media Studies, for a production of Russian playwright Maxim Gorky's work Summerfolk. David won a 2011 Victoria University Teaching Excellence Award for his inspirational work with theatre students.

Learning and teaching

Our 'learning and teaching' strategic goal is to strengthen Victoria's high quality research-led learning and teaching environment, and reward and celebrate learning and teaching excellence in all its forms.

Victoria takes a collaborative approach to learning and teaching to help students reach their full potential and become well-rounded, global citizens. In 2012, our learning and teaching environment was enhanced in a number of ways—including through the development of a Victoria Learning Partnership and the acknowledgement of staff and student excellence through awards.

Strengthening practice

We aim for our students to be part of a unique learning partnership that fosters global-mindedness, entrepreneurship, engagement, communication skills and cultural awareness. Our Learning and Teaching Strategy outlines our commitment to high standards in this area and provides a framework for how these standards are identified, maintained and developed to provide a distinctive learning experience.

A significant project in this area has been a two-year review process of undergraduate education at Victoria, conducted with the involvement of a large number of staff and students. As a result of this review, the University has developed the Victoria Learning Partnership to set out the educational principles which will guide undergraduate curriculum structures, teaching and assessment practices and programme design at Victoria.

The Victoria Learning Partnership aims to ensure all the University's undergraduate programmes are developed and delivered consistently, according to an integrated set of key elements: excellence; engagement; enquiry; and experience.

A Student Charter was developed with significant input from Victoria students, outlining a set of goals that students should be working towards to make the most of their experience, and the opportunities Victoria is committed to provide in order to help students achieve these goals. A review of the University's graduate attributes is also underway.

It is anticipated that full implementation of the Victoria Learning Partnership will be completed by the end of 2014.

Teaching and development

Victoria is committed to continuous improvement of the delivery of our courses and programmes.

Eight internal projects, funded by Victoria's Learning and Teaching Development Fund, are investigating ways of improving how courses are taught at the University. These include a review of the digital tools and technologies currently used in undergraduate programmes, which will help inform the development of a Digital Learning and Teaching Strategy; and a collaborative project to implement a new digital visual resources management system, involving several of the University's schools and units.

Each year staff have access to opportunities to further develop their teaching skills. In 2012, this included events such as a four-day workshop on interactive teaching styles and a one-day Ako Victoria event centred on learning and teaching strategies and initiatives, with a strong focus on the role technology will play in the future.

Innovative student projects

Victoria is constantly seeking ways of incorporating real-world scenarios and experiences into our courses.

In 2012, students from the School of Engineering and Computer Science undertook research projects to help improve the performance of Mozilla Firefox, the world's second most popular web browser. The collaboration was forged by Dr Alex Potanin, a Senior Lecturer in Software Engineering at Victoria, and Robert O'Callahan, who runs Mozilla Firefox's New Zealand arm.

Around 20 students from the School of Art History, Classics and Religious Studies took up an exciting opportunity to embark on a Greek field trip. Based in Athens and Kolumbari, Crete, participants studied Greek archaeological sites for five weeks, as part of a biennial course for third-and fourth-year students.

Victoria Business School students visited China as part of the inaugural Master of Business Administration (MBA)



From microscope to megascreen

Professor Kevin Gould from the School of Biological Sciences and members of Victoria's Information Technology Services Group developed a 60-inch touch screen television which connects to a microscope camera to display microscopy slides.

The new technology allows students to annotate notes onto experiments, and save both images and notes onto a USB stick which can then be used for study or assessment purposes.

The innovative 'Ideas on Wheels' project won the People's Choice Award at the 2012 Microsoft Tertiary Innovation Awards and is now being used by other staff in the School of Biological Sciences.

International Study Tour. The seven-day tour began in Hong Kong and ended in Macau via Guangzhou—an economic zone often referred to as the ‘golden triangle’. The 18 participants visited Western businesses operating in Asia as well as Chinese businesses exporting products and services to New Zealand. The study tour was designed to offer students the opportunity to see world-class management strategies and process improvement theories in action.

Milestone accreditation for Engineering

Victoria University’s four-year Bachelor of Engineering programme achieved full accreditation from the Institution of Professional Engineers New Zealand (IPENZ) during the year. The promotion from provisional to full accreditation marks the next stage in the development of Victoria’s engineering programme, which was launched in 2007.

IPENZ commended several aspects of the programme including our facilities and laboratories, the accessibility of staff, the level of pastoral care provided to students and the confidence and positivity that graduates have towards the programme.

Top law faculty

Victoria’s Faculty of Law was recognised as New Zealand’s top law faculty in the 2012 Quacquarelli Symonds World University Rankings by Subject, and was ranked 23rd overall in the world.

New programmes

A new Master’s degree in Computer Graphics was launched, which will support innovation and growth in Wellington’s internationally recognised entertainment and

digital technologies industry. Victoria has worked closely with leading companies in the sector, including Weta Digital, Sidhe and Unlimited Realities, to develop a course that will produce graduates with the skills the sector needs. Weta Digital has offered additional support through a computer graphics PhD scholarship, guest lectures and student internships.

The Graduate School of Nursing, Midwifery and Health has been working with the Ministry of Health to establish a graduate-level course in the Nurse Entry to Practice programme, as part of an initiative to provide a structured support programme for newly graduated nurses in New Zealand. The School is also introducing a new clinical study pathway for midwives, the Master of Health Care in Midwifery Practice, in 2013. This will be New Zealand’s only clinically based coursework Master’s degree in midwifery.

Introducing Victoria Business School

Following the achievement of the ‘triple crown’ of international accreditations of EQUIS, AACSB (Business and Accounting) and AMBA in 2011, the Faculty of Commerce and Administration continued to position itself internationally with an official name change to Victoria Business School in 2012.

In te reo Māori the Faculty is known as Orauariki, which refers to its endeavours in the fields of business towards a goal of excellence. Victoria Business School also gained re-accreditation from the accounting body CPA Australia for a further five years.



Victoria students get close to American politics

Two students from Victoria’s parliamentary internship programme in Political Science and International Relations experienced the American legislative process first-hand as part of a wider initiative to strengthen the relationship between New Zealand and America.

Clark Hennessy and Laura de Haan travelled to Washington D.C. in December 2012 to work as interns to the United States Congress on Capitol Hill. They also took part in activities coordinated by The Washington Center, one of the most experienced and respected student-exchange organisations in the United States.

The Washington-based US-NZ Council funded the inaugural internships. New Zealand’s Ambassador to the United States, the Right Honourable Mike Moore, has been a driving force behind the initiative.

Celebrating academic excellence

A recent development at Victoria has seen faculties publish annual Dean's Lists. The aim of this initiative is to recognise and celebrate the academic achievements of undergraduates, encouraging students to complete their degree and continue into postgraduate study at Victoria. The academic achievements of almost 1,000 students were recognised in this way in 2012.

The Faculty of Education celebrated the excellence achieved by graduate students through its Teacher Education Excellence Awards. In 2012, 14 students received such awards, which acknowledge excellence achieved in both academic studies and teaching experience.

Continuing education opportunities

Victoria's Community Continuing Education programme again proved popular, with about 1,800 students taking part in short courses and seminars, language programmes, field trips and study tours.

These included a successful study tour to Russia, a popular summer course on poet Geoffrey Chaucer and the introduction of an overnight learning experience on Kapiti Island. Topics that focused on current affairs such as 'The Politics of Heroin' and 'Education in Crisis?' also proved popular, attracting new students to the programme.

Victoria's Professional and Executive Development programme provided nearly 200 public and customised short courses for around 2,000 students from more than 300 organisations. Highlights included working with the New Zealand Defence Force to deliver cultural awareness training for troops going on overseas postings, a Staff College Management programme for mid-level officers and Strategic Relationship courses for senior leaders.



Award-winning teaching

Dr Ocean Mercier, a Lecturer in Te Kawa a Māui—School of Māori Studies, won a 2012 Sustained Excellence in Tertiary Teaching Award from Ako Aotearoa. Dr Mercier is the first Māori woman to graduate with a PhD in Physics, and the award recognises her work in a Kaupapa Māori context. The national award acknowledges her commitment to outstanding, innovative teaching practice, including her courses bridging Māori and Western science.



Pictured, from left: The Honourable Steven Joyce, Professor Kate McGrath and Professor Pat Walsh at the launch of the new Master of Advanced Technology Enterprise.

Minister launches new programme

Victoria is helping to launch the next generation of entrepreneurs and innovators through the new Master of Advanced Technology Enterprise programme, which brings together graduate students from a range of disciplines to create advanced technology start-up companies. In this unique opportunity to work intensively on a commercial project, students will combine their skills in a team environment and pitch their business plans to an expert panel of investors. Tertiary Education, Skills and Employment Minister the Honourable Steven Joyce officially launched the new programme at an event in January 2013.



Pictured above: Italian language students complete their final exams in a Masterchef-style cooking competition. Students were challenged to speak only Italian while preparing two national dishes, which they then had to present to a panel of judges, including Dominion Post food critic David Barton. Dr Marco Sonzogni, a Senior Lecturer in the School of Languages and Cultures, developed the unique assessment with support from Victoria's Learning and Teaching Development Fund.

Student experience

Our 'student experience' strategic goal is to engage students as active and lifelong members of an inclusive and supportive community of higher learning through an outstanding academic, social and cultural experience that equips them to make a significant contribution to local, national and international communities.

Victoria is committed to providing an excellent student experience, and supporting all students to develop the skills they need to succeed. In 2012, students took advantage of opportunities to expand their knowledge and skills, a number of new services were introduced and the academic and extra-curricular achievements of students were celebrated.

Improving student services

To further the University's strategic priority of providing a quality student experience, Victoria has a Student Experience Strategy to guide and coordinate operational activities. In recent years, we have achieved a significant improvement in the quality of the student experience, which has been measured by positive results from recent student surveys, high levels of student participation in our distinctive co-curricular programmes, financial support for and celebration of high-achieving students, new partnerships with students and strategic investment in student facilities.

In April, all Victoria students were invited to participate in the second Student Experience Improvement Survey, designed to evaluate the quality of students' experience at the University and measure performance in key areas. Overall, 84.6 percent of all respondents rated the services and facilities at Victoria as good or very good, an improvement of 4.7 percentage points from the 2011 survey.

Feedback from the survey is helping to inform the range of initiatives designed to enhance student experience, such as supporting new students to adjust to the style of teaching and learning at university, and ensuring students have opportunities to connect with the Victoria community and other like-minded students.

In response to results from the survey, a Student Information Project was launched with the aim of ensuring that students have access to more detailed course information.

A new system for recording lectures is being implemented, which will allow for the recording, editing and publishing of video resources for learning and teaching purposes. Students will be able to access lecture recordings through the Blackboard learning and teaching resource.

Victoria also continues to be one of the few universities providing free, unlimited internet access for students on campus and in University-managed Halls of Residence.

The University upgraded a number of Library services in 2012, with new self-service centres and an increase in the number of staff available to assist students. A new tool to search Library resources, Te Waharoa, was launched and searches can now be made across all the Library's collections of books, electronic resources, journal articles and multimedia. In early 2013, a spectacular two-storey Reading Room will open as part of the Campus Hub redevelopment.

Campus accessibility was a focus during 2012, with access to Victoria's physical environment being improved through new accessible route signage, upgrades to existing buildings and collaboration over the new Kelburn Campus Hub. To assist new students, an online introductory video on how to navigate Victoria accessibly has been produced.

The CAN-DO initiative for students was also re-launched during the year. This is a representative group for students with impairments on campus, created to counteract disability bias and encourage students to engage with the support they need.

Connecting with students

A Student Forum was established in 2012 as a new consultative body for the University, to enable debate to take place on a wide range of issues relating to the scholarly community, student experience and campus life, and ensure that the diversity of student views is heard.

The Forum met on three occasions during the year, discussing a range of topics including student fees, the

Student Services Levy and the results of the Student Experience Improvement Survey. Delegates also discussed how the Student Forum may evolve in the future.

Undergraduate scholarship support

Victoria's scholarship programme continued to expand in 2012. In total, 439 Victoria Excellence Scholarships were awarded for first-year study—an increase of 96 compared to the previous year. The University also awarded an increased number of Victoria Achiever Scholarships—88 in 2012 compared with 72 in 2011.

A number of retention scholarships were awarded to particularly high-achieving students entering their second year of university study.

Extra-curricular success

Many Victoria students achieved extra-curricular success on the national and international stage during 2012.

Gareth Kean and Samantha Lucie-Smith were selected for New Zealand's Olympic swim squad, the State AquaBlacks. Gareth competed in backstroke events while Samantha was selected for the women's 4x200 metres freestyle relay team.

Gareth received an outstanding performance award at the 2012 New Zealand Universities Blues Awards in recognition of his medal-winning swimming performances at the 2011 World University Games, while three debating students received Blues Awards for their successes.

International Relations student Chloe Oldfield became the first female New Zealander to speak in the United Kingdom Parliament. She was chosen by the Commonwealth Parliamentary Association to represent New Zealand at the 5th Commonwealth Youth Parliament in December.

At the 2012 Victoria University Blues Awards, rower Luke Watts received the Sportsperson of the Year Award, canoe



A hall without walls

A 'virtual hall' pilot took place in 2012, aimed at improving engagement with and between local students. Inspired by similar overseas programmes, the virtual hall is designed to be 'a hall without walls', providing a social and academic community for first-year students not living in a Hall of Residence.

The programme, now officially named WGTN Hall, is being further developed in time for the 2013 academic year, and will offer a range of activities, including sports, guidance and academic support.

The initiative is being run by students for students, and will see Victoria pioneer a new type of support for first-year university students in New Zealand.

polo player Jordan Aria Housiaux won Māori Sports person of the Year and debater Johanna McDavitt won the Sports Administrator of the Year title.

The University's strong debating tradition continued in 2012, with Victoria winning both the New Zealand Impromptu Debating Champs, and the Joynr Scroll New Zealand Universities Prepared Debating Championships, the latter for a record seventh consecutive year. Victoria also hosted the Australasian Intersarsity Debating Championship, the second largest debating tournament in the world, with a Victoria team reaching the semi-finals and placing fifth overall.

A group of Victoria law students won two of four major competitions held at the 2012 Australian Law Students' Association Conference, and another student won the 2012 NZLawyer Student Essay Prize.

A global experience

Each year, more than 100 students take part in a Victoria Overseas Exchange (Vic OE) to complete a trimester, or even a full year, of their degree overseas. This is an exciting way for students to explore life in a new country, enrich their lives and education, foster independence and gain global awareness.

In 2012, 162 students participated in either a trimester or year-long exchange, with financial support from Victoria. In addition, 126 students from overseas institutions chose to spend their exchange at Victoria.

New scholarships and partnerships were confirmed in China and Japan during the year, and a partnership with *The Dominion Post* established a new Global Citizen Scholarship. Under this initiative, three Vic OE students record their observations about life overseas through a fortnightly blog. A Vic OE Blog site, www.oe-blog.victoria.ac.nz, allows people to read about students' experiences during their time away.

Nine students from Victoria were chosen to visit Japan in December through the Kizuna Project, a short-term

programme run by the Japanese government with the aim of promoting understanding of Japan's road to recovery after the earthquake and tsunami in 2011.

New Zealand's only internationally-focused student leadership programme, the Victoria International Leadership Programme (VILP), continued to grow in 2012. There were almost 600 new registrants to the programme, which brings international and domestic students together and inspires thinking about global leadership challenges.

The Faculty of Humanities and Social Sciences added two new courses, which allow language students to take intensive language courses at partner institutions overseas during the New Zealand summer. In Trimester Three of 2012, the first time the courses were offered, students enrolled to study in Germany, Spain, China and Japan.

Faculties across the University are also increasing opportunities to develop cross-cultural and international perspectives amongst students. For example, Victoria Business School has developed an Internationalisation at Home programme that aims to improve understanding among local and international students through enhanced learning and teaching practices, such as more effective group work.

Students contributing to the local community

There were 325 new registrants in the Victoria Plus Award programme, Victoria's service and leadership programme for students, which places a special emphasis on service, either to the Victoria University community or to the Wellington region.

A survey of Victoria Plus Award graduates from 2008–11 shows that being part of the programme plays an important role in helping students with their career direction.

During 2012, the 100th student completed the Award. Pritesh Chavda graduated with a Bachelor of Commerce and Administration with majors in Accounting, Commercial Law and Economics in May 2012.



Music students hit the right note

Students from Te Kōkī New Zealand School of Music achieved considerable success during the year with several voice students reaching the finals of national and international competitions, including soprano Isabella Moore.

Isabella received the Iosefa Enari Memorial Award in the Creative New Zealand Arts Pasifika Awards. She was also selected as a semi-finalist in the 2012 Lexus Song Quest competition, and won the Radio New Zealand Listeners' Choice Award for her performance.

Student Services Levy

The Student Services Levy is paid by all students in order to contribute to the development of a learning community, in which students can participate fully. The levy also improves services that can facilitate academic success and a positive experience.

The University offers a range of student services to support academic success. A few are fully levy funded, some are partially funded by the levy and some are funded entirely from other sources. The levy enables services to be offered without individual user charges.

The Education (Freedom of Association) Amendment Act 2011 and the Education Amendment Act 2011, No. 66 (EAA66) were both passed in 2011. These two Amendments, in part, changed the framework within which tertiary institutions determine rates for the provision of student services. The revenue from the levy can only be used for those services which fall within certain defined categories, as shown below.

	2012
Revenue by source	\$000
Revenue from Student Levy	10,515
Revenue from other sources	4,569
Total revenue	15,084
Expenditure by service category	
Advocacy and legal advice	1,268
Careers information, advice and guidance	1,116
Counselling services and pastoral care	1,966
Employment information	304
Financial support and advice	452
Health services	4,585
Media	160
Childcare services	1,968
Clubs and societies	1,244
Sports, recreation and cultural activities	2,175
Total expenditure	15,238
NET SURPLUS/(DEFICIT)	(154)

The Student Services Levy made a small loss in 2012, although expenditure across service categories was largely in line with the original budget. The loss is offset by levy surpluses from previous years. Any surpluses made by the levy are ring-fenced to contribute to expenditure on the government-specified service categories in a subsequent year.



Connecting with alumni

The University continued to maintain and develop links with alumni in New Zealand and abroad, with a number of successful alumni events held in Wellington, Auckland, New York, London, Germany, Hong Kong, Indonesia, Malaysia, Singapore, Thailand and Vietnam. In addition, alumni events were held in Samoa, the Cook Islands and Tonga for the first time.

A new Young Alumni initiative to keep young graduates connected with Victoria proved very popular, with around 100 alumni aged 35 and under gathering at each of the two events held in Wellington.

A Vic Online Community for alumni was also launched, and already has nearly 1,000 members.



Pictured above: In August 2012, Victoria University conferred the honorary degree Doctor of Laws on the Honourable Tuilaepa Sa'ilele Malielegaoi, Prime Minister of Samoa. From left: Pro-Chancellor Ms Helen Sutch, Professor Neil Quigley, Professor Pat Walsh, Tuilaepa Sa'ilele Malielegaoi, Chancellor Ian McKinnon, Vice-Chancellor of the National University of Samoa Professor Fui Tu'ua Ilaoa Asofou So'o, Assistant Vice-Chancellor (Pasifika) Associate Professor Hon Luamanuvao Winnie Laban.

External relationships

Our 'external relationships' strategic goal is to build and maintain mutually beneficial relationships which maximise Victoria's contributions to society, support its aspirations, and enhance national and international recognition of the quality of its teaching and research.

Victoria takes great pride in the strength of the University's external relationships. The depth and breadth of our local and international engagement helps

keep New Zealand at the cutting edge of a dynamic, changing world, and takes multiple forms including collaboration with local, national and international communities. We work with a wide range of partners in business, the public and voluntary sectors, engaging with important issues and significant ideas. In 2012, a number of exciting new partnerships were created with strengthening connections in the Pacific region taking a particular focus.

Celebrating our special relationship with Samoa

Victoria University celebrated the 50th anniversary of Samoan independence and the Treaty of Friendship between Samoa and New Zealand with a series of events, including the conferment of the honorary degree Doctor of Laws on the Honourable Tuilaepa Sa'ilele Malielegaoi, Prime Minister of Samoa, in a special ceremony (see photo above).

As part of the Samoan Prime Minister's visit, members of the Samoan delegation and Victoria University signed a PhD scholarship agreement with the Government of Samoa, and scholarship and cooperation agreements with the Scientific Research Organisation of Samoa and the National University of Samoa.

Partnering with business

Our researchers are connecting with businesses and industry to create innovative partnerships with the potential to boost New Zealand's economy.

Researchers from the School of Biological Sciences are working with the New Zealand Rock Lobster Industry Council to support the management of the lucrative rock lobster industry, worth \$220 million each year. Dr James Bell and Master's graduate Luke Thomas have been using DNA technology to investigate the sources of lobster larvae and movement between red rock lobster populations in New Zealand and Australia.

Dr Robert Keyzers from the School of Chemical and Physical Sciences is working with students to make customised, designer wines for overseas markets, by understanding the distinctive flavours and aromas of grapes. Dr Keyzers and his team are collaborating with Brancott Estate Wines, which has provided them with access to sophisticated robotics technology at its Marlborough laboratories to undertake the research.

Researchers at the New Zealand Contemporary China Research Centre are investigating the impact of Fonterra's investment in dairy farming in China, as part of a wider study on the bilateral impact of the New Zealand-China Free Trade Agreement. Dr Marc Lanteigne and Dr Jason Young hope to gain a better understanding of how China's commercial diplomacy in New Zealand is affecting the economic and political policies of both countries.

Engaging locally

Victoria hosted the inaugural Eureka Symposium, during which the new Sir Paul Callaghan Awards for Young Science

Orators were presented to outstanding young speakers. The Rotary Club of Wellington organised the event in partnership with Victoria, Science New Zealand and the New Zealand Association of Science Educators.

The Institute for Governance and Policy Studies in the School of Government was launched in July 2012, replacing the Institute of Policy Studies. The Institute was established following a \$3 million donation from the Gama Foundation, a charitable trust set up by Christchurch philanthropists Grant and Marilyn Nelson.

The new Institute will produce independent, high-quality and high-impact research on public policy, decision-making and governance issues, building on the research and activities of the Institute of Policy Studies.

In December, Victoria University and the Wellington City Council signed a Memorandum of Agreement to develop a joint research programme. The Agreement will see the creation of a Post Doctoral Fellowship and enhance Victoria's Summer Research Scholarships scheme, with interdisciplinary, applied research being carried out to help improve Wellington's ecological sustainability and urban life. Building on the University's agreement with Zealandia, this will further develop ecological restoration as a distinctive research strength.

The New Zealand Climate Change Research Institute coordinated a five-day meeting of authors working on the Intergovernmental Panel on Climate Change (IPCC) fifth assessment report, due to be published in 2014. More than 200 people from 50 different countries met in Wellington for a week of intense work on the report, which was combined with a series of events involving IPCC report authors, parliamentarians, government officials, University staff and the public.

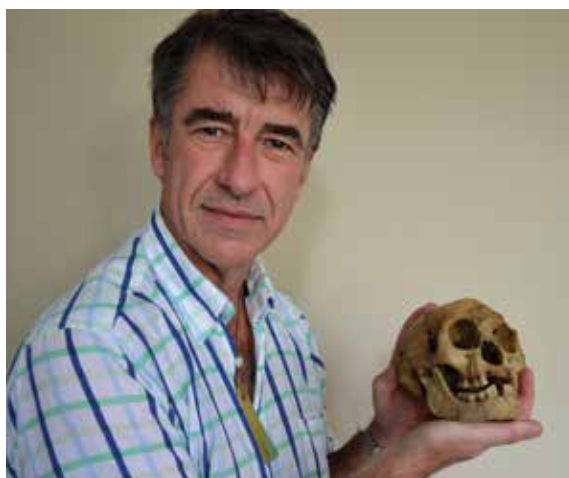
Local collaboration with our national museum

During 2012, Victoria worked with New Zealand's national museum Te Papa on a number of collaborative activities.

Dr Gerald Smith, Associate Professor of Chemistry, worked with Te Papa Conservator Rangi Te Kanawa on preventing deterioration in some of New Zealand's oldest Māori cloaks. They developed a treatment that binds the flax fibres together and neutralises the acid within the cloaks.

Engineering student Daniel Tomicek successfully tested the wireless vibration sensor he built for a research project using The Earthquake House in Te Papa's Awesome Forces exhibit. The sensor has the potential to be developed into a cost-effective way of monitoring the damage sustained to buildings during an earthquake.

In December, Te Papa hosted an exhibition of artefacts and two public lectures given by archaeologists who discovered



the hominin species *Homo floresiensis* in Indonesia in 2003. Dr Brent Alloway, Associate Professor in the School of Geography, Environment and Earth Sciences, organised the event which was also generously supported by Wellington City Council and the Embassy of the Republic of Indonesia.

The Institute also published a series of nine papers on the impact of climate change in New Zealand, with researchers working with a number of external partners, including local and central government organisations, to consider the issues.

The Institute had a particularly successful year in 2012, with a recent announcement that it is one of the most influential environmental think tanks worldwide. The Institute, which was established in 2008, was ranked 40th among environment think tanks in the 2012 Global Go To Think Tank Index Report, produced by the University of Pennsylvania.

The report also ranked Victoria's Centre for Strategic Studies as the 30th best university-affiliated think tank worldwide, and third in a new 'Asia' category alongside distinguished research institutes in Australia, Singapore and Indonesia.

Connecting with the world

Victoria University aspires to be New Zealand's most internationally engaged university, and as part of our internationalisation strategy, seeks to build and maintain strong overseas relationships which ensure access to valuable opportunities for both students and staff. In 2012, the University continued to strengthen international connections, particularly in the Pacific region.

In April, the Vice-Chancellor visited Indonesia as part of the Prime Minister's Trade Mission Delegation. While there, he signed an agreement with the Directorate of Higher Education of the Indonesian Ministry of Education and Culture to provide support for academic staff members from Indonesian universities to undertake PhD study at Victoria. Victoria is the first New Zealand university to finalise such an agreement, reflecting our commitment to support higher education capacity building in Indonesia.

Over the year, the Vice-Chancellor also signed and renewed agreements with four other Indonesian institutions,

hosted an alumni function in Jakarta and held a dinner attended by the Honourable Tim Groser Minister of Trade, His Excellency David Taylor the New Zealand Ambassador to Indonesia, and senior figures from the Indonesian diplomatic, business and education sectors.

In Thailand, the Vice-Chancellor signed a Memorandum of Understanding with Thammasat University and hosted an alumni function in Bangkok.

Faculty of Humanities and Social Sciences Pro Vice-Chancellor Professor Deborah Willis and Mrs Sor Har Tay, Director of the Regional Language Centre in Singapore, signed a Memorandum of Understanding under which Victoria University will jointly offer a Master of Arts in TESOL to students from South East Asia.

Victoria also partnered with the Ministry of Foreign Affairs and Trade to extend the scholarship scheme for the Association of South East Asian Nations (ASEAN) to Singapore and Brunei. Victoria will offer four new full PhD scholarships each year to qualified candidates—two each for Bruneians and Singaporeans.

Dr John Leslie from the School of History, Philosophy, Political Science and International Relations was selected as the inaugural recipient of an Asia New Zealand Foundation research grant. He will examine how New Zealand's closer economic agreements with Australia and Singapore can act as an example to ASEAN as it builds its own regional economic integration.

The University welcomed a visit from the Deputy Prime Minister of Vietnam, His Excellency Mr Nguyen Xuan Phuc, and his delegation. Victoria has a long-standing relationship with Vietnam and offers a number of programmes to Vietnamese students through our campus in Ho Chi Minh City.

In the Pacific region, the University partnered with the Bougainville Library Trust (established by Victoria graduate Lloyd Jones, author of *Mr Pip*) to help create a library and



Showcasing our literary talent

A distinguished group of writers with strong Victoria University connections attended the Frankfurt Book Fair, the world's biggest trade book fair, where New Zealand was the guest of honour.

Professor Bill Manhire gave the opening literary address on behalf of New Zealand at the official opening ceremony.

Other writers with strong Victoria connections, including Hinemoana Baker, Kate Camp, Eleanor Catton, Kate De Goldi, Barbara Ewing, Lloyd Jones, Anthony McCarten, Paula Morris, Emily Perkins, Chris Price and Sarah Quigley, performed in the New Zealand Pavilion.

cultural centre in Arawa, Central Bougainville. Victoria has provided advice and expertise including providing a collection policy framework, putting in place processes for the lending of books and building local capability to provide library services. The building is nearing completion and is expected to open during 2013.

Professor Tan Sri Dato' Wira Dr Sharifah Hapsah Syed Hasan Shahabudin, Vice-Chancellor of Universiti Kebangsaan, Malaysia, visited Victoria to give the 2012 Saad lecture, titled 'Research Universities in the Innovation Economy'. The annual lecture is hosted by the Chair of Malay Studies, and is sponsored through the Victoria University Foundation by the Saad Foundation in Malaysia.

A new partnership was established with the signing of a Memorandum of Understanding with Keimyung University (KMU) in South Korea, which will see business students cross the Pacific to complete their degree through Victoria

Business School. Students will complete 18 months of study in Korea and continue their tuition in Wellington. The first students from KMU are expected to arrive in 2014.

Students from developing countries are sponsored by the New Zealand Government to study at New Zealand universities as New Zealand Aid scholars. In 2012, Victoria hosted nearly 150 students, including 20 new undergraduate and postgraduate students from the Pacific nations of Papua New Guinea, Tonga, Kiribati, Tuvalu and Samoa.

In 2012, Victoria enrolled students from around 100 different countries, with overall international student numbers remaining similar to the previous year. While there were decreases in students from Malaysia and the United States, there were significant increases in students from China and Vietnam.

Strengthening ties with China

The University welcomed a diplomatic delegation and a number of researchers from China during 2012.

In conjunction with Business New Zealand, Victoria hosted a visit from His Excellency Jia Qinglin, Chairman of the Chinese People's Political Consultative Conference of the People's Republic of China (pictured, right).

Chairman Jia and his delegation were in New Zealand to mark the 40th anniversary of diplomatic relations between the two countries, and visited the University to deliver a speech to invited guests, staff and students. Chairman Jia acknowledged the University's record of teaching and research in Chinese culture, language and history, and expressed a desire for both countries to continue to promote cultural exchanges.

Prime Minister the Right Honourable John Key spoke at the opening of a China Symposium, held at Parliament to mark the anniversary and to promote discussion between policy makers, business, academics and community groups on New Zealand policy towards China. The Symposium was organised by the New Zealand Contemporary China Research Centre based at Victoria University, together with the New Zealand Institute of International Affairs and the Chinese Academy of Social Sciences.

In August, Deputy Prime Minister the Honourable Bill English was a keynote speaker at the two-day Conference on Contemporary China 2012. The event was co-hosted by the New Zealand Contemporary China Research Centre and School of Government from Peking University.

Victoria also hosted visits from leading Chinese academics including Professor Qin Dahe, who gave the annual S.T. Lee Lecture in Antarctic Studies; and Professor Zhu Feng, from



Peking University in Beijing, who was the 2012 Sir Howard Kippenberger Visiting Chair.

The Vice-Chancellor also visited China where he met with the President and Vice-President of East China Normal University in Shanghai, to mark the signing of a Letter of Intent to establish an articulation agreement in Engineering and Computer Science.

Creative contribution

The strength of Victoria's contribution to the creative industries is an integral component of the University's identity. In 2012, staff and students from across Victoria's creative disciplines shared their talent on the local, national and international stage, often to critical acclaim.

Victoria supported Writers and Readers Week, part of the 2012 New Zealand International Arts Festival, which involved a number of University staff and graduates.

Victoria was also the primary sponsor of a week-long festival of New Zealand-themed music held at the London performing arts venue, Kings Place. The festival featured performances by the New Zealand String Quartet, based at Victoria, and a number of other performers and composers with links to the University.

The New Zealand School of Music had a successful year. As well as the large number of free lunchtime concerts and 'Fridays at 5' concerts held throughout the year, 2012 highlights included a jazz festival and orchestra concerts including the performance of large-scale works by Mahler and Debussy.

Victoria was a key supporter of the inaugural IceFest event held in Christchurch, which celebrated New Zealand's unique connection with Antarctica. As part of the event, a collaborative song cycle project *These Rough Notes*, involving Professor Bill Manhire, was premiered.

The Adam Art Gallery hosted a major exhibition 'Peripheral Relations: Marcel Duchamp and New Zealand Art 1960–2011', curated by guest curator Dr Marcus Moore, whose PhD research at Victoria was the basis for the show. The exhibition included works by Duchamp gifted to the National Art Gallery, and unique works by New Zealand artists.

Bernard Beckett, secondary-school teacher and author of children's and young adult fiction, was the 2012 Writer in Residence at Victoria's International Institute of Modern Letters. This position is jointly funded by Victoria University and Creative New Zealand.



Photo by Stephen Jones

Transit of Venus

In June, hundreds of scientists, iwi representatives and dignitaries gathered to celebrate and attend the Transit of Venus Forum in Tolaga Bay.

Professor Neil Quigley, Deputy Vice-Chancellor (Research) attended the Forum where he paid tribute to the late Professor Sir Paul Callaghan, who initiated the event, and noted the important responsibility that universities have to engage with and contribute to the communities within which they are located.

The Forum was developed in a partnership between Victoria University, the Royal Society of New Zealand and the MacDiarmid Institute for Advanced Materials and Nanotechnology, and involved a number of University staff including Professors David Bibby, Charles Daugherty, Kate McGrath, Bill Manhire and Lydia Wevers.



Pictured above: Dr David Pearce (in foreground), from the School of Engineering and Computer Science, is using a Marsden Fast-Start grant to develop the Whiley Project. Whiley is a new programming language he has designed which has the potential to prevent future software failures in safety critical systems.

Capability

Our 'capability' strategic goal is to retain, develop and recruit high quality people who contribute to Victoria's success through outstanding leadership, scholarship and administration, through positive external engagements, and through quality governance and management.

Our staff make an invaluable contribution to the University through their commitment, outstanding leadership and scholarly expertise. To further our capability strategic goal, Victoria promotes a culture of collaboration, ensuring there is a synergy between our teaching, learning, research and student support activities. In 2012, Victoria recognised the excellence of staff through promotions, awards and a range

of leadership and development opportunities. A number of staff also received external honours recognising their dedication to their chosen profession.

Strategic planning

The development of the Victoria Capability Strategy Te Rautaki Kaiaka was a significant achievement in 2012, providing an integrated framework for staff capability planning over the next five years.

The Strategy outlines Victoria's commitment to developing and maintaining a high performance culture which enables all staff to realise their full potential.

Its goal is to ensure Victoria recruits, develops and retains people who will contribute to the achievement of the organisation's strategic goals through outstanding leadership and practice in scholarship, teaching and/or administration; positive external engagement; and excellent governance and management.

In developing the Strategy, a review was carried out of training and development options available to staff. A number of University policies and procedures were also reviewed during the year, with the aim of providing clearer information and better access for all staff members, and encompassed areas such as information systems, staff conduct and leave.

In 2012, Victoria participated in the UniForum benchmarking initiative involving a group of leading Australasian universities. This study examined the contribution of general staff across the University; giving insight into the success factors that have resulted in areas of high performance as well as opportunities for improvement that will help achieve strategic goals.

Victoria also continued to actively contribute as one of the eight New Zealand universities working collaboratively on the Academic Workforce Planning Toward 2020 project. This included piloting a new recruitment portal and working together with other New Zealand universities on an academic workforce analytics pilot project.

Celebrating our people

Victoria encourages excellence in our staff, both academic and general, through a number of promotions, awards and commendations. Professors are the University's academic leaders and play an active role in guiding and mentoring students and fellow staff. Victoria promoted numerous academic staff members in the 2012 Academic Promotions Round, including three staff to professor: Phil Lester, School of Biological Sciences; Timothy Little, School of Geography, Environment and Earth Sciences; and Peter Whiteford, School of English, Film, Theatre, and Media Studies.

The Teaching Excellence Award winners were: Dr Anita Brady, School of English, Film, Theatre, and Media Studies; Chris Bowden, School of Educational Psychology and Pedagogy; Dr David Capie, School of History, Philosophy, Political Science and International Relations; Dr Gina Grimshaw, Dr David Harper and Dr Maree Hunt, School of Psychology; and Dr Suzanne Boniface, School of Chemical and Physical Sciences.

To show our appreciation of the dedication of general staff, Victoria awards General Staff Awards for Excellence each year. The 2012 winners were: Kevin Buckley, Faculty of Engineering; Tara Fisher, Faculty of Graduate Research;

Colin Kennedy, Student Recruitment, Admission and Orientation; Marion Kirker, Student Counselling Service; Lesley Thompson, School of Biological Sciences; the Victoria Business School Student and Academic Services team and the Student Academic Services Enrolment team.

Two staff members and one team received the Vice-Chancellor's Commendation for Excellence in Health and Safety: Keay Burridge, Centre for Lifelong Learning; Dr Peter Ritchie, School of Biological Sciences and a group of administrators and technicians in the School of Biological Sciences.

External honours

A number of Victoria University staff members received prestigious external awards in recognition of their achievements and contributions to their communities, including the late Professor Sir Paul Callaghan, who was posthumously named the Supreme Winner of the Kea 2012 World Class New Zealand Awards for his services to New Zealand's growth and development.

Several staff were honoured in the 2012 New Year Honours and Queen's Birthday Honours.

In the New Year Honours, Professor Peter Hughes was made a Companion of the New Zealand Order of Merit (CNZM) for services to the state, and Professor Tony Angelo was made an Officer of the New Zealand Order of Merit (ONZM) for services to legal education. Adjunct Research Associate Professor David Lamb and Emeritus Professor Peter Walls were made Officers of the New Zealand Order of Merit (ONZM) for services to health and music respectively.

In the Queen's Birthday Honours, Adjunct Professor of Accounting John Shewan was made a Companion of the New Zealand Order of Merit (CNZM) for services to business and the community, and Margaret Medlyn was made an Officer of the New Zealand Order of Merit (ONZM) for services to opera.



New appointments at the International Institute of Modern Letters

Celebrated author, editor and scriptwriter Professor Damien Wilkins was announced as the new Director of the International Institute of Modern Letters, replacing poet Professor Bill Manhire, who recently retired.

Professor Wilkins has written nine books and scripted numerous works for television, radio and theatre, and joined the Institute in 2003.

The Institute also appointed Emily Perkins, one of New Zealand's most celebrated contemporary writers, as Senior Lecturer in the creative writing programme.

In addition, Janet Hunt, Victoria's IT Client Services Manager, won a national award for IT service excellence. She received the 2012 IT Service Champion Award from the New Zealand branch of the IT Service Management Forum.

Leadership and development

Victoria continues to offer professional development programmes for staff, and an increasing number are taking part each year. Twenty people completed the Management in Action programme, designed to assist staff at management level. The Staff Mentoring programme, which teams up new staff with existing staff members to assist their professional and personal development, had a successful year with 29 pairs taking part in the general staff programme and 14 pairs taking part in the academic staff programme.

More than 100 staff members took part in information technology workshops, and 324 participants took part in the 22 other types of professional development courses held in 2012, compared to 166 participants in 2011.

The University also launched a new suite of e-learning training modules for staff in 2012, as part of the range of induction and ongoing training opportunities available. The modules have been designed to allow staff to undertake training and familiarisation with the University at their own speed. The first five modules available include a welcome for new staff; health and safety; performance and development; information security; and an introduction to the Treaty of Waitangi, equity and diversity at Victoria.

The University continued to offer the Te Hapai programme, which provides more in-depth training in the Treaty of Waitangi and Māori language and culture, attracting 79 participants.

Each year, female staff members in leadership roles receive the opportunity to participate in the New Zealand Women in Leadership programme, targeted specifically at women working at universities. In 2012, two five-day residential courses were offered—one for women in academic positions and the other for women in professional roles, with five Victoria staff attending.

Senior appointments

In 2012, Victoria recruited a number of senior staff into key positions, and established some significant new roles.

Professor Jonathon Gray was appointed as the inaugural Chair in Health Systems Improvement. He will be based at the Health Services Research Centre in Victoria's School of Government. The Chair is funded by the Counties Manukau District Health Board (DHB) and the Stevenson Foundation. The new position is part of a formal partnership announced between the School of Government's Health Services Research Centre and Counties Manukau DHB.

A new University Librarian, Noelle Nelson, was appointed in October. Noelle was previously Director of Library Services at the State Library of New South Wales.

John Shewan CNZM, former Chairman of PricewaterhouseCoopers New Zealand, was appointed an Adjunct Professor of Accounting at Victoria Business School.

Speech language therapist Professor Susan Balandin joined Victoria's Faculty of Education as the new Director of the Jessie Hetherington Centre for Educational Research.

The Faculty of Humanities and Social Sciences made a number of strategic appointments with six new professors taking up positions within the Schools of English, Film, Theatre, and Media Studies; History, Philosophy, Political Science and International Relations; Languages and Cultures; and the Graduate School of Nursing and Midwifery.

Current Professor Claudia Geiringer was appointed as Victoria University's inaugural Chair in Public Law and Director of the New Zealand Centre for Public Law, Professor Jake Rose joined the School of Accounting and Commercial Law and Professor Nicholas Romano joined the School of Information Management as a Professor of Information Systems.

Accreditation for Student Health Service



In May, Victoria's Student Health Service achieved the CORNERSTONE General Practice Accreditation for four years to 2016.

The accreditation, designed by the Royal New Zealand College

of General Practitioners, involved meeting around 160 quality indicators across the areas of patient experience and equity, practice environment and safety, clinical effectiveness processes and professional development.

Achieving the accreditation has been a three-year project for the Student Health team, and means students using the service can be confident they are receiving high-quality health care.



Victoria University's new Hub building, located at the centre of our Kelburn Campus, was officially opened in March 2013, by Governor-General His Excellency Lt Gen The Rt Hon Sir Jerry Mateparae. The new building is the cornerstone of the transformation of the Kelburn Campus, creating a new, central community space for students to meet, study and socialise. Outside the Hub, the Tim Beaglehole Courtyard features seating, shade and shelter.

Resources

Our 'resources' strategic goal is to ensure the long-term academic and financial viability of Victoria by increasing and diversifying income, and by reallocating resources to support strategic goals.

Within a constrained financial environment, Victoria continued to meet fiscal targets in 2012, while continuing to allocate investment toward the future, by providing high-quality research and learning facilities to support our students. Detailed financial information is provided in the 2012 Financial overview on page 69.

In 2012, the Campus Hub redevelopment reached the final stages of completion, and a number of other important upgrades and developments

took place. In addition, planning has begun to ensure that future capital development supports the University's goals.

Planning for the future

Over recent years, Victoria University has continued to work on an ambitious capital programme. The Kelburn Campus has been transformed through the creation of the new central Hub building, revamped student facilities such as the Boyd-Wilson Field and the Student Union Building, the construction of the Alan MacDiarmid Building and the development of new student Halls of Residence.

We have continued to focus on modernising buildings, with work being carried out throughout 2012 on a seismic building assessment and upgrade programme.

Other key projects included the construction of new laboratories, teaching spaces and offices in the Cotton Building, designed to provide students with access to state-of-the-art equipment and facilities. Work also commenced on improving the acoustic performance of the Adam Concert Room, to provide a more stable environment for musical instruments, and an improved teaching and performance space.

The recent upgrade of the Hugh Mackenzie lecture theatres received an award in the education category of the 2012 Wellington Architecture Awards, and the Alan MacDiarmid

Building continued to receive accolades with a Gold Award at the 2012 Innovate NZ Awards of Excellence for its cutting-edge heating, ventilation and air-conditioning design.

Victoria University's suite of student accommodation options has been boosted with a new Hall of Residence. Boulcott Hall, at 47 Boulcott Street, a former office block, will primarily serve domestic first-year students from 2013, providing 180 beds.

Infrastructure upgrades

A new disaster recovery data centre has been installed at the Karori Campus, housed within a specially-designed seismic protection system (see below).

In addition, a number of other IT projects took place during the year to enhance user experience. These included replacing the University's web content management system, increasing the capacity of the research storage system and upgrading the finance system.

Improvements to plant and building services completed throughout the year include window refurbishment at the Karori Campus, lift replacement in the Kirk Building and roof repairs to various buildings. The University's Strategic Asset Management Plan was also updated, which has enabled a more detailed renewal plan to be developed.

Environmental sustainability

The University continued to display a commitment to environmental sustainability. In 2012, sustainability became a mechanism for developing learning and research initiatives, with three summer research scholarships and a Master's scholarship established for students.

The scholarships were established in partnership with Corporate Express, with topics including investigating how to promote environmental sustainability initiatives through the use of video, how to encourage staff and students to switch off lights, strategies the University could employ to achieve carbon neutrality and a project to develop a biodiversity plan for the University as a showcase of how to enhance biodiversity in an urban setting.

We also continued to improve our energy efficiency. At the end of 2012, electricity usage was down 28 percent compared to business as usual, and gas consumption was down 17 percent.

To help reduce the University's environmental footprint, Victoria collects data on a number of other indicators including recycling levels, water and paper usage and carbon dioxide emissions.

In 2012, the Greater Wellington Regional Council undertook a significant review of the public transport network in Wellington. Through the strong relationship developed between the University and the Council, there was a high level of engagement from students and staff in both the revised Wellington City bus network and public transport fare review. Planned changes are likely to benefit many Victoria commuters and make public transport a more attractive daily mode of travel.

Victoria goes smokefree

Following consultation with Victoria staff and students, the University's Senior Management Team approved the adoption of a smokefree policy across all Victoria University campuses, to create a healthier environment for staff, students and visitors. The policy will come into effect in April 2013.



QuakeSurfer: a world first

Victoria University has developed a new seismic protection system to protect critical assets through major seismic events.

The QuakeSurfer provides a platform upon which these assets can be placed, to protect them should an earthquake occur. While most systems protect against horizontal movement, the QuakeSurfer also provides protection against vertical movement—with modelling showing that up to 90 percent of the forces from a seismic event will be mitigated. It is a stand-alone structure, meaning it doesn't have to be housed within a building.

Victoria has recently installed a QuakeSurfer platform at the Karori Campus, to protect our new disaster recovery data centre.

The QuakeSurfer has been developed by Victoria University staff along with Dunning Thornton, MJH Engineering and Robinson Seismic, and is now available commercially.



Transforming Kelburn Campus

The University's Campus Hub project reached the final stages of completion during 2012, with official opening celebrations taking place in early 2013.

The project, which creates a vibrant, central heart for Victoria's Kelburn Campus, has included the construction of a brand new central building, refurbishment of the Kelburn Library and a revamped Student Union Building, making it the most complex construction project ever undertaken at the University.

The project has involved Victoria students in the design and planning for new spaces and took place in partnership with VUWSA and the VUWSA Trust.



Wai-te-ata Press 50th anniversary

Victoria University's unique letterpress printer, Wai-te-ata Press, celebrated its 50th anniversary in 2012.

The Press boasts a collection of 15 working printing presses dating from 1813 to 1963, including the oldest printing press in New Zealand, and one of the finest collections of metal and wood types in the Southern Hemisphere. It was founded in 1962, and has provided generations of students with the opportunity to learn the process of hand printing and fine design.

During the year, a number of events were held to celebrate the anniversary including a public lecture, book launch and exhibition.



Pictured above: Professor Jonathan Boston, Director of Victoria University's Institute for Governance and Policy Studies. The new Institute was launched in 2012 through the generous support of the Gama Foundation, a charitable trust set up by Christchurch philanthropists Grant and Marilyn Nelson (see page 34).

Public contribution

Our 'public contribution' strategic goal is to communicate and apply scholarly expertise to enrich culture and society, and to contribute to an understanding and resolution of challenges facing local, national and international communities.

Victoria researchers are encouraged to use their scholarly or professional expertise for the betterment of society, and helped shape debate on a number of important local and global issues during 2012—from climate change to tax policy and drug enforcement. Our staff shared their unique perspectives and insights through an active public events programme, and the University hosted many high-profile international guests.

Making an impact

As New Zealand's capital city university, Victoria has a unique role in shaping public debate on critical issues, and contributing to the understanding of the major issues facing society. Our researchers frequently engage with communities to share their skills and knowledge with people from diverse backgrounds.

Professor Jonathan Boston, Director of Victoria's Institute for Governance and Policy Studies, was appointed Co-chair of an Expert Advisory Group tasked with finding solutions to child poverty. The Group's final report, published in December, will advise the Government's Ministerial Committee on Poverty which is charged with improving the lives of low-income New Zealanders and their families.

Rob Laking, a Senior Associate also at the Institute for Governance and Policy Studies, was appointed as a member of an Expert Advisory Group on Information Security, which will oversee the implementation of the Vulnerable Kids Information System designed to better protect children from abuse and neglect.

Professor Stephen Levine and Professor Nigel Roberts from Victoria's Political Science and International Relations programme completed editing the 'Government and Nation' theme of *Te Ara*, New Zealand's online encyclopedia. They spent more than two years working on the project, which provides a comprehensive guide to New Zealand politics, government and national identity. Their theme can be found at www.teara.govt.nz/en/government-and-nation.

Andrew Charleson, Associate Professor in the School of Architecture, developed an innovative new building technique which could save the lives of millions of people around the world living in adobe brick houses. The seismic engineer has developed a technique that uses rubber straps spiral-cut from used tyre treads to prevent buildings collapsing during an earthquake. His research was published in the prestigious *Earthquake Spectra* journal during the year.

External appointments

A number of Victoria staff were appointed to external positions during the year, lending their knowledge and experience to a range of reviews and panels tackling important public issues.

Professor Bob Buckle, Pro Vice-Chancellor and Dean of Victoria Business School, was appointed Chair of a new panel established by the Treasury to review its analysis of the long-term financial challenges facing New Zealand. Professor Neil Quigley, Deputy Vice-Chancellor (Research); Professor John Creedy, Professor of Economics; Professor Norman Gemmell, Chair in Public Finance; and Alison O'Connell, Senior Associate, Institute for Policy and Governance Studies were also appointed. The panel is developing a report to be published in 2013.

Professor Piri Sciascia, Pro Vice-Chancellor (Māori), was appointed Chair of a working party to refocus and strengthen Te Puni Kōkiri, the Ministry of Māori Development.

Dr Rawinia Higgins, Associate Professor in Te Kawa a Māui—School of Māori Studies, was appointed to the Waitangi Tribunal. She will serve the Tribunal for a three-year term from 1 January 2013.

Early childhood education expert Professor Carmen Dalli from Victoria's School of Educational Psychology and Pedagogy served as a member of the Ministerial Advisory Group on Quality for Under-Two Year-Olds in Early Childhood Centres.

Professor Peter Hughes, Head of the School of Government, was appointed Chair of the Careers New Zealand Board for a three-year term, with Professor Rob Strathdee, Head of the School of Education Policy and Implementation, also appointed to the Board.

Professor Hughes was also appointed to a review led by the Retirement Commissioner focused on retirement income policies, and during 2013, will be seconded to the Ministry of Education as the Acting Chief Executive and Secretary for Education.



Examining New Zealand's education system

Researchers from Victoria University's School of Education Policy and Implementation examined some of the topical issues facing New Zealand's education system during 'Education in Crisis?', a new six-week interactive lecture series.

Issues covered include the knowledge that counts in the 'knowledge society', how young people learn to think critically, the purposes of tertiary education in New Zealand today and how schools can help create active, engaged citizens.

Dr Melanie Johnston-Hollitt from the School of Chemical and Physical Sciences continued her involvement in the Square Kilometre Array (SKA) global science project with her appointment to the organisation's Board of Directors. SKA is a €1.5 billion project to build the world's largest and most sensitive radio telescope.

Aroha Te Pareake Mead was re-elected by the World Conservation Congress to a second term as global Chair of the International Union for Conservation of Nature Commission on Environmental, Economic and Social Policy.

Other appointments during the year included Professor Graeme Austin who was appointed to the Copyright Tribunal, and Professor John Pratt who was invited to take part in a Performance Improvement Framework Review of the Department of Corrections.

Sharing knowledge

Victoria academics share their knowledge through speaking at national and international conferences, and each year the University organises a large number of public events such as inaugural professorial lectures and regional lectures.

Dr Ocean Mercier presented a series of television episodes on Māori innovation in science called Project

Mātauranga, for Māori Television. The series investigates Māori worldviews and methodologies within the scientific community and looks at their practical application.

The Victoria University Coastal Ecology Laboratory (VUCEL) held several events during the year, giving members of the public the opportunity to see some of the interesting marine research taking place on Wellington's south coast. Divers from VUCEL also teamed up with local companies to remove rubbish from Wellington's harbour, which would otherwise pose a hazard to swimmers and other water users.

Margaret Petty, a Senior Lecturer in the School of Design, was invited to Yale University's School of Architecture in November to present at a symposium celebrating the American designer George Nelson.

Dr Taciano Milfont from the School of Psychology was invited to speak at the Behavioural Environmental Economics Conference at the Toulouse School of Economics, and Dr Paul McDonald from the School of Management visited Vietnam to deliver the 2012 S.T. Lee public lecture on the topic 'Leadership: Evolutionary, Cross-Cultural and Practical Perspectives'.



Thinking globally

The Institute for Governance and Policy Studies held a series of talks on 'Improving Global Governance' during 2012, which culminated in more than 500 distinguished guests and alumni gathering in November to attend a lecture by former New Zealand Prime Minister the Right Honourable Helen Clark.

Ms Clark, who now leads the United Nations Development Programme, gave an address entitled 'Making global institutions fit for purpose in the 21st century', which explored the complex challenges facing global leadership organisations such as the United Nations.



Image © PBAI

The best of international design

In April, the School of Design hosted a major international design conference, the 7th International Workshop on the Design & Semantics of Form & Movement (DeSForM), featuring renowned Canadian architect and installation artist Professor Philip Beesley as a keynote speaker.

This marked the first occasion the conference had been held in the Southern Hemisphere, and brought together students, researchers, businesses, designers and cultural organisations for three days of workshops and events on future-oriented design.

Dr Alan Gamlen, a Senior Lecturer in the School of Geography, Environment and Earth Sciences was appointed as the founding Editor-in-Chief of a new journal from Oxford University Press. The new publication *Migration Studies* launches in 2013 and will help consolidate international research in the field.

International visitors

Victoria University hosted a wide range of international speakers throughout 2012.

Child poverty expert Professor Greg Duncan from the University of California, Irvine was the inaugural recipient of the Sir Frank Holmes Visiting Fellowship in Policy Studies. Professor Duncan arrived in November and was based at the Institute for Governance and Policy Studies in the School of Government. Professor Duncan met with researchers and government officials, delivered four public lectures and gave media interviews about issues surrounding child poverty.

Professor Laurence Kotlikoff from Boston University was the 2012 Victoria University Reserve Bank Fellow in Monetary and Financial Economics. An internationally-regarded economist, author and former presidential adviser, Professor Kotlikoff worked with New Zealand economists and gave a series of public lectures.

The 2012 Ian Gordon Fellow was Professor Nick Ellis from the University of Michigan who gave a public lecture on how language has developed to be learnable. The St John's Visiting Scholar in Religion was Professor William Cavanaugh from DePaul University in Chicago who gave four public talks on topics including economics, consumerism and religion and violence.

Mike Feinberg, co-founder of the American Knowledge Is Power Program Foundation, gave a public lecture hosted by the Institute for Governance and Policy Studies and the faculty of Education. Mr Feinberg spoke about his experiences of charter schools in the United States.

The biennial Syme Lecture, hosted by the Classics programme in the School of Art History, Classics and Religious Studies, was given by Richard De Puma from the University of Iowa, who spoke about forgeries of Etruscan art.

Professor Chris Daniels from the University of South Australia gave a series of three public lectures in Wellington on urban sustainability, and the School of Architecture hosted an exhibition of sustainable construction and architecture.

Professor Nicholas Roe from the University of St Andrews, Scotland visited Wellington for an international conference hosted by the School of English, Film, Theatre, and Media Studies and the Alexander Turnbull Library. He is recognised as a leading authority on the Romantic poet John Keats, and gave a lecture on works and writers of the Romantic period.

World-leading mathematician Professor Geoffrey Grimmett from the University of Cambridge visited Wellington to deliver the 2012 Forder Lecture on 'Conformality and Universality in Probability', which was hosted by Victoria and organised by the London and New Zealand Mathematical Societies.

Professor Stephen Zeff from Rice University, Houston gave the inaugural XRB Occasional Lecture 'Towards Global Financial Reporting Comparability' hosted by the School of Accounting and Commercial Law.



Life in the digital age

In April, the University hosted a two-day international conference 'Managing Digital Identity in a Networked World'. Keynote speakers, including representatives from Google and Microsoft, covered a range of topics including online security and privacy issues, social media and the challenges and opportunities facing businesses and government agencies during the conference, which was developed in partnership with the Department of Internal Affairs and the Office of the Privacy Commissioner.

Technology entrepreneur and Victoria alumna Claudia Batten drew a crowd of more than 200 alumni and friends to hear her presentation 'Not digital? You may not be relevant' as part of the 2012 Victoria Business School Lecture Series. Claudia gave an informative talk about her experiences working in the United States, from her work with the video gaming industry through to her current role in a new advertising start-up that uses crowd-sourcing principles.

Public contribution awards

Four staff and one team received University Public Contribution Awards in recognition of their efforts in communicating and applying scholarly expertise to enrich culture and society, and contributing to an understanding and resolution of challenges facing local, national and international communities. The staff were: Nicky Riddiford, School of Linguistics and Applied Language Studies; Dr Rawinia Higgins, Te Kawa a Māui; Professor Tim Naish, Antarctic Research Centre; and Professor Claudia Geiringer, School of Law. The Victoria University Network to Support Refugee-Background Students Team is comprised of Dr Sara Kindon, School of Geography, Environment and Earth Sciences; Dr Angela Joe, School of Linguistics and Applied Language Studies; and Dr Mary Roberts and Laila Faisal, Student Learning Support.

New partnerships with communities

An important step in developing relationships with community groups took place with the signing of an agreement between Victoria University and the Tuatapere Hump Track Board.

The Hump Ridge Track is a 55km, three-day loop walk that takes trampers along the south coast of New Zealand, up to the sub-alpine zone of the Hump Ridge and over historic viaducts in the heart of native forest.

The agreement will see Victoria develop a joint research programme into tourism, ecology and community development in the Fiordland region. Victoria will offer two summer scholarships each year to senior students and an undergraduate entry scholarship.



Postgraduate-level tourism research assessing the social, cultural and environmental effects of the Hump Ridge Track on the local community is already underway.



Pictured above: Evotia-Rose Arait, who graduated from Victoria University in May 2012 with a Bachelor of Commerce and Administration in Human Resources and Industrial Relations, and Psychology.

Equity

Our 'equity' strategic goal is to provide an inclusive and representative environment for staff and students that is conducive to equity of opportunity for participation and success.

Victoria staff and students work together to celebrate and support diversity and equity of opportunity. In 2012, the University supported a range of initiatives to progress further in this area.

Equal opportunity commitment

One of Victoria's core institutional commitments is to provide an environment for work and study that gives all members of the University community equal opportunities to fulfil their potential and make their contribution.

Our Equity and Diversity Strategy sets out the wide range of activities designed to realise this goal. Guided by this Strategy, Victoria has achieved strong institutional focus and good progress in relation to the participation, success and inclusion of Māori and Pasifika students and staff. The number of students with disabilities supported to be successful at Victoria has also risen markedly in recent years. The diverse backgrounds and experiences of staff and students extend the range of the University's links to the local and global communities we serve.



Pasifika Haos opens

The new Pasifika Haos at 15 Mount Street was officially opened by Vice-Chancellor Professor Pat Walsh in July.

Pasifika Haos is a dedicated place for Pasifika student study groups, cultural activities and computer access.

Assistant Vice-Chancellor (Pasifika) Associate Professor Hon Luamanuvao Winnie Laban and students representing 10 Pacific Island nations worked together on the project, together with a number of Campus Services staff.

Improving recruitment, retention and success rates

Victoria University pursues specific objectives and targets for Māori and Pasifika learners as part of our framework for achieving equity and diversity goals. A range of policies and processes, research initiatives and programmes encompassing all areas of the University are helping realise our aims in this area.

The successful Strengthening Pathways project, funded by the Tertiary Education Commission (TEC), was extended for a further year into 2012, to continue Victoria's work towards improving the retention and achievement of Māori and Pasifika students. The project has been commended by TEC, particularly in relation to the strategy Victoria has developed for alternative pathways for Māori and Pasifika students, and the development of the Early Alert System used to identify students at risk. The project has led to new dedicated resources for students, and significant increases in course completions have been observed.

Additional activities included the development of an online academic skills module for Māori students, cultural training for tutors, study wānanga, a research project investigating Māori student success and a special Māori student orientation programme. In addition, the third Pasifika student orientation programme was held in 2012, with more than 100 students taking part in the five-day event.

Te Rōpū Āwhina (Āwhina), Victoria's on-campus kaupapa-based whānau for Māori and Pasifika students in the Faculties of Science, Engineering and Architecture and Design, has continued to build on its successes. In 2012, the Āwhina Victoria University Coastal Ecology Laboratory incubator welcomed the first Pasifika postgraduate student into the Master of Science (MSc) programme, and two Āwhina maths incubator Honours students will begin their MSc theses in 2013. In addition, a new Pacific Community Cluster was established to complement the existing Āwhina School Cluster.

Other examples of faculty initiatives to support Māori and Pasifika students in their studies include the work being undertaken by Victoria Business School and the Faculty of Humanities and Social Sciences. They offer dedicated tutorials in highly subscribed undergraduate courses, and designated staff members who are available for Māori and Pasifika students to seek advice on any aspect of their study and university life.

New initiatives

The University continued to focus on improving the design of programmes and teaching delivery to Māori and Pasifika students; for example, a new guide was published to help Victoria staff incorporate Māori content into their teaching and course curriculum (see page 51).

A new academic skills handbook for Māori students was published to support student engagement and achievement, complementing the range of academic writing and study skills workshops already available.

The Faculties of Education and Humanities and Social Sciences held Pasifika open evenings in 2012. These were aimed at giving current and prospective Pasifika students and their families an opportunity to see and hear about life at Victoria University, and at giving an insight into the range of qualifications and study options available.

New dedicated learning and study spaces for Māori and Pasifika students were opened in the Law Library and Victoria Business School during 2012. This continues the previous successful development of spaces at the Kelburn and Karori Libraries.

Community engagement

The University is engaging more broadly with Pasifika communities both in New Zealand and in the Pacific region. In 2012, a visit by the Samoan Prime Minister provided a valuable opportunity to sign agreements designed to promote research relating to Samoa, which will lead to an increase in the number of Samoan research students



Signs of success

A passion for helping hearing students communicate with the Deaf community led to national accolades for Dr David McKee, Director of Victoria University's Deaf Studies Research Unit.

The New Zealand Sign Language in Action Awards, organised by Deaf Aotearoa, recognised Dr McKee's outstanding contribution to sign language in New Zealand by awarding him both the 2012 NZSL Champion Award and NZSL Teaching Award.

Dr McKee recently co-edited the *Concise Dictionary of NZSL*, and was managing editor of the *NZSL Online Dictionary*, available at <http://nzsl.vuw.ac.nz>.

studying at Victoria, and to developing linkages with New Zealand-resident Samoan students.

Victoria launched new undergraduate scholarship awards in 2012 in conjunction with the Young Enterprise Scheme, a programme for secondary school students which seeks to grow a more prosperous New Zealand through enterprise. The scholarships, which will be awarded to top Year 13 Pasifika students, have been established as a way of encouraging more Pasifika students into commerce pathways at Victoria.

Providing an inclusive environment

A Pasifika Staff Success Plan was developed which will support achievement of the University's capability and equity goals for Pasifika staff over the next three years. The Plan focuses on improving Pasifika staff recruitment, development and retention at Victoria, and has been designed to complement the Pasifika Student Success Plan developed in 2011.

In addition, a new Pacific Researchers' Network was established as a way of connecting Victoria staff working on research relating to the Pacific. A series of events was held during 2012 which brought together Victoria staff from across the University. The forum saw academics from a range of disciplines, including scientists, economists and historians, gather to share ideas and collaborate on Pacific research.

Supporting our students

An array of specialist facilities, services and support mechanisms exist across Victoria to support our diverse student population.

For example, Te Pūtahi Atawhai is a mentoring programme offering opportunities for Māori and Pasifika students to

attend weekly sessions with trained students who have successfully completed the specified course. Māori and Pasifika Learning Advisers give confidential help and advice to Māori and Pasifika students on a one-to-one and small-group basis, to provide support with essays, assignments and examinations. In addition, Māori and Pacific Subject Librarians assist students with access to collections and resources, and with skills development.

One of the University's long-running initiatives in the area of support for diversity is Vic Volunteers. The programme began in 1994 with 46 volunteers, supplementing Victoria's Disability Services team, to help eliminate some of the barriers students with impairments faced during their study at Victoria.

Since then, Vic Volunteers has grown to become a huge success, with around 200 volunteer note-takers, van drivers and team leaders in 2012.

Victoria also developed our first university-wide Disability Action Plan in 2012, identifying specific actions to address equity for both staff and students. In addition, 907 students registered with the University's Disability Service, representing a 17 percent increase on the number of students who accessed support in the previous year.

A new electronic note-taking service provided for Deaf students attracted interest from the wider Deaf and disabled communities. The service provides live, typed access for students who are unable to access oral or written information.

Disability Services and the University's Student Counselling Service co-hosted a national symposium, on 'Creating Excellence in Wellbeing in Tertiary Education'. The symposium generated considerable interest from universities, polytechnics and non-governmental organisations and agencies, with over 150 participants attending.



Stepping outside cultural comfort zones

A new guide is helping Victoria staff incorporate more of New Zealand's unique cultural heritage into their teaching and course curriculum.

Meegan Hall, a Lecturer from the Centre for Academic Development, has produced a new guide to teaching Māori content in Victoria courses. This is one of a number of initiatives underway to help increase the number of Māori students successfully completing their tertiary studies.

The guide brings together the strategies, experiences and approaches used by effective teachers of Māori content and students. It explains how their strategies are transferable to other situations and provides useful tips for staff.



Statement of Service Performance



Pictured above: The old Government Buildings at Victoria's Pipitea Campus, originally built for the New Zealand civil service and now home to Victoria's School of Law. The Pipitea Campus is located in the inner city near Parliament, facilitating close connections with government organisations, as well as local business, and provides facilities for approximately 6,000 students.

For the year ended 31 December 2012

The Statement of Service Performance (SSP) outlines the University's 2012 outputs, progress towards, and contributions to, high-level outcomes for New Zealand.

The document is a legislative requirement and reports against the Statement of Forecast Service Performance (SFSP) in the University's 2012 Investment Plan. The Investment Plan is agreed with the Tertiary Education Commission (TEC) and is centred on how the University will use government funding to advance the priorities in the Tertiary Education Strategy 2010–2015—meeting the needs of students, the labour market and the economy.

Educational outputs performance indicators required by TEC include reference to Te Kōkī, New Zealand School of Music (NZSM) activities and people, as required by TEC. NZSM is a joint venture of Massey University and Victoria, where Victoria is the institution of enrolment. All other measures refer only to Victoria University activities. TEC required indicators are marked with an asterisk (*).

Victoria's outcomes framework

Victoria's mission is to play a leading role in shaping New Zealand's future. The University makes a contribution to economic prosperity through new research, developing New Zealand's skill base and enhancing our society and culture.

This outcome framework shows how Victoria's proposed outcomes—relating to the University's core activities of research, learning and teaching, and public contribution—contribute to these areas.

It sets out the connections between the Government's long-term strategic direction for tertiary education outlined in the Tertiary Education Strategy 2010–2015 (available at www.minedu.govt.nz), Victoria's proposed outcomes, why these are important, what they contribute and the steps needed to achieve them.

VICTORIA'S OUTCOMES FRAMEWORK

Victoria's high-level outcomes What is Victoria seeking to achieve, over the next 3–5 years, to create long-term positive change in social state for New Zealanders?	Outcome 1 New knowledge from Victoria's research supports sustainable economic growth and prosperity for New Zealanders.	Outcome 2 A more educated and skilled workforce and society.	Outcome 3 Improved social, cultural and environmental management of New Zealand.
Impact What difference is Victoria making?	High-quality research builds on New Zealand's knowledge base, responds to the needs of the economy and addresses environmental and social challenges.	Victoria's graduates raise the skills and knowledge of the current and future workforce to meet labour market demand and social needs.	Academic staff contribute to systems of governance and policy that are strong, responsive and value for money.
Outputs What is Victoria committed to delivering in a particular year?	The University's Annual Outputs are detailed in its SFSP. These outputs are intended to contribute to what Victoria is trying to achieve (our outcomes, set out above) which in turn contribute to the Government's high-level outcomes with regard to economic, social and environmental development. This SSP reports on the 2012 outputs proposed in the SFSP within the 2012 Investment Plan.		
Processes How Victoria is going to do this.	Enhance leadership capability in research, and make appointments that strengthen areas of research excellence.	Foster student success, with particular attention paid to students in their first year, and focus on recruiting the best possible students.	Recruit and develop people who apply their scholarly and professional expertise to areas that support New Zealand's sustainable economic growth, social development and environmental management.

Research with impact

Outcome 1: New knowledge from Victoria's research supports sustainable economic growth and prosperity for New Zealanders.

Victoria University is a research-intensive university committed to creating new knowledge that has a major social, economic or scholarly impact. University staff are contributing to, and helping to shape, the international research frontiers of a wide range of disciplines.

Victoria leads research in a number of areas and, in 2012, strengthened research in key areas for New Zealand:

- Victoria researchers were awarded Marsden grants totaling \$6.8 million, or 12.4 percent of the total available funds, which is larger than Victoria's share of total academic staff in New Zealand universities.
- In the last five years, eight Victoria staff have been awarded or held a prestigious James Cook Fellowship, including in 2012 to Professor Colin Wilson for his work on supervolcanoes.
- Three Victoria researchers were successful in gaining funding of \$5.2 million over four years from the Ministry of Business, Innovation and Employment's 2012 High Value Manufacturing and Services Research Fund aimed at supporting science and innovation with economic benefits for New Zealand.
- In the last five years, Victoria has steadily increased the value of external research income earned. In 2012 the total contract value of the 445 external research grants in the Research Trust of Victoria was \$115.1 million, up from \$73.7 million across 303 grants in 2007.

- With the support of a \$3 million endowment from the Gama Foundation, Victoria's School of Government launched the reconfigured Institute for Governance and Policy Studies that leads independent discussion and research into issues of public policy in New Zealand and overseas.
- Victoria established the New Zealand India Research Institute, in conjunction with other New Zealand universities and with the support of the Government and Education New Zealand. The Institute—which promotes and facilitates research on New Zealand–India relations—is modelled on the successful Contemporary China Research Centre, another area in which Victoria demonstrates national leadership.

Improving research performance

Victoria has vigorously pursued implementation of its Research Strategy to improve performance and increase its contribution to developing New Zealand. The 2007 Research Strategy has now largely been implemented and in 2013 the University will begin developing the next iteration of the Strategy.

The University has succeeded in achieving the aims of the 2007 Research Strategy in improving the performance of academic staff, increasing the number of students conducting research and leading projects that build on New Zealand's knowledge base and address challenges facing society.



Pictured above: Researcher Dr Larah van der Meer and student Hanna Waddington at work in a new purpose-built clinic for autism research. The new facility at Victoria is giving parents and teachers quick access to findings from a ground-breaking three-year Marsden-funded study into the best communication tools for children with autism.

A research-intensive university

The 2012 Performance Based Research Fund (PBRF) round demonstrated the intensity of Victoria's research. Victoria submitted 695 portfolios and expects that no more than 1 percent of total PBRF eligible academic staff will be judged as research inactive (that is, will not receive a 'C' or higher in the PBRF). The accuracy of Victoria's internal PBRF processes was verified by the TEC audit process, with only three part-time staff deemed ineligible from the 695 portfolios submitted.

The first round of the PBRF was held in 2003, and a second (partial) round was held in 2006. The PBRF system ranks research performance between universities, and Victoria ranked third and fourth in previous rounds respectively. Between rounds, Victoria has taken steps to strengthen its performance as it is measured by the PBRF. These have included an internal PBRF round in 2009, substantial investment in research support for staff and support for the preparation of evidence portfolios. Training is also being provided to boost the skills of postgraduate students, as well as early career researchers. Workshops have covered topics including applying for ethics and funding approval for research projects, as well as more generalist skills in editing, writing and communicating research.

Postgraduate research developing New Zealand

A core goal of Victoria's Research Strategy has been to significantly increase the number of research students, as a strong postgraduate research culture is a clear measure of research intensity. In 2012, Victoria received 1,027 completed applications for entry to the PhD programme, and from these, 198 students entered the programme. During the year, 128 PhD candidates completed their degrees. Victoria also enrolled 388 Master's by Thesis

students in 2012, with 352 Master's completions. The proportion of postgraduate students at Victoria increased to 7.3 percent of total Equivalent Full-time Students (EFTS).

In 2012, the University's internal research funds were used to award 108 PhD scholarships, with additional students awarded partial scholarships. The University offered 46 full Master's by Thesis scholarships for 2013 study along with 83 Victoria Graduate Awards for students applying for Honours or Part One Master's—which was 22 more than in 2011.

Following substantial work on PhD examination processes, the average time from submission of the PhD thesis to recording of a final grade is now 118 days, compared with an average of 263 days in 2009. An online system for PhD applications was created in 2012. This has replaced the previous paper-based application form, delivering significant benefits to students, as well as substantial savings in administrative time. A major revision of the Master's Thesis Policy was completed, aimed primarily at dramatically increasing the proportion of Master's students completing their thesis in 12 months.

Summer Research Scholarships

To encourage more students into postgraduate study and research, Victoria extended its Summer Research Scholarships programme, now in its fourth year. The University has partnered with companies, government agencies and professional organisations to place high-performing students with organisations to work on research projects.

A significant increase in scholarships and partner organisations enabled Victoria students to benefit New Zealand in a range of ways. Of the 231 scholarships awarded, 86 were funded in part or in full by parties external to the University, including private companies, Crown Research Institutes, government departments and local bodies.

Measure of success:

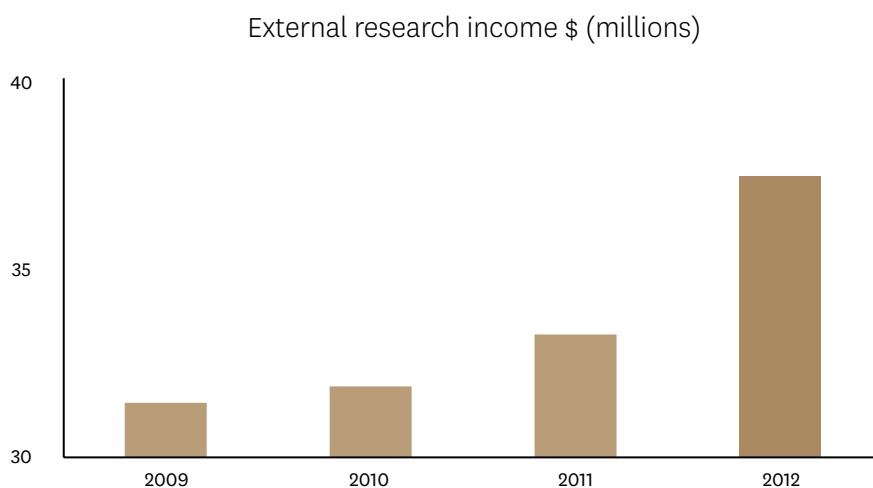
The 2007 Research Strategy is implemented: developing leadership capability in research, integrating teaching and research, implementing research strategies and making appointments that strengthen areas of research excellence in each academic unit of the University.

In summary, Victoria's research culture shows a dramatic improvement in the areas of:

- academic staff quality
- the proportion of postgraduate EFTS
- external research income.

2012 Objectives	2012 Actual		
1. All members of the academic staff who are not "new and emerging" under TEC criteria are judged to be research active by Victoria's internal PBRF panels.	Of the 610 PBRF-eligible academic staff who are not classified as "new and emerging" under TEC criteria, all but three were judged to be research active by Victoria's internal PBRF panels.		
	2012 Actual	2011 Actual	2010 Actual
2. Research postgraduate enrolment is 7.2% of total government-funded EFTS.	7.3%	7.1%	4.8% ¹
3. *There will be at least 90 doctoral (PhD) and 200 Master's research degree completions.	PhD completions: 128 Master's completions: 352	PhD completions: 151 Master's completions: 351	PhD completions: 130 Master's completions: 176
4. *External research income will be >\$32.6 million.	\$39,476,756	\$34,451,981	\$32,595,392

The result for 2012 represents an increase in external research income of \$7.5 million since 2009.



¹ In 2010, the method of calculating research postgraduate EFTS in the Single Data Return (SDR) to TEC was altered, resulting in a lower figure in order to account for the students who cross over more than one calendar year in the SDR. This was a one-off effect.

Developing New Zealand's skill base

Outcome 2: A more educated and skilled workforce and society

Victoria University produces graduates who are employed at all levels of the economy—regionally, nationally and internationally—and who use their skills to develop New Zealand.

In 2012, 2,824 students gained an undergraduate degree, equipping them with the skills to make a difference in society. Over the last three years, Victoria has graduated more than 8,700 students with undergraduate degrees, more than 1,800 with Master's and more than 350 with PhDs.

Enhancing student success

Victoria seeks to build and maintain relationships with a range of organisations to maximise our contribution to society, and to provide opportunities for our students to broaden their skillset and equip themselves to enter the workforce.

In 2012, Victoria signed a three-year Memorandum of Agreement with Wellington City Council, which has seen student summer interns join the Council to explore local resilience, ecology and urban environment issues. Victoria held its second summer boot-camp programme in 2012, in partnership with Creative HQ, Wellington's business incubator. Design, engineering and marketing students worked with local start-up companies to produce a potential computer game product for market. These initiatives come on the back of existing collaborations, including with Google (where students design apps for Android phones), Weta Digital (where students receive hands-on experience of designing world-class computer graphics) and national museum Te Papa (which allows students to undertake research projects between the two organisations).

Significant strides were taken in improving students' learning through implementing the University's Learning and Teaching Strategy. A comprehensive review was completed that considered Victoria's model of undergraduate education. From this, the University has developed a new model—the Victoria Learning Partnership—that will be implemented from 2013.

The distinctive elements of the model are in the explicit commitment to learning as a partnership between teacher and student. It is distinguished by the integrated set of key elements that will articulate this partnership: excellence, engagement, enquiry and experience. To ensure such a model is relevant and accessible for current students, there was considerable consultation across the University, including with the student body.

Digital learning and teaching

From this, work has also begun on a vision and strategy for digital learning and teaching, with the goal of designing

programmes of study to maximise the positive impact of technology on students' engagement, motivation and creativity.

A number of initiatives in 2012 helped to further the University's commitment to using digital technology to improve learning:

- A new system for video recording lectures was developed that allows for the recording, editing and publishing of video resources for learning and teaching purposes. It is anticipated that this will be a useful tool for both staff and students, with students able to access videos in their learning.
- Ongoing work is taking place to enhance wireless and internet services. Victoria is one of the few New Zealand universities providing free, unlimited internet access for students on campus and in University-managed Halls of Residence, supporting undergraduate and postgraduate study.

Teaching excellence

Victoria students continue to benefit from talented teachers with Dr Ocean Mercier receiving a 2012 Ako Aotearoa Tertiary Teaching Excellence award for sustained excellence in a Kaupapa Māori context. This continues the University's track record of receiving one of these prestigious awards each year.

Relevant academic programmes and qualifications

A Victoria qualification is recognised internationally and the University rigorously reviews programmes to ensure they are informed by current research and scholarship and are accessible for students.

In addition, external validation is pursued through recognised accreditation programmes to ensure that graduates emerge with the skills needed for the workforce, to solve problems and create opportunities:

- Victoria University's Bachelor of Engineering (BE) achieved full accreditation from the Institution of Professional Engineers New Zealand (IPENZ). The promotion from provisional to full accreditation marks the next stage in the development of Victoria's engineering programme, which was launched in 2007.
- A team from Victoria University and the Wellington Institute of Technology (WelTec) investigated barriers to the recruitment and retention of students in the modern areas of engineering—specifically electrical, electronic, computer systems, mechatronics, networks and software in the greater Wellington region. The project helped form a more complete

understanding of the issues relating to recruitment and retention and, as a result, a number of initiatives were introduced.

- In 2012, the University developed the new Master of Advanced Technology Enterprise that will be offered from 2013. Entrepreneurship education is an emerging strength at Victoria and in this interdisciplinary qualification, students will work in teams—and alongside companies such as intellectual property firms, start-ups and technology investors—to gain knowledge, experience and skills in creating an advanced technology company.

- A new Master of Nursing Science, accredited by the Nursing Council of New Zealand, commenced in 2012. The new qualification builds on the strong ties between Capital & Coast District Health Board and Victoria, cemented by a Memorandum of Understanding between the two organisations.

Victoria's students participate in the Graduate Longitudinal Study New Zealand (GLSNZ), a national initiative commissioned by Universities New Zealand—Te Pūkai Tara to explore how graduates fare in the years following university in terms of their lifestyles, employment and career development, and their health and wellbeing. The results of this survey are used by Victoria to improve and enhance current students' experience.

Measure of success:

Student success is enhanced through the implementation of the 2010 Learning and Teaching Strategy. In particular, engagement and leadership in learning and teaching are enhanced, and a teaching quality project focuses on ensuring that academic programmes and teaching delivery are informed by current research and scholarship, as well as being relevant and accessible for students.

2012 Objectives	2012 Provisional ²	2011 Provisional
1. *The qualification completion rate for all students will be 70.1%.	66.6%	65.8%
2. *The qualification completion rate for students aged under 25 will be 64.0%.	60.5%	56.7%
3. *The successful course completion rate for all students will be 84.7%.	85.6%	84.5%
4. *The successful course completion rate for students under 25 will be 84.5%.	85.7%	84.5%

Improving our society

Outcome 3: Improved social, cultural and environmental development of New Zealand

Victoria University continues to make a significant contribution in New Zealand and beyond. In applying their scholarly expertise, Victoria staff act as critic and conscience of society, shaping public debate on important issues and developing the nation's knowledge and understanding.

Contributing to New Zealand's development

As the capital city university, Victoria has a particular responsibility as a partner and critic of government in developing sound policy and decision-making. A number of Victoria staff were part of government working groups and advisory bodies.

Through the Public Contribution Staff Awards we recognised a number of staff who made a significant contribution over 2012, including Professor Tim Naish, who draws on 20 years of research to communicate and raise awareness of climate change and Antarctic science in New Zealand and internationally, Associate Professor Rawinia Higgins, whose

research focuses on Māori language revitalisation and Nicky Riddiford, who has brought together diverse organisations to deliver a successful workplace training programme for new migrants to New Zealand.

Some examples of how Victoria is developing New Zealand include:

- Professor Bob Buckle, Pro Vice-Chancellor and Dean of Victoria Business School, was appointed Chair of a new panel established by the Treasury to consider the long-term financial challenges facing New Zealand. Professor Neil Quigley, Deputy Vice-Chancellor (Research); Professor John Creedy, Professor of Economics; Professor Norman Gemmell, Chair in Public Finance; and Alison O'Connell, Senior Associate, Institute for Governance and Policy Studies were also appointed to the panel, which is developing a report to be published in 2013.

² These educational outputs performance indicators required by TEC provided one measure of learning and teaching performance in 2012. The data reported here are based on the 31 December 2012 SDR that is made to government. However, this is not final annual data because TEC does not finalise 2012 data until later in 2013, eg. the April 2013 SDR includes 2012 information. Once the April 2013 SDR is finalised, we are likely to be closer to the targets. The results from 2011 are also provisional for comparison purposes.

- Professor Jonathan Boston, Director of Victoria's Institute for Governance and Policy Studies, was appointed co-chair of an Expert Advisory Group tasked with finding solutions to child poverty. The Group's final report, published in December, will advise the Government's Ministerial Committee on Poverty which is charged with improving the lives of low-income New Zealanders and their families.
- Professor Stephen Levine and Professor Nigel Roberts from Victoria's Political Science and International Relations programme completed editing the 'Government and Nation' theme of Te Ara, New Zealand's online encyclopedia. They spent more than two years working on the project, which provides a comprehensive guide to New Zealand politics, government and national identity.
- Playwright Ken Duncum, theatre director David O'Donnell, poet Professor Bill Manhire and art historian Dr Peter Brunt were among a number of Victoria staff who made a cultural and creative contribution in 2012 through new publications, performances and musical works.
- Andrew Charleson, an Associate Professor in the School of Architecture, further developed an innovative new building technique which could save the lives of millions of people around the world living in adobe

brick houses. The seismic engineer has developed a technique using rubber straps spiral-cut from used tire treads which can be used to prevent buildings collapsing during an earthquake. His research was published in the prestigious *Earthquake Spectra* journal during the year. He has also provided advice, along with others from the School, to government bodies regarding the Christchurch earthquakes.

- Victoria University is developing ecological restoration as a distinctive research strength. The University and Wellington City Council signed an agreement to develop a joint research programme. The agreement will see the creation of a postdoctoral fellowship and also enhance Victoria's Summer Research Scholarships scheme with interdisciplinary, applied research to improve Wellington's ecological sustainability and urban life. It builds on the University's partnership with Zealanda.

Taking research to the regions

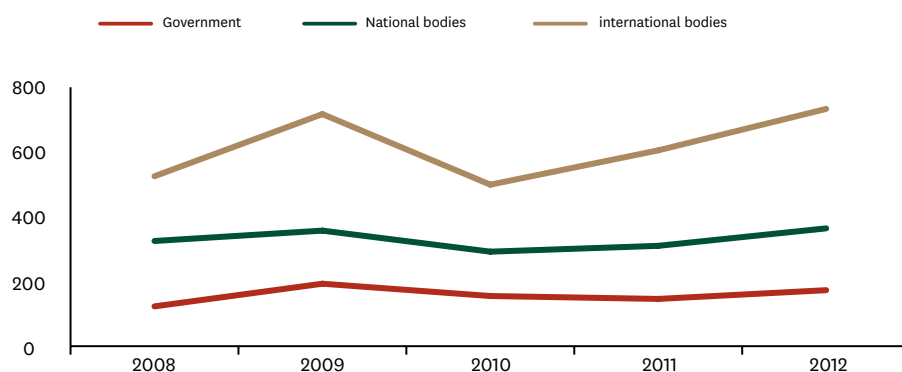
Public lectures held throughout New Zealand by Victoria's Faculties of Science and Humanities and Social Sciences were very well attended. Lectures were held in Taupo, New Plymouth, Gisborne, Napier and Blenheim with more than 250 people attending lectures in Taupo on supervolcanoes and the archaeological excavation of Pompeii, and 300 people attending lectures in Nelson to learn more about the science and psychology of climate change.

Measure of success:

By applying scholarly expertise to an understanding and resolution of challenges facing local, national and international communities, Victoria adds significantly at local, national and international levels to the knowledge and understanding of natural phenomena, society, culture and technology.

2012 Objectives	2012 Actual	2011 Actual	2010 Actual
1. Victoria's academic community contributes to society through advice provided (in the target ranges below) to government boards, national bodies and international bodies ³ :			
Government 150–200.	173	146	155
National bodies 350–400.	364	310	292
International bodies 475–525.	733	605	499

Advice provided by staff



³ One aspect of Victoria's contribution as a 'source of intellectual talent' is, in a small way, evaluated through a survey that measures the level, range and type of communication. Responses are subject to some variance from year to year. These shifts represent natural variation, rather than meaningful change.

OUTPUTS AND PROCESSES

Victoria undertakes a range of activities in the areas of student experience, external relationships, capability, resources and equity to make progress towards achieving the high-level outcomes stated in the University's Outcomes Framework.

STUDENT EXPERIENCE

Ensuring an excellent student experience is a strategic priority for Victoria, from the time a student enrolls to when they graduate. The University aims for services and facilities for students to be integrated, accessible and responsive to student needs.

Student Experience Survey

The University measures its success in this area, in part, by the Student Experience Improvement Survey that all students are invited to complete. In 2012, the second year of the survey, 4,732 students took part, along with 460 who withdrew from study during the year.

Overall, 84.6 percent of all students rate services and facilities as good or very good on a five-point scale from very poor to very good. This result represents a statistically significant improvement from 2011—an increase of 4.7 percent. Among first-year students we have a 90 percent satisfaction rate.

The survey's findings are used to inform the development of strategies and new initiatives to improve the student experience at Victoria, and deliver improvements in Victoria's equity objectives.

Delivering better services

The survey helps identify areas on which to focus. Results from the 2011 and 2012 surveys indicate, for instance, that students would like fuller course information to be available before their courses begin. The University will implement a Student Information Project in 2013.

Measure of success:

Students are engaged as active and lifelong members of an inclusive and supportive community of higher learning through an outstanding academic, social and cultural experience that equips them to make a significant contribution to local, national and international communities.

This section of the SSP identifies a selection of indicators for assessing quality, progress and success in activities that support the outcome of positive long-term change in social state for New Zealanders.

Based on results in the survey, Victoria has also focused on delivering better services to students. In 2012, work began on establishing the Vic Info Ihonui service, a 'one-stop-shop' to answer a range of student queries relating to the library, technology or learning. Similarly, a pilot 'pop-up services space' was trialled in the Cotton Building from which students could access university student services. Information from the pilot will inform decision-making on possible delivery models.

Work also continued on the scheduled programme of service delivery reviews, a programme that has been underway over the past two years. In 2012, there were presentations to the Student Services Levy Advisory Committee on three services—Career Development and Employment, Disability Services and Recreation Services. These presentations provide an opportunity for students to gain critical information on service performance.

Supporting study

Improving services also helps support students' study by having course, discipline and programme information and advice that is easily available, comprehensive and consistent. An overhaul of University websites, due to be launched in 2013, has focused on ensuring correct information is easy to find and that students experience a seamless service.

2012 Objectives	2012 Provisional ⁴	2011 Provisional
1. *77.1% of enrolled students will be aged under 25.	79.2%	77.2%
2. *The student retention rate will be 82.4%.	81.0%	81.2%
3. *The student progression rate for levels 1 to 4 will be 81%.	77.4%	84.2%
	2012 Actual	2011 Actual
4. Students report no less than 84% agreement that student services at Victoria have supported them to succeed academically.	86.9%	85.6%

⁴ See footnote 2 on page 57

EXTERNAL RELATIONSHIPS

Victoria's relationships with organisations help to maximise our contributions to society. In 2012, innovative partnerships were formed with communities around the country and overseas, to bring a global perspective to developing New Zealand.

Partnerships such as these also offer considerable opportunities for University staff and students in developing their skills and in contributing to the country. Some examples include:

- The University's School of Government established a formal partnership between its Health Services Research Centre and the Counties Manukau District Health Board to work towards improving New Zealand's health system.
- Victoria University collaborated with the MacDiarmid Institute, the Te Aitanga a Hauiti iwi and the Tolaga Bay community to hold the Transit of Venus Forum that brought hundreds of scientists, iwi representatives, officials and dignitaries to observe the transit and plan for New Zealand's future.
- Furthering its work with New Zealand communities,

Victoria signed an agreement with the Tuatapere Hump Track Board, to develop a joint research programme into tourism, ecology and community development in the region.

- Similar innovative partnerships were established in creative endeavours with the University being the principal sponsor of Writers and Readers Week (part of the 2012 New Zealand International Arts Festival) and the King's Place Festival that showcased New Zealand arts and culture in London. Victoria was also a significant contributor to the Frankfurt Book Fair in Germany in October, where New Zealand was the guest of honour.

Strong professional accreditations

The University's strong record of professional accreditation continued. These accreditations are an external measure of the standing of Victoria's academic programmes and qualifications in industry.

In 2012, the University achieved or maintained all existing accreditations, including as noted earlier, receiving full accreditation for the Bachelor of Engineering degree.

Measure of success:

Victoria is building mutually beneficial relationships that maximise the University's contributions to society, support its aspirations and enhance national and international recognition of the quality of our teaching and research.

2012 Objectives	2012 Actual	
1. Implement a University Development Plan with agreed priorities, activities, targets and programmes of activity.	A three-year Development Strategic Plan 2012–2014 was endorsed by Council and the Foundation Board of Trustees in November 2011. The University Development—Annual Plan 2012/13 was developed to address the aims of the Strategic Plan organised around the main activities of the Development Office related to alumni and fundraising. Objectives were set and a programme of activities to meet the objectives was put in place. Progress has been excellent with many of the actions completed and/or ongoing with the 2013 activities in place to build on 2012 progress.	
	2012 Actual	2011 Actual
2. Establish or maintain professional accreditation of relevant programmes.	All accreditations for the organisations below were maintained including the upgrade from provisional to full accreditation for Engineering with the Institute of Professional Engineers. Education’s accreditation with the New Zealand Psychologists’ Board continued at provisional level in 2012.	All accreditations for organisations below were achieved. The accreditations for Education with the New Zealand Psychologists’ Board and for Engineering with the Institute of Professional Engineers were at provisional accreditation in 2011.

Accrediting organisations by faculty

Architecture and Design New Zealand Institute of Architects (NZIA) New Zealand Institute of Landscape Architects (NZILA)	New Zealand Institute of Chartered Accountants (NZICA) Certified Practising Accountant Australia (CPA) Chartered Institute of Management Accountants (CIMA) Association of Certified Chartered Accountants (ACCA) Records and Information Management Professionals Australasia (RIM Professionals Australasia) Library and Information Association of New Zealand Aotearoa (LIANZA)	Education New Zealand Teachers Council (NZTC) New Zealand Psychologists' Board
Commerce AACSB International—The Association to Advance Collegiate Schools of Business (AACSB) The European Quality Improvement System (EQUIS) Association of MBAs (AMBA) TEDQual (World Tourism Organisation)		Engineering The Institution of Professional Engineers New Zealand (IPENZ)
		Humanities and Social Sciences New Zealand Nursing Council
		Law Council of Legal Education
		Science New Zealand Psychologists' Board

CAPABILITY

Victoria University made a number of senior appointments in 2012, as well as establishing some significant new roles. We recognised the excellence of staff through promotions, awards and a range of leadership and development opportunities.

Increasing staff capability

Victoria University made a number of appointments in 2012 to progress research and teaching in the strategic areas of public policy, public law, creative writing, education, economics and finance.

To support staff who can make a difference to Victoria and New Zealand, the University developed a Capability Strategy in 2012. This provides a framework for staff capability planning in a way that supports the University's mission and outcomes, Treaty commitments and strategic goals.

Measure of success:

Victoria is retaining, developing and recruiting high-quality people who contribute to the University's success through outstanding leadership, scholarship and administration, through positive external engagements, and through quality governance and management.

Developing excellent students

With the introduction of a managed enrolment system in 2011 that gave preference to students on the basis of academic achievement, the calibre of undergraduate students at Victoria has increased. Furthermore, a far greater number of high-achieving secondary school students are choosing to develop their education and skills at Victoria University.

A total of 439 Victoria Excellence Scholarships were awarded for 2012 to strong academic achievers, a notable increase on the 343 awarded for 2011 and the 270 awarded for 2010. The Scholarships are awarded automatically to students who achieve NCEA Level 2 with Excellence.

2012 Objectives	2012 Actual	
1. Apply an increased guaranteed entry score for admission to Victoria.	In 2011, the Guaranteed Entry Score (GES) to be accepted at Victoria was 120 for undergraduate degrees except the Bachelor of Architectural Studies (BAS) and the Bachelor of Building Science (BBS). After discussions throughout the University, the GES was approved to be raised to 150 for most undergraduate degrees, with the BAS and BBS having a GES of 180.	
	2012 Actual	2011 Actual
2. Maintain the current commitment to supporting outstanding students by continuing to offer 100 new PhD, plus 35 Master's by Thesis, scholarships to postgraduate research students, and 300 new scholarships to high-achieving school leavers.	<p>118 PhD Doctoral scholarships were offered in 2012.</p> <p>46 full Master's by Thesis scholarships were offered in 2012, along with three Master's by Thesis Fees Waiver scholarships.</p> <p>83 Victoria Graduate Awards were offered for study at Honours or Part One Master's by Thesis level.</p> <p>595 Victoria Excellence scholarships awarded to first-year undergraduate students of which 439 were taken up. The majority of these scholarships were valued at \$5,000, with 16 being awarded at \$10,000 to the students with the best Year 12 results.</p>	127 PhD Doctoral scholarships were offered in 2011. 42 Master's by Thesis scholarships were offered in 2011, and 418 Victoria Excellence scholarships, based on NCEA Level 2 results, to high-achieving entry-level students.
3. Maintain a programme of at least four Council workshops each year on Victoria's strategies, policies and processes.	<p>The following programme of workshops took place:</p> <p>Communications: External communications at Victoria University.</p> <p>Controlled and Associate Entities: An overview of activities and risks for each controlled and associate entity at Victoria, including such entities as the Research Trust, NZSM, Viclink, iPredict Ltd.</p> <p>Investment Plan 2013–15: Discussion of the direction, content and approval of the document for submission to TEC.</p> <p>Māori at Victoria: Issues relating to the Treaty of Waitangi, academic progress and equity at Victoria.</p>	<p>The following programme of workshops took place:</p> <p>Capital Expenditure: The Medium-term Outlook: progress towards the Campus Development Framework 2006–2016 and potential areas for improvement or development.</p> <p>Exploring Victoria's Academic Identity: Undergraduate Education Issues: Objectives of the review and main issues of undergraduate education for consultation and advice.</p> <p>Victoria's Internalisation Strategy and China Strategy.</p> <p>Foreign and Domestic Fee Setting: Exploring different methodologies for setting foreign and domestic student fees.</p> <p>Campus Hub Development.</p>

2012 Year in Review: Progress towards the University's core and supporting goals and strategic initiatives.

Te Aka Matua: Māori Advisory Committee: Background of the role of Te Aka Matua, in light of the University's Treaty of Waitangi commitments.

2011 Key Achievements and Strategic Results: Progress towards the University's core and supporting goals, recently developed strategic initiatives and 2011 awards and honours.

Council Performance: Feedback on members' review of Council's 2011 performance.

4. Implement the annual published programme of staff development (allocation of at least 2.4% of university salary budget) for academic staff, general staff and those with management responsibilities.

In 2012, 2.8% of the salary budget was spent on staff training and development providing staff with opportunities locally, nationally and internationally.

Over the course of 2011, 2.7% of the salary budget was allocated for staff training and development. As well as sustaining capability, this staff development programme aimed to prepare academic and general staff for emerging challenges facing the University.

RESOURCES

To achieve our mission and high-level outcomes, we need to carefully manage our resources and continue to invest in strategically important projects.

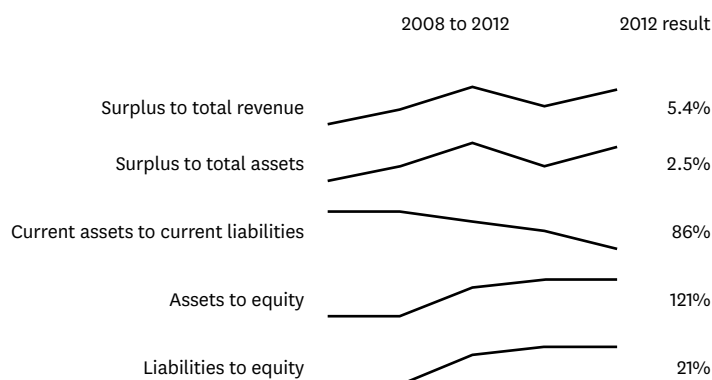
Sound financial management

We aim to ensure the long-term sustainability of Victoria University through strong and careful financial management. In 2012, the University exceeded virtually all our Fiscal Strategy targets.

This includes a surplus of 5.4 percent of total revenue (3.7 percent excluding the Foundation), EFTS at over 97 percent

of the Investment Plan target and a return on net assets of 3 percent (2.1 percent excluding the Foundation). The targets in the University's Fiscal Strategy match TEC criteria and in some cases exceed them.

Both domestic and international EFTS numbers were below expectation. To have achieved the fiscal targets with reduced EFTS revenue is an excellent result.



Investing in strategic areas

The Campus Hub project, which is the biggest in the University's history, progressed well over the year in time for the opening of the Hub in 2013. Work will continue on refurbishing the Library.

Now the Hub project is nearing completion, the University is developing a new Campus Development Plan that will identify capital expenditure needs for the next 10–20 years.

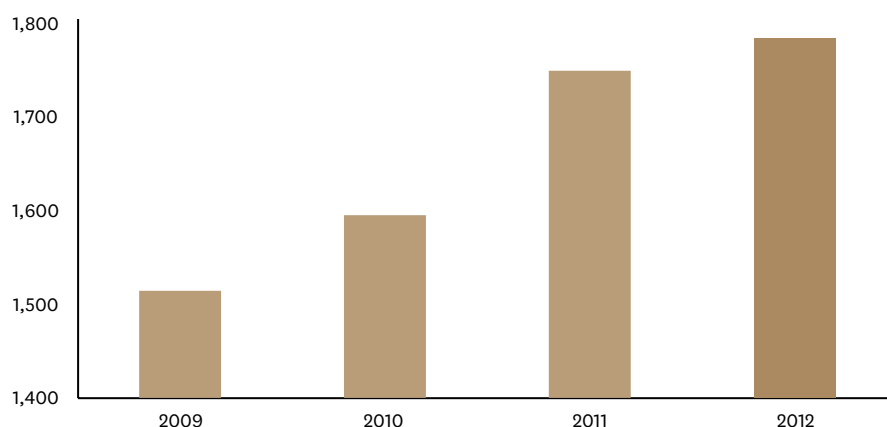
Over the course of 2012, Victoria has worked to ensure the safety of staff and students through the programme to earthquake strengthen our buildings. The upgrading of 30 academic and student accommodation houses around campus was completed and particular areas in other buildings were also strengthened.

Measure of success:

In order to ensure its long-term academic and financial viability, the University is increasing and diversifying income, and allocating resources to support strategic goals.

2012 Objectives	2012 Actual	2011 Actual
1. Achieve financial targets contained in the University's Fiscal Strategy.	All targets met with the exception of return on revenue and return on net assets which were exceeded due to additional unanticipated donations received by Victoria Foundation.	All targets met—Council, debt covenant and TEC (surplus, operating cash inflows/outflows and liquid funds ratio).
2. Manage enrolment of domestic students, as described in the Investment Plan's mix of provision.	Victoria achieved 97.3% of its Investment Plan EFTS target and therefore met the requirements of achieving enrolments within the 97–103% tolerance band. Measures put in place in 2012 were effective in enabling the University to achieve the target.	<p>Victoria achieved 96.8% of its Investment Plan EFTS target, undershooting by 0.2% the expected tolerance band (97–103%). While this was a relatively minor undershoot, it reflects changing patterns of demand and a determination to improve the quality of course offerings. For example, demand appears to have dropped in 'I' category (teacher education) but the underlying cause of this is the discontinuation of the three-year undergraduate early childhood teaching degree, and its replacement by a one-year graduate diploma. Both the drive to improve the quality of the qualification, and the uncertainties surrounding the future funding of early childhood services, have contributed to an apparent lessening of demand.</p> <p>The University is confident that the range of measures put in place for 2012 enrolment will avoid an EFTS undershoot in future.</p>
3. Achieve the 2012 milestones in Victoria's Strategic Asset Management Plan 2010–2030.	<p>Major 2012 project milestones:</p> <p>'Hub' construction on schedule for opening February 2013.</p> <p>New database implemented and updated condition assessments completed for Strategic Asset Management Plan strategy.</p> <p>Feasibility studies completed for draft Campus Plan option assessment and financial review commenced.</p> <p>Upgrades completed for:</p> <p>Architecture and Design studios</p> <p>Mac Lab for Film</p> <p>Hugh Mackenzie Lecture Theatre</p> <p>Engineering facilities in Cotton</p> <p>Rock crushing laboratory</p> <p>Pasifika Haos study facilities</p> <p>New leased student accommodation developed at 47 Boulcott Street to replace Mackenzie Building.</p> <p>Asset renewal projects undertaken:</p> <p>Rankine Brown envelope repairs, Kirk lifts, Maclaurin Building and 83 Fairlie Terrace house roof replacement and Adam Concert Room heating and ventilation improvements.</p> <p>Seismic strengthening of von Zedlitz, Cotton, Easterfield (Levels 1 and 2) and 27 houses undertaken, together with stair remediation in several buildings.</p>	<p>Major 2011 project milestones:</p> <p>'Hub' construction on schedule.</p> <p>Draft Campus Plan presented and debated at a Council workshop.</p> <p>The NZSM building project remains under discussion with Massey University.</p> <p>Upgrades completed for:</p> <p>Student Union Building</p> <p>Robert Stout Building Levels 3 and 4</p> <p>Student Accommodation housing portfolio upgraded</p> <p>Asset renewal projects underway in:</p> <p>von Zedlitz and Kirk buildings, Hugh Mackenzie Lecture Theatre and Karori Campus.</p> <p>2012–2031 Strategic Asset Management Plan finalised.</p>
4. Enrol full-fee international students in line with targets approved as part of the annual budget.	The budget target for 2012 was 1,780 full-fee international students and 1,779 full-fee students were enrolled.	Victoria exceeded its 2011 budget target of 1,650 full-fee international EFTS by enrolling 1,747 international EFTS—9.7% higher than 2010.

Full-fee international students EFTS



EQUITY

Victoria provides an inclusive and representative environment for staff and students and is committed to equity of opportunity for all.

The Government's Tertiary Education Strategy identifies priority student equity groups as Māori and Pasifika. Victoria provides a range of support for Māori and Pasifika students and also broadens the groups targeted in the University's Equity and Diversity Strategy, which also encompasses students from socio-economically disadvantaged backgrounds, as well as students and staff members with disabilities.

The University is working towards mainstreaming its current equity targets so that they become a significant focus of education at Victoria and develop equity through core activities.

Improving academic outcomes for Māori and Pasifika students

Improving academic outcomes for Māori and Pasifika students is a shared university-wide responsibility with significant emphasis on the curriculum, teaching strategies and the intercultural competence of staff.

There are a number of specific initiatives that support the achievement of these groups and their future contribution to New Zealand:

- A Guide to Teaching Māori Content in University Courses and an academic skills handbook for Māori students, *Te Ara Poutama*, were published in 2012. An online module on the Treaty of Waitangi, Equity and Diversity, has also recently been developed as part of training and development for University staff.
- Creating a welcoming and effective environment in which to learn is crucial to student success. In 2012, dedicated Māori and Pacific spaces were opened in two faculties, and the University opened Pasifika Haos, a space for Pacific student study groups, learning and

cultural activities. These add to other dedicated spaces on the University's campuses.

- Victoria's Pasifika Student Success Plan 2011–2015, developed under the leadership of the Assistant Vice-Chancellor (Pasifika), is in its second year of implementation. It identifies three areas of focus (enrolment, retention, successful course and qualification completion) and establishes performance targets for each, together with timelines and key accountabilities.
- The Strengthening Pathways project, funded by TEC, was extended for 2012, to continue Victoria's work towards improving the retention and achievement of Māori and Pasifika students.

Student support

In 2012, 88 Victoria Achiever Scholarships were awarded to students in one or more of the University's targeted equity groups—an almost 25 percent increase on the 72 scholarships that were taken up in 2011. To qualify, school leavers in equity categories need to achieve NCEA Level 2 with Merit.

A further example of student support is the services and specialist advice for students with impairments that enable them to fully participate and succeed in their studies.

One of the University's long-running initiatives in this area is Vic Volunteers. The programme began in 1994 with 46 volunteers, supplementing Victoria's Disability Services team, to help eliminate some of the barriers students with impairments faced during their study at Victoria. Since then, Vic Volunteers has grown to become a huge success, with around 200 volunteer note-takers, van drivers and team leaders in 2012.

Victoria also developed its first university-wide Disability Action Plan in 2012, identifying specific actions to address equity for both staff and students.

Measure of success:

Victoria provides an inclusive and representative environment for staff and students that is conducive to equity of opportunity for participation and success.

2012 Objectives	2012 Provisional ⁵	2011 Provisional
1.* 9.4% of enrolled students will be Māori.	9.9%	9.7%
2.* 4.8% of enrolled students will be Pasifika.	4.6%	4.5%
3.* The qualification completion rate for Māori students will be 54.9%.	58.2%	56.8%
4.* The qualification completion rate for Pasifika students will be 58.6%.	52.7% ⁶	41.2%
5.* The successful course completion rate for Māori students will be 78.9%.	79.3%	77.3%
6.* The successful course completion rate for Pasifika students will be 63.9%.	70.7%	67.2%
	2012 Actual	2011 Actual
7. Offer 80 entry-level Achiever Scholarships to targeted equity groups.	88 Victoria Achiever Scholarships were awarded to students from targeted equity groups. The majority of these scholarships were valued at \$5,000, with five being awarded at \$10,000 to the student with the best Year 12 results in each equity category.	87 entry-level Achiever Scholarships were offered for study in 2011; 72 were taken up.

⁵ See footnote 2 on page 59.

⁶ While the qualification completion stretch target was not met, the University achieved a considerable improvement over the previous year and expects further progress, noting that improvement in qualification completions necessarily depends upon prior improvement achieved in course completion rates.



Financial information

2012 Financial overview

The financial surplus for the University and its controlled entities in 2012 was \$18.8 million, driven by a successful year of fundraising, coupled with strong fiscal management in relation to underlying University activities. Surpluses from fundraising activities can mask the underlying fiscal performance of core University activities, and during 2012, tight constraints on spending were necessary to ensure that the University achieved a positive result.

A valuation of the University's land and buildings was undertaken for financial reporting purposes at the end of 2012. The previous valuation was completed in 2009. The valuation took into account asset lives, optimisation of premises, the seismic status of buildings and market movements. This resulted in an overall decrease in the value of land and buildings of \$19.7 million. This is charged against the asset revaluation reserve, but is reported as a movement in Other comprehensive income.

Trend statement

Summarised below are some of the key financial measures and trends for the University Group over the last five years.

	2008	2009	2010	2011	2012
	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000
Financial performance					
Total revenue	300,992	313,159	332,262	336,798	349,163
Surplus for the year	9,541	12,803	18,529	14,514	18,780
(Decrease) in revaluation reserve	-	(13,826)	(1,251)	-	(19,700)
Total comprehensive income/(loss) for the year	9,541	(1,023)	17,278	14,514	(920)
Financial position					
Total current assets	63,851	61,501	64,030	65,144	63,812
Total non-current assets	621,893	637,355	659,068	681,436	681,467
Total assets	685,744	698,856	723,098	746,580	745,279
Total current liabilities	62,216	63,165	65,008	69,875	74,389
Total non-current liabilities	35,559	48,233	53,354	57,747	52,852
Total liabilities	97,775	111,398	118,362	127,622	127,241
Total community equity	587,969	587,458	604,736	618,958	618,038
Statistics					
Surplus to total revenue	3.2%	4.1%	5.6%	4.3%	5.4%
Surplus to total assets	1.4%	1.8%	2.6%	1.9%	2.5%
Current assets to current liabilities	103%	97%	98%	93%	86%
Assets to equity	117%	119%	120%	121%	121%
Liabilities to equity	17%	19%	20%	21%	21%
Liquidity ratio	188%	201%	221%	178%	173%

Summary of results versus TEC and Ministry of Education financial measures

The University Group surplus of \$18.8 million, which includes the consolidated results of all subsidiaries and associates, was \$6.3 million above budget. This represents a return of 5.4 percent on revenue of \$349 million, and a 3 percent return on net assets of \$618 million. The consolidated surplus, however, does not reflect the underlying financial performance of the University, because it includes the surplus from the Victoria University of Wellington Foundation's fundraising activities (\$6 million), as well as non-recurring income relating to Victoria University of Wellington Students' Association (VUWSA) capital funding (\$0.8 million).

When these amounts are deducted, the remaining surplus of \$12 million represents an operating return on revenue of 3.52 percent. This falls within the University Fiscal Strategy range of 3.5 to 4.5 percent, and above the TEC minimum guideline of 3 percent.

The University's performance against the key TEC and Ministry of Education financial targets is summarised below:

Figure 1: TEC and Ministry of Education financial targets

MEASURE / OBJECTIVE	TARGET	2012 CONSOLIDATED UNIVERSITY ACTUAL
Maximum commercial debt borrowings	Borrowing limit of \$45m for 2012	\$45m
Net surplus (before abnormal items) as % of total revenue	Not less than 3%	5.4%
Cash ratio [operating cash receipts/operating cash payments]	At least 111%	117%
Debt to debt plus equity ratio [debt includes: bank overdrafts, current portions of term loans, less cash balances and short-term liquid investments]	Not to exceed 15%	7%
Interest cover ratio [EBIT to interest]	No less than three times	18.9
Debt cover ratio [long-term debt to EBITDA]	No more than two times	0.7

University Fiscal Strategy

The University Fiscal Strategy approved by Council in 2010 sets overall targets for the financial operating performance of the University. These targets were set at a level to ensure the institution operates in a financially responsible manner, efficiently uses its resources, provides for strategic expenditure and maintains the long-term viability of the institution.

As can be seen in Figure 2 below, the University met all of these fiscal targets, but as a result of the inclusion of the Victoria University of Wellington Foundation, slightly exceeded the targets for return on revenue, and return on net assets. When the results of the Foundation are excluded, both of these measures fall comfortably within the fiscal strategy targets.

Figure 2: University Fiscal Strategy financial targets

MEASURE / OBJECTIVE	TARGET	2012 CONSOLIDATED UNIVERSITY ACTUAL
Return on revenue [surplus as a percentage of total revenue]	3.5%–4.5%	5.4%
Return on net assets (equity) [surplus as a % of net assets]	1.5%–2.5%	3%
Liquid ratio [cash plus accounts receivable : accounts payable]	1:1	1.7 : 1
Asset management [percentage of capital expenditure/depreciation]	Should be at least equal to depreciation	159%
Debt management [percentage of borrowing/total assets]	Should be lower than 20%	5.4%
Debt management [interest expense/operating surplus before interest]	Should be less than 33%	5.3%

Income and expenditure analysis

The University parent surplus (excluding subsidiaries and associates) was \$12.3 million, equal to budget. This was a satisfying result considering the decline in domestic and international student revenue compared with budget (\$2.9 million). Student EFTS were just over 97 percent of Investment Plan, slightly above those registered in 2011.

Lower domestic and international student revenue was partially offset by increased government grants (PBRF income), stronger than expected research revenues and minor increases in other income and commercial contract income.

Through tight fiscal management, University costs were held within \$0.2 million of budget, despite a large increase in the actuarial valuation of retirement and long service leave obligations to staff.

Capital expenditure

The University manages its funding and operating cost base to ensure there is continued capacity for planned strategic investment in core plant, equipment and facilities, and this capital programme made excellent progress in 2012, in particular the University's upgrade to the Kelburn Campus. The Campus Hub project involves the construction of a new central building with social spaces, the refurbishment of the Library and Student Union Building and the creation of new outdoor areas. This exciting new development reaches completion in 2013, and will create a vibrant heart to the Kelburn Campus.

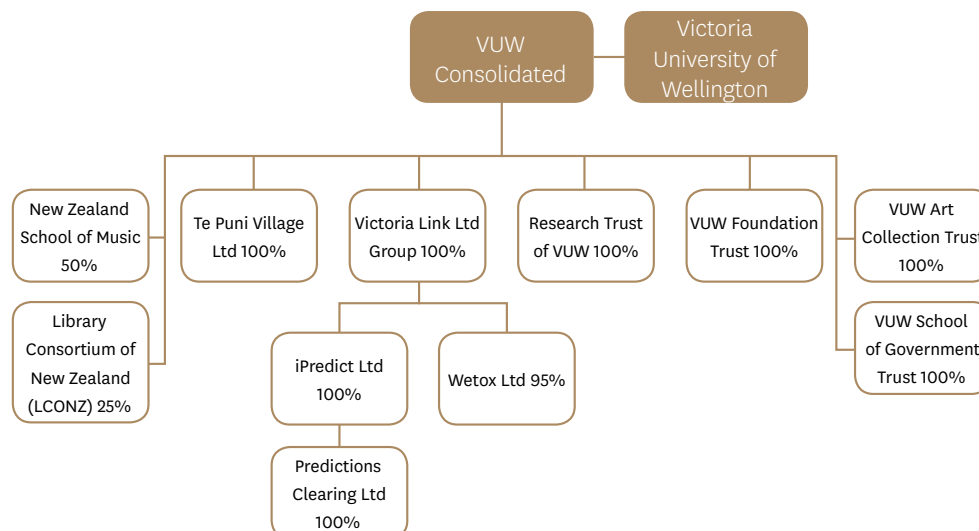
In addition to the Student Union and Hub, investment continued to be made in core IT equipment, Library resources and scientific equipment. Total capital expenditure for the year was \$54.1 million versus a budget of \$52.6 million.

Notwithstanding the challenging funding environment in which the University must operate, the University has solid asset backing, with total assets of \$745 million and a relatively low debt burden in the form of a flexible bank loan facility of \$45 million.

Subsidiaries and associates

The University Group includes a number of controlled entities and associates, the most significant of which are the Research Trust, the Victoria Link Group (the commercialisation arm of the University) and the University Foundation (the Charitable Trust which supports University fundraising).

Victoria University of Wellington Group Structure



The Research Trust recorded a small surplus of \$0.8 million for the year. The Research Trust was established to generate research income on behalf of the University, and to administer spending on research projects and postgraduate scholarships. As research projects often span one or more years, the surplus or deficit generated by the Trust in any year can fluctuate due to inconsistencies between the timing of money brought into the Trust and the corresponding outflow of funds on research projects. External research income (including funding for postgraduate scholarships) generated directly in the Research Trust in 2012 was \$27.4 million, a slight increase in research income generated in 2011. This is a good result given the constrained research funding environment in New Zealand, however the ability to generate new external research funding in 2013 is expected to be increasingly challenging.

The Victoria Link Group recorded a small deficit of \$0.5 million, in line with its budget. During 2012, continuing advances were made in the construction of the innovative liquid-waste treatment plant, financed via a significant funding contract from the Ministry for the Environment.

Conclusion

Despite achieving a satisfactory financial result in 2012, the outlook for 2013 remains challenging. Government EFTS funding has reduced in real terms and government policy requires Victoria University to charge lower fees than other universities for a range of popular subjects. Government is also reducing the level of research funding accessible to universities. The ability to generate non-government income (particularly from international students) is hampered by the high NZ dollar exchange rate and a subdued global economy.

Victoria University will continue to seek efficiencies in its operations to minimise the impact of reduced funding on quality and the achievement of strategic objectives.


Wayne Morgan
Chief Financial Officer

Statement of responsibility

The management of Victoria University of Wellington accepts responsibility for:

- the preparation of the annual Financial Statements and Statement of Service Performance and the judgements used in them; and
- establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting.

In the opinion of Council and management of Victoria University the Financial Statements and Statement of Service Performance for the financial year ended 31 December 2012 fairly reflect the financial position and operations of Victoria University and the group.



Ian McKinnon
Chancellor



Professor Pat Walsh
Vice-Chancellor

25 March 2013

Audit Report

Chartered Accountants



INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF

VICTORIA UNIVERSITY OF WELLINGTON AND GROUP'S

FINANCIAL STATEMENTS AND NON-FINANCIAL PERFORMANCE INFORMATION

FOR THE YEAR ENDED 31 DECEMBER 2012

The Auditor-General is the auditor of Victoria University of Wellington (the University) and group. The Auditor-General has appointed me, Stuart Mutch, using the staff and resources of Ernst & Young, to carry out the audit of the financial statements and non-financial performance information of the University and group on her behalf.

We have audited:

- the financial statements of the University and group on pages 75 to 97, that comprise the statement of financial position as at 31 December 2012, the statement of comprehensive income, statement of movements in equity and statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information; and
- the non-financial performance information of the University and group that comprises the statement of service performance on pages 53 to 67.

Opinion

In our opinion:

- the financial statements of the University and group on pages 75 to 97:
 - comply with generally accepted accounting practice in New Zealand; and
 - fairly reflect the University and group's:
 - financial position as at 31 December 2012; and
 - financial performance and cash flows for the year ended on that date;
- the non-financial performance information of the University and group on pages 53 to 67 fairly reflects the University and group's service performance achievements measured against the performance targets adopted in the investment plan for the year ended 31 December 2012.

Our audit was completed on 25 March 2013. This is the date at which our opinion is expressed.

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

Basis of opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the International Standards on Auditing (New Zealand). Those standards require that we comply with ethical requirements and plan and carry out our audit to obtain reasonable assurance about whether the financial statements and non-financial performance information are free from material misstatement.

Material misstatements are differences or omissions of amounts and disclosures that, in our judgement, are likely to influence readers' overall understanding of the financial statements and non-financial performance information. If we had found material misstatements that were not corrected, we would have referred to them in our opinion.

An audit involves carrying out procedures to obtain audit evidence about the amounts and disclosures in the financial statements and non-financial performance information. The procedures selected depend on our judgement, including our assessment of risks of material misstatement of the financial statements and non-financial performance information, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the University and group's preparation of the financial statements and non-financial performance information that fairly reflect the matters to which they relate. We consider internal control in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the University and group's internal control.

An audit also involves evaluating:

- the appropriateness of accounting policies used and whether they have been consistently applied;
- the reasonableness of the significant accounting estimates and judgements made by the Council;
- the adequacy of all disclosures in the financial statements and non-financial performance information; and
- the overall presentation of the financial statements and non-financial performance information.

We did not examine every transaction, nor do we guarantee complete accuracy of the financial statements and non-financial performance information. Also we did not evaluate the security and controls over the electronic publication of the financial statements and non-financial performance information.

We have obtained all the information and explanations we have required and we believe we have obtained sufficient and appropriate audit evidence to provide a basis for our audit opinion.

Responsibilities of the Council

The Council is responsible for preparing financial statements that:

- comply with generally accepted accounting practice in New Zealand; and
- fairly reflect the University and group's financial position, financial performance and cash flows.

The Council is also responsible for preparing non-financial performance information that fairly reflects the University and group's service performance achievements measured against the performance targets adopted in the investment plan.

The Council is responsible for such internal control as it determines is necessary to enable the preparation of financial statements and non-financial performance information that are free from material misstatement, whether due to fraud or error. The Council is also responsible for the publication of the financial statements and non-financial performance information, whether in printed or electronic form.

The Council's responsibilities arise from the Education Act 1989 and the Crown Entities Act 2004.

Responsibilities of the Auditor

We are responsible for expressing an independent opinion on the financial statements and non-financial performance information and reporting that opinion to you based on our audit. Our responsibility arises from section 15 of the Public Audit Act 2001 and the Crown Entities Act 2004.

Independence

When carrying out the audit, we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the External Reporting Board.

In addition to the audit we have carried out an assignment in relation to the University applying to the Tertiary Education Commission for an Annual Maximum Fee Movement which was compatible with the independence requirements. Other than the audit and this assignment, we have no relationship or interests in the University or any of its subsidiaries.



Stuart Mutch
Ernst & Young
On behalf of the Auditor-General
Wellington, New Zealand

Financial Statements

Statement of comprehensive income

for the year ended 31 December 2012

	Note	Consolidated			University	
		2012	2012	2011	2012	2011
		Actual \$ 000	Budget \$ 000	Actual \$ 000	Actual \$ 000	Budget \$ 000
Revenue						
Government grants		151,639	150,079	148,789	148,732	145,915
Domestic tuition fees		72,986	74,309	69,083	71,951	68,282
International tuition fees		30,318	32,112	30,008	30,145	29,809
Research support		37,202	34,612	35,061	19,500	20,374
Commercial		10,568	9,888	14,900	10,271	9,397
Other student fees		28,836	29,017	26,425	26,018	24,268
Other revenue	1	17,614	11,313	12,532	5,824	5,787
Total revenue		349,163	341,330	336,798	312,441	303,832
Expenditure						
People	2	184,733	185,495	185,878	173,399	172,243
Occupancy	3	24,803	25,280	23,700	22,277	21,071
Operating	3	85,862	83,614	78,529	69,351	64,000
Interest expense		1,051	783	1,007	1,637	1,670
Depreciation and amortisation		33,944	33,679	33,243	33,522	32,873
Total expenditure		330,393	328,851	322,357	300,186	291,857
Share of associates surplus/(deficit)	11	10	-	73	-	-
Surplus		18,780	12,479	14,514	12,255	11,975
Other comprehensive income						
Decrease in revaluation reserve	9	(19,700)	-	-	(19,700)	-
Total comprehensive income		(920)	12,479	14,514	(7,445)	11,975

Statement of financial position

as at 31 December 2012

		Consolidated			University		
		2012	2012	2011	2012	2012	2011
		Actual	Budget	Actual	Actual	Budget	Actual
	Note	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000
Current assets							
Cash and cash equivalents	5	23,035	18,122	33,776	13,761	7,900	13,508
Investments	6	23,209	16,559	15,701	398	1,418	398
Accounts receivable and accruals	7	4,093	8,727	5,453	5,002	6,000	4,761
Pre-paid expenses		12,061	8,458	8,790	10,284	7,000	8,347
Other current assets	8	1,414	305	1,424	61	300	102
Total current assets		63,812	52,171	65,144	29,506	22,618	27,116
Non-current assets							
Property, plant and equipment	9	674,739	692,914	674,269	673,128	691,056	673,480
Intangibles	10	6,033	6,219	5,884	6,030	6,356	5,797
Investments in related parties	11	695	1,759	1,283	2,581	852	2,581
Total non-current assets		681,467	700,892	681,436	681,739	698,264	681,858
Total assets		745,279	753,063	746,580	711,245	720,882	708,974
Current liabilities							
Accounts payable and accruals	12	29,024	28,460	30,919	27,900	29,700	26,585
Revenue in advance	13	24,683	24,527	25,515	12,035	12,000	11,515
Related party borrowings	16	-	-	-	20,500	15,092	15,000
Employee entitlements	14	15,682	15,058	13,441	15,541	14,830	13,255
Bank borrowings	15	5,000	-	-	5,000	-	-
Total current liabilities		74,389	68,045	69,875	80,976	71,622	66,355
Non-current liabilities							
Employee entitlements	14	12,852	12,515	12,747	12,852	12,500	12,757
Bank borrowings	15	40,000	40,985	45,000	40,000	39,164	45,000
Total non-current liabilities		52,852	53,500	57,747	52,852	51,664	57,757
Total liabilities		127,241	121,545	127,622	133,828	123,286	124,112
Community equity							
Retained earnings		327,728	321,507	308,948	287,107	287,585	274,852
Reserves		290,310	310,011	310,010	290,310	310,011	310,010
Total community equity		618,038	631,518	618,958	577,417	597,596	584,862
Total liabilities and community equity		745,279	753,063	746,580	711,245	720,882	708,974

Statement of movements in equity

for the year ended 31 December 2012

	Consolidated			University		
	2012 Actual \$ 000	2012 Budget \$ 000	2011 Actual \$ 000	2012 Actual \$ 000	2012 Budget \$ 000	2011 Actual \$ 000
Community equity at start of the year	618,958	619,039	604,736	584,862	585,296	572,887
Surplus for the year	18,780	12,479	14,514	12,255	12,300	11,975
Other movements	-	-	(291)	-	-	-
Other comprehensive income						
Decrease in revaluation reserve	(19,700)	-	-	(19,700)	-	-
Community equity at end of the year	618,038	631,518	618,958	577,417	597,596	584,862
Community equity attributed to						
Equity holders of the parent	618,038	631,518	618,958	577,417	597,596	584,862
Non-controlling interest	-	-	-	-	-	-

Community equity represented by:

	Consolidated			University		
	2012 Actual \$ 000	2012 Budget \$ 000	2011 Actual \$ 000	2012 Actual \$ 000	2012 Budget \$ 000	2011 Actual \$ 000
Accumulated funds						
Opening balance	308,948	309,028	294,726	274,852	275,285	262,877
Surplus for the year	18,780	12,479	14,514	12,255	12,300	11,975
Other movements	-	-	(291)	-	-	-
Closing balance	327,728	321,507	308,949	287,107	287,585	274,852
Asset revaluation reserve						
Opening balance	310,010	310,011	310,010	310,010	310,011	310,010
Decrease in revaluation reserve	(19,700)	-	-	(19,700)	-	-
Closing balance	290,310	310,011	310,010	290,310	310,011	310,010
Community equity at end of the year	618,038	631,518	618,958	577,417	597,596	584,862

Statement of cash flows

for the year ended 31 December 2012

	Note	Consolidated			University		
		2012	2012	2011	2012	2012	2011
		Actual \$ 000	Budget \$ 000	Actual \$ 000	Actual \$ 000	Budget \$ 000	Actual \$ 000
Operating activities							
<i>Cash was provided from</i>							
Government grants, revenue from fees and other revenue		338,501	339,603	331,491	309,571	313,486	302,364
Interest		1,087	672	1,514	676	408	835
Dividends		793	-	1,242	26	-	25
Cash donations		8,104	353	1,810	1,238	1,400	1,542
		348,485	340,628	336,057	311,511	315,294	304,766
<i>Cash was applied to</i>							
Employees		182,387	184,465	183,655	170,846	172,517	171,249
Suppliers		113,072	108,785	96,357	91,788	91,453	79,283
Interest paid		1,051	782	1,007	1,022	1,502	1,670
		296,510	294,032	281,019	263,656	265,472	252,202
Net cash flows from operating activities		51,975	46,596	55,038	47,855	49,822	52,564
Investing activities							
<i>Cash was provided from</i>							
Sale of assets		-	-	245	-	-	976
Sale of investments		17,895	-	2,229	-	-	62
		17,895	-	2,474	-	-	1,038
<i>Cash was applied to</i>							
Purchase of assets		56,243	54,098	56,497	53,102	52,573	55,523
Purchase of investments		24,368	470	545	-	-	2,868
		80,611	54,568	57,042	53,102	52,573	58,391
Net cash flows from investing activities		(62,716)	(54,568)	(54,568)	(53,102)	(52,573)	(57,353)
Financing activities							
<i>Cash was provided from</i>							
Bank borrowings		39,000	40,985	33,000	39,000	40,844	33,000
Advance from intercompany		-	-	-	6,500	1,680	15,000
		39,000	40,985	33,000	45,500	42,524	48,000
<i>Cash was applied to</i>							
Repayment of bank borrowings		39,000	45,663	30,000	39,000	43,904	30,000
Repayment of intercompany advance		-	-	-	1,000	-	16,000
		39,000	45,663	30,000	40,000	43,904	46,000
Net cash flows from financing activities		-	(4,678)	3,000	5,500	(1,380)	2,000
Net cash flows for the year		(10,741)	(12,650)	3,470	253	(4,131)	(2,789)
Add cash at start of year		33,776	30,772	30,306	13,508	12,031	16,297
Cash at end of the year	5	23,035	18,122	33,776	13,761	7,900	13,508

Reconciliation of surplus to net cash flow from operating activities

for the year ended 31 December 2012

	Consolidated		University	
	2012	2011	2012	2011
	\$ 000	\$ 000	\$ 000	\$ 000
Surplus	18,780	14,514	12,255	11,975
Add/(less) changes in working capital items				
Decrease/(increase) in accounts receivable	1,360	5,036	(241)	2,818
Decrease/(increase) in pre-paid expenses	(3,338)	(1,545)	(1,937)	(1,415)
Decrease/(increase) in other assets	-	352	-	706
Increase/(decrease) in accounts payable	(1,828)	4,583	1,315	4,766
Increase/(decrease) in pre-paid revenue	(794)	(1,057)	553	(2,727)
Increase/(decrease) in research grants unexpended	-	1,327	-	553
Increase/(decrease) in employee entitlements	2,241	771	2,286	711
Net movements in working capital items	(2,359)	9,467	1,976	5,412
Add non-cash items				
Depreciation and amortisation	33,944	33,243	33,522	32,873
Other non-cash items	1,210	(3,772)	-	-
Non-cash donation	-	(650)	-	-
Add/(less) movements in non-current assets and liabilities				
Net (gain)/loss on asset disposal	295	916	7	916
Net (surplus)/deficit of associate company	-	(73)	-	-
Increase/(decrease) in employee entitlements	105	1,393	95	1,388
Net movements in non-cash items	35,554	31,057	33,624	35,177
Net cash inflow from operating activities	51,975	55,038	47,855	52,564

Notes to the financial statements

Note 1—Other revenue

	Consolidated		University	
	2012	2011	2012	2011
	\$ 000	\$ 000	\$ 000	\$ 000
Donations	8,104	5,187	1,283	1,542
Investment income	1,593	1,242	26	25
Gain (loss) on sale of property, plant and equipment	120	(3)	-	-
Interest income	1,212	1,412	676	783
Scholarships and sponsorship	1,110	1,720	225	42
Sundry income	5,068	2,974	3,614	3,395
Other non-operating income	407	-	-	-
	17,614	12,532	5,824	5,787

Donations received includes \$6.8m of funds received by the Victoria University of Wellington Foundation, the fundraising arm of the University (2011: \$4.0m). In addition, donations include \$0.8m of funds provided by the Victoria University of Wellington Students' Association Trust for ongoing renovation of the Kelburn Campus (2011: \$1.2m).

Investment income includes \$1.5m attributable to the Victoria University of Wellington Foundation (2011: \$0.9m).

The interest amount is predominantly income from cash which is surplus to immediate requirements and which has been invested on call or on short-term deposits. In 2012, interest rates have been between 2.50 percent and 2.55 percent (2011: 3.50 percent to 8.25 percent).

Note 2—People

	Consolidated		University	
	2012	2011	2012	2011
	\$ 000	\$ 000	\$ 000	\$ 000
Salaries	171,622	170,370	160,637	157,232
Contractors	2,991	3,412	2,917	3,275
Entitlements	10,120	12,096	9,845	11,736
	184,733	185,878	173,399	172,243

Note 3—Occupancy and operating costs

	Consolidated		University	
	2012	2011	2012	2011
	\$ 000	\$ 000	\$ 000	\$ 000
The following items are included within occupancy and operating expenses:				
Audit fees: Ernst & Young	286	282	196	187
Other fees paid to the auditors	26	-	26	-
Internal audit and other fees to other providers	180	229	180	272
Property leases	6,558	6,625	6,266	5,993
IT leases	2,486	2,536	2,385	2,447
Losses on disposal of property, plant and equipment	7	916	7	916
Increase/(decrease) to provision for doubtful debts	-	133	-	133
Information technology	4,669	4,122	4,370	3,768
Grants and scholarships	24,985	21,303	26,237	24,451
Insurance	4,026	2,402	3,808	2,273
Travel and accommodation	10,700	10,352	4,597	4,106
	53,923	48,900	48,072	44,546

Note 4—Financial instruments

The accounting policies for financial instruments have been applied to the line items below:

	Consolidated		University	
	2012	2011	2012	2011
	\$ 000	\$ 000	\$ 000	\$ 000
Financial assets				
Loans and receivables				
Cash and cash equivalents	23,035	33,776	13,761	13,508
Debtors and other receivables	4,093	5,453	5,002	4,761
Investments	277	277	152	152
Other current assets	1,660	1,670	307	348
	29,065	41,176	19,222	18,769
At fair value through profit or loss				
Government bonds	12,625	9,084	-	-
International managed funds	4,663	2,841	-	-
Listed shares	4,373	3,253	-	-
Unlisted shares	1,025	-	-	-
	22,686	15,178	-	-
Financial liabilities				
At fair value through profit or loss—held for trading				
Interest rate swaps	-	44	-	37
	-	44	-	37
Financial liabilities at amortised cost				
Accounts payable excluding employee entitlements	26,184	28,833	25,210	24,570
Bank borrowings	45,000	45,000	45,000	45,000
Related party borrowings	-	-	20,500	15,000
	71,184	73,833	90,710	84,570

Financial risk management objectives and policies:

MARKET RISK

Interest rate risk

The University and Group is exposed to interest rate risk on bank borrowings and at call deposits. Short-term deposits are not exposed to interest rate risk because they are entered into using a fixed interest rate. Borrowings at variable interest rates expose the Group to interest rate risk. The Group manages its interest rate risk by utilising interest rate swaps and forward rate agreements. \$Nil of the total borrowings are covered by interest rate swaps (2011: \$6 million). See note 15 for more information.

Currency risk

The Group is exposed to foreign exchange risk for sales and purchases (typically library items and scientific equipment) denominated in a foreign currency. Wherever possible the University transacts in the functional currency, including the setting of fees for international students. The University and Group's policies require that foreign currency forward purchase contracts are used to limit the Group's exposure to movements in exchange rates on foreign currency denominated liabilities and purchase commitments above \$100,000, where the committed payment date is known and is within 12 months. The sensitivity for currency risk is considered to be immaterial.

Price risk

The fair value of shares in listed companies and units in managed funds will fluctuate as a result of changes in market prices. Market prices for a particular share may fluctuate due to factors specific to the individual share or its issuer, or factors affecting all shares traded in the market. This price risk is managed by diversification of the portfolio. The sensitivity for price risk is considered to be immaterial.

CREDIT RISK

Credit risk is the risk that a third party will default on its obligation to the University and Group, causing it to incur a loss. Due to the timing of its cash inflows and outflows, surplus cash is invested into term deposits which give rise to credit risk.

In the normal course of business, the University and Group is exposed to credit risk from cash and term deposits with banks, debtors and other receivables, government bonds, loans to subsidiaries, and derivative financial instrument assets. For each of these, the maximum credit exposure is best represented by the carrying amount.

The University and Group limits the amount of credit exposure to any one financial institution for term deposits to no more than 33 percent of total investments held. The group invests funds only with registered banks with high credit ratings and for a period not exceeding 181 days.

The University and Group also transacts with its students. These transactions do not create a significant credit risk as students have no concentration of credit because of the relatively low value of individual student transactions. The University and Group also transacts with the Crown. These transactions do not create a significant credit risk.

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

CAPITAL MANAGEMENT

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

The University and Group 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 and Group manages its revenues, 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 and Group'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 and Group's equity is to ensure that it effectively and efficiently achieves the goals and objectives for which it has been established, while remaining a going concern.

Note 5—Cash and cash equivalents

From time to time during the year, cash which was surplus to immediate requirements was invested at call or on short-term deposit. Short-term deposits involved investing for periods of up to three months during 2012. If required, these short-term deposits can be converted to cash overnight. The carrying amounts of cash and cash equivalents represent fair values.

	Consolidated		University	
	2012	2011	2012	2011
	\$ 000	\$ 000	\$ 000	\$ 000
Cash at bank	5,435	10,286	1,781	4,163
Bank on call deposits	13,981	670	11,980	-
Short-term deposits	3,619	22,820	-	9,345
Total cash and cash equivalents	23,035	33,776	13,761	13,508
Comprising:				
Funds held by controlled trusts*	8,471	8,708	-	-
Restricted funds and bequests	9,928	8,813	9,928	8,813

* Restrictions have been placed on the use of these funds by the donors and they will be used for specified purposes. Until the University fulfils the donor's request, the funds are held in Trust.

While details vary significantly, the rules normally provide for the payment of prizes, scholarships etc to be made from income. For each bequest and donation there are rules which determine whether or not unspent income is to be capitalised in whole, in part or not at all. In addition, the University receives money for payment of sponsored awards, prizes or scholarships; the winners of these awards are normally selected by competition.

Due to the level of control exercised by the University, bequests and donations received on trust for particular purposes and administered by the University are included in the consolidated financial statements.

Note 6—Investments

	Consolidated		University	
	2012	2011	2012	2011
	\$ 000	\$ 000	\$ 000	\$ 000
Federated Superannuation Systems for Universities:				
FSSU advances (loans and receivables)	152	152	152	152
Shares and convertible notes	7	7	7	7
Investment in companies:				
New Zealand Synchrotron Group Limited	239	239	239	239
Loans to staff	125	125	-	-
Other investments:				
Investments at fair value through profit or loss	22,686	15,178	-	-
	23,209	15,701	398	398

FEDERATED SUPERANNUATION SYSTEMS FOR UNIVERSITIES

Since 1979, the University has been a trustee (in conjunction with the University of Auckland) in a registered superannuation scheme called Federated Superannuation Systems for Universities (FSSU) which does not form part of the Group. The underlying basis of this scheme is life insurance policies on the lives of the members of the scheme. As many of these policies were with UK resident insurers they are subject to the Foreign Investment Fund (FIF) tax regime that came into effect on 1 April 1993. The trustees are liable for the FIF tax in the first instance and have put arrangements in place to recover the tax advances when proceeds become available on maturity in accordance with the Trust Deed. To cover such payments, the Universities advance funds to FSSU to settle the commitments until the life policies mature or until a member retires with interest charged at the Fringe Benefit Tax rate. Interest is accrued on these advances at market rates.

NEW ZEALAND SYNCHROTRON GROUP LIMITED

The University acquired 9.04 percent shareholding in New Zealand Synchrotron Group Limited (NZSGL) in February 2007 at a cost of \$92,638 and an additional call in October 2008 at a cost of \$146,145. NZSGL has a 31 December balance date. NZSGL

manages the collective investment in the Australian Synchrotron Company which promotes and advances knowledge in the field of synchrotron science.

STAFF LOANS

Loans were granted to the value of \$125,000 to enable selected staff members to purchase shares in an associate company. Loans are interest bearing and are payable on demand. Loans are unsecured.

OTHER INVESTMENTS

Other investments includes investment in shares, managed funds, government stock and other fixed interest securities of various New Zealand and offshore entities. The Australian equities and fixed interest securities are instruments quoted on an active market. The international managed funds are valued using a valuation technique where the majority of inputs are quoted in an active market. All other investments are recognised at fair value through the surplus within the Statement of Comprehensive Income. By investing in these various entities, concentration of credit risk is minimised whilst maximising return in a manner consistent with the Group's investment policies.

	Consolidated	
	2012	2011
	\$ 000	\$ 000
Investments quoted in an active market (level 1):		
Australasian equity instruments	4,373	3,253
Fixed interest instruments	12,625	9,084
International managed funds	4,663	2,841
Investments where inputs for the asset or liability are not based on observable market data* (level 3):		
Equity instruments	1,025	-
	22,686	15,178

* The value is determined using observable price data and other relevant models used by market participants.

Note 7—Accounts receivable

	Consolidated		University	
	2012	2011	2012	2011
	\$ 000	\$ 000	\$ 000	\$ 000
Receivables	4,084	5,482	5,031	4,463
Less: provision for doubtful debts	(64)	(64)	(59)	(59)
Goods and Services Tax	-	-	-	350
Other	73	35	30	7
	4,093	5,453	5,002	4,761

Ageing of receivables

	Consolidated		University	
	2012	2011	2012	2011
	\$ 000	\$ 000	\$ 000	\$ 000
Current	2,296	2,889	3,818	3,039
1 to 30 days	1,029	997	846	986
31 to 60 days	462	546	328	233
61 to 90 days	100	785	5	35
> 91 days	197	265	34	170
	4,084	5,482	5,031	4,463

RELATED PARTY RECEIVABLES

For amounts, terms and conditions of related party receivables refer to note 16.

Note 8—Other current assets

	Consolidated		University	
	2012	2011	2012	2011
	\$ 000	\$ 000	\$ 000	\$ 000
Inventory	69	117	61	102
Research—work in progress	1,345	1,307	-	-
	1,414	1,424	61	102

Note 9—Property, plant and equipment

	Consolidated						
	Land	Buildings & improvements	Computers & networks	Plant & equipment	Art collection & heritage	Capital work in progress	Total
	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000
Cost and valuation							
As at 1 January 2011	88,967	469,724	28,017	63,889	61,861	21,135	733,593
Additions	415	13,153	4,827	11,864	7,162	17,687	55,108
Disposals	-	(370)	(98)	(1,260)	-	(333)	(2,061)
Valuation movement	-	-	-	-	-	-	-
Reclassifications	-	-	-	-	-	-	-
Balance as at 31 December 2011	89,382	482,507	32,746	74,493	69,023	38,489	786,640
Additions	679	9,209	4,192	6,287	6,974	23,367	50,709
Disposals	-	-	(3,154)	(3,005)	-	-	(6,159)
Valuation movement	4,269	(60,841)	-	-	-	-	(56,572)
Reclassifications	-	(25)	-	25	-	-	-
Balance as at 31 December 2012	94,330	430,850	33,784	77,800	75,997	61,856	774,618
Depreciation and impairment							
As at 1 January 2011	-	17,895	15,584	28,444	20,098	-	82,021
Depreciation for the year	-	13,683	5,547	7,675	3,866	-	30,771
Disposals	-	(194)	(81)	(146)	-	-	(421)
Valuation movement	-	-	-	-	-	-	-
Balance as at 31 December 2011	-	31,384	21,050	35,973	23,964	-	112,371
Depreciation for the year	-	13,468	5,470	7,806	4,489	-	31,233
Disposals	-	-	-	-	-	-	-
Reclassifications	-	(7)	(3,154)	(3,651)	-	-	(6,812)
Transfers	-	(7)	-	7	-	-	-
Valuation movement	-	(36,914)	-	-	-	-	(36,914)
Balance as at 31 December 2012	-	7,925	23,366	40,135	28,453	-	99,878
Net book value							
As at 1 January 2011	88,967	451,829	12,433	35,445	41,763	21,135	651,572
As at 31 December 2011	89,382	451,123	11,696	38,520	45,059	38,489	674,269
As at 31 December 2012	94,330	422,925	10,418	37,665	47,544	61,856	674,739

Note 9—Property, plant and equipment (continued)

	University						
	Land	Buildings & improvements	Computers & networks	Plant & equipment	Art collection & heritage	Capital work in progress	Total
	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000
Cost and valuation							
As at 1 January 2011	88,967	469,724	27,804	63,194	61,861	21,147	732,697
Additions	415	13,153	4,807	11,140	7,162	17,672	54,349
Disposals	-	(370)	(98)	(1,267)	-	(333)	(2,068)
Valuation movement	-	-	-	-	-	-	-
Reclassifications	-	-	-	-	-	-	-
Balance as at 31 December 2011	89,382	482,507	32,513	73,067	69,023	38,486	784,978
Additions	679	9,209	4,191	5,717	6,969	22,839	49,604
Disposals	-	-	(3,154)	(3,005)	-	-	(6,159)
Valuation movement	4,269	(60,841)	-	-	-	-	(56,572)
Reclassifications	-	(25)	-	25	-	-	-
Balance as at 31 December 2012	94,330	430,850	33,550	75,804	75,992	61,325	771,851
Depreciation and impairment							
As at 1 January 2011	-	17,895	15,428	28,042	20,098	-	81,463
Depreciation for the year	-	13,683	5,506	7,402	3,866	-	30,457
Disposals	-	(194)	(80)	(148)	-	-	(422)
Valuation movement	-	-	-	-	-	-	-
Balance as at 31 December 2011	-	31,384	20,854	35,296	23,964	-	111,498
Depreciation for the year	-	13,469	5,449	7,440	4,489	-	30,847
Disposals	-	-	-	-	-	-	-
Reclassifications	-	(7)	(3,154)	(3,547)	-	-	(6,708)
Transfers	-	(7)	-	7	-	-	-
Valuation movement	-	(36,914)	-	-	-	-	(36,914)
Balance as at 31 December 2012	-	7,925	23,149	39,196	28,453	-	98,723
Net book value							
As at 1 January 2011	88,967	451,829	12,376	35,152	41,763	21,147	651,234
As at 31 December 2011	89,382	451,123	11,659	37,771	45,059	38,486	673,480
As at 31 December 2012	94,330	422,925	10,401	36,608	47,539	61,325	673,128

Note 9—Property, plant and equipment (continued)

	University	
	2012	2011
	\$ 000	\$ 000
Asset revaluation reserve		
Land	81,255	78,252
Buildings & Infrastructure	209,055	231,758
Total	290,310	310,010

Land, buildings and infrastructure assets were independently valued as at 1 December 2012 by Mr P Todd, registered valuer with Darroch Limited, members of the New Zealand Institute of Valuers.

LAND

The valuation of land occupied by non-residential buildings (ie. the campuses) takes into account various aspects including zoning, title implications, alternate uses, subdivision and development potential. Whereas the valuation of land occupied by residential properties uses a market approach which is the estimated price for the land should an exchange occur between a willing buyer and willing seller in an arm's-length transaction.

BUILDINGS & INFRASTRUCTURE

Non-residential buildings are for the purposes of the valuation deemed to be 'specialised assets'. Specialised assets are valued using the optimised depreciated replacement cost. This is based on the replacement construction cost which is intended to reflect current materials and technology which provide the same level of utility as present assets. Residential buildings and properties located in the Wellington CBD are valued based on the market value which is the estimated price for the land should an exchange occur between a willing buyer and willing seller in an arm's-length transaction. As part of the revaluation process, the independent valuer provided the Group with an estimation of useful lives.

Infrastructure assets include retaining walls, roading, paving, water supply, sewerage/drainage systems, gas systems, underground cabling and electricity systems. The valuation placed on the infrastructure assets was based on their optimised depreciated replacement cost. As part of the revaluation process, the independent valuer provides the Group with an estimation of useful lives.

GENERAL

Under the Education Act 1989, the University is required to obtain prior consent of the Ministry of Education to dispose of or sell assets where the value of those assets exceeds an amount determined by the Minister of Education. There were no such disposals made in 2012 (2011: \$Nil).

The carrying amounts of all property, plant and equipment are reviewed on an ongoing basis. Any impairment in value is recognised immediately.

Note 10—Intangibles (IT software)

	Consolidated		University	
	2012	2011	2012	2011
	\$ 000	\$ 000	\$ 000	\$ 000
Cost and valuation				
Opening balance	15,265	12,897	15,078	12,758
Additions	2,910	2,374	2,909	2,323
Disposals	(2,875)	(6)	(2,821)	(3)
Closing balance	15,300	15,265	15,166	15,078
Accumulated amortisation and impairment				
Opening balance	9,381	6,912	9,281	6,868
Amortisation for the year	2,711	2,473	2,676	2,415
Disposals	(2,825)	(4)	(2,821)	(2)
Closing balance	9,267	9,381	9,136	9,281
Net book value	6,033	5,884	6,030	5,797

Note 11—Investment in related parties

Name	Percentage owned	Balance date	Principal activity
Controlled trusts			
Victoria University of Wellington Foundation	100%	31 Dec	Fundraising for the University
Research Trust of Victoria University of Wellington	100%	31 Dec	Conducts academic research
Victoria University of Wellington Art Collection Funding Trust	100%	31 Dec	Supports the University's art collection
Victoria University of Wellington School of Government Trust	100%	31 Dec	Provides research and education
Subsidiaries			
Te Puni Village Limited	100%	31 Dec	Provides student accommodation
Victoria Link Limited	100%	31 Dec	Commercialisation of research
iPredict Limited	100%	31 Dec	Operates a predictions market
Predictions Clearing Limited	100%	31 Dec	Manages trust funds
Wetox Limited	95%	31 Dec	Develops waste-water treatment technology
Associates*			
Library Consortium of New Zealand Limited	25%	31 Dec	Provides library services
Joint ventures**			
New Zealand School of Music Limited	50%	31 Dec	Teaching and research relating to music

* The University previously owned 22 percent of the shares in Magritek Holdings Limited. On 15 August 2012 Magritek Holdings Limited issued new capital. As a consequence the University's shareholding reduced to 14 percent.

** The University acquired 50 percent shareholding in New Zealand School of Music Limited (NZSM) on 1 January 2006 at a cost of \$250,000. NZSM has a 31 December balance date. NZSM provides educational products to students majoring in music. The Group's share of assets and liabilities employed in the jointly controlled operation are included in the consolidated Statement of Financial Position, in accordance with the Statement of Accounting Policies.

The financial statements from associates and the joint venture are presented below as at 31 December 2012.

	Associates		Joint venture	
	2012	2011	2012	2011
	\$ 000	\$ 000	\$ 000	\$ 000
Current assets	3,809	6,812	1,797	2,356
Non-current assets	170	303	798	301
Total assets	3,979	7,115	2,595	2,657
Current liabilities	1,347	2,082	420	634
Non-current liabilities	-	-	82	85
Total liabilities	1,347	2,082	502	719
Net assets	2,632	5,033	2,093	1,939
Revenue	3,666	4,065	4,309	4,229
Expenses	(3,684)	(4,088)	(4,150)	(4,068)
Net surplus/(deficit) of associates	(18)	(23)	159	161

Any capital commitments and contingent liabilities arising from the Group's interest in joint venture are disclosed in notes 17 and 18 respectively.

Note 12—Accounts payable and accruals

	Consolidated		University	
	2012	2011	2012	2011
	\$ 000	\$ 000	\$ 000	\$ 000
Accounts payable	9,208	9,932	8,603	8,648
Contract retentions	599	411	599	411
Deposits held on behalf of students	1,664	2,152	1,664	2,152
Employee entitlements	1,976	2,086	1,915	2,015
Goods and Services Tax	864	55	775	-
Other accruals	14,713	16,283	14,344	13,359
	29,024	30,919	27,900	26,585

RELATED PARTY PAYABLES

For amounts, terms and conditions of related party payables refer to note 16.

Note 13—Revenue in advance

	Consolidated		University	
	2012	2011	2012	2011
	\$ 000	\$ 000	\$ 000	\$ 000
Prepaid tuition fees	7,147	5,372	6,815	6,387
Prepaid government grants	80	380	80	380
Deferred revenue	8,360	10,998	-	-
Other revenue in advance	9,096	8,765	5,140	4,748
	24,683	25,515	12,035	11,515

Note 14—Employee entitlements

	Consolidated		University	
	2012	2011	2012	2011
	\$ 000	\$ 000	\$ 000	\$ 000
Current liabilities				
Annual leave	11,361	10,619	11,220	10,433
Retiring and long service leave	4,321	2,822	4,321	2,822
Balance at end of the year	15,682	13,441	15,541	13,255
Non-current liabilities				
Retiring and long service leave	12,852	12,747	12,852	12,757
Balance at end of the year	12,852	12,747	12,852	12,757

The retiring, long service and sick leave was independently assessed as at 31 December 2012 by Mr Charles Hett MA FNZSA, an actuary with Deloitte.

An actuarial valuation involves the projection, on a year-by-year basis, of the long service leave and retirement leave benefit payment, based on accrued services, in respect of current employees. These benefit payments are estimated in respect of their incidence according to assumed rates of death, disablement, resignation and retirement allowing for assumed rates of salary progression. Of these assumptions, the discount, salary progression and resignation rates are the most important. The projected cash flow is then discounted back to valuation date at the valuation discounted rates.

The discount rate applied was a single rate of 3.5 percent (2011: 4.34 percent to 6.11 percent).

The salary projections assume a 2 percent increase every year (2011: 1 percent to 2.5 percent).

Resignation rates vary with age and the length of service and are reflective of the experience of company superannuation schemes of New Zealand. No explicit allowance has been made for redundancy.

Note 15—Bank borrowings

The University has an unsecured borrowing facility with The National Bank of New Zealand with a maximum limit of \$45,000,000. As at 31 December 2012, \$45,000,000 (2011: \$45,000,000) of this facility had been drawn down. \$5 million of this facility is repayable within 12 months. Interest rates on borrowings are reset for a period not exceeding 180 days. The University's borrowing has been approved by the Minister of Education for the purposes of funding the University's long-term capital development programme. Subsequent to balance date the Minister of Education approved a modification to the terms of this agreement.

INTEREST RATE SENSITIVITY ANALYSIS (UNIVERSITY ONLY)

The table below illustrates the potential effect on the surplus/deficit and equity (excluding general funds) for reasonably possible market movements, with all other variables held constant, based on exposures at balance date:

	2012				2011			
	\$ 000				\$ 000			
	-15bps		25bps		-15bps		25bps	
Interest rate risk	Surplus	Other equity	Surplus	Other equity	Surplus	Other equity	Surplus	Other equity
Financial liabilities								
Secured loan	(46)	-	75	-	(44)	-	76	-

Note 16—Related party note

A) TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL

Key management personnel represent Council members and staff in key strategic positions (including senior management reporting directly to the Vice-Chancellor).

Short-term benefits relate to meeting attendance fees, honoraria paid and salaries to Council members and key management personnel which includes salaries paid to Council members who are also staff members of the University (including the Vice-Chancellor and four other staff members on Council).

Post-employment benefits relate to the movement in cost of long-term benefits (accruing to members on Council and key management personnel).

	Consolidated & University	
	2012	2011
	\$ 000	\$ 000
Salaries and other short-term benefits	3,320	3,310
	3,320	3,310

Directors' fees paid to Directors of Victoria Link Limited totalled \$10,500 (2011: \$21,000).

Directors' fees paid to Directors of Wetox Limited totalled \$10,500 (2011: \$7,875).

SIGNIFICANT TRANSACTIONS WITH GOVERNMENT-RELATED ENTITIES

The University and Group has received funding from the Crown of \$151,639,000 (2011: \$148,789,000) to provide educational services for the year ended 31 December 2012. In conducting its activities the University and Group is required to pay various taxes and levies (such as GST, FBT, PAYE and ACC levies) to the Crown and entities related to the Crown. The payment of these taxes and levies is based on the standard terms and conditions that apply to all tax and levy payers. The University is exempt from paying income tax. The University and Group purchases goods and services from entities controlled, significantly or jointly, by the Crown. Purchases from these government-related entities include postal services, electricity and air travel. All services are purchased on the standard terms and conditions that apply to all customers.

B) RELATED PARTY TRANSACTIONS WITH SUBSIDIARIES, ASSOCIATES AND JOINTLY CONTROLLED ENTITIES

	2012 \$ 000	2011 \$ 000
Victoria Link Limited		
Services provided by the University	1,909	1,929
Services provided for the University	59	17
Debtor for services provided by the University	177	250
Research Trust		
Services provided by the University	37,681	31,061
Service provided for the University	-	-
Unsecured loans payable by the University	16,000	15,000
Debtor for services provided by the University	2,495	1,161
Debtor for services provided for the University	615	-
New Zealand School of Music Limited		
Services provided by the University	882	697
Services provided for the University	347	130
Debtor for services provided by the University	153	-
Debtor for services provided for the University	95	-
Library Consortium of New Zealand		
Services provided for the University	326	455
Creditor for services for the University	326	408
Victoria University of Wellington Foundation Trust		
Services provided by the University		
Grants received by the University	1,070	1,019
Debtor for grants received by the University	29	-
School of Government Trust		
Unsecured loans payable by the University	4,500	-
Te Puni Village Limited		
Services provided by the University	2,135	2,100
Creditor for services provided by the University	338	-

No related party debts have been written off or forgiven during the period.

Sales to and purchases from related parties are made in arm's-length transactions both at normal market prices and on normal commercial terms.

Outstanding balances at balance date are unsecured, interest-free and settlement occurs in cash.

ALLOWANCE FOR IMPAIRMENT LOSS ON TRADE RECEIVABLES

For the year ended 31 December 2012, the Group has not made any allowance for impairment loss relating to amounts owed by related parties as the payment history has been excellent (2011: \$Nil). An impairment assessment is undertaken each financial year by examining the financial position of the related party and the market in which the related party operates to determine whether there is objective evidence that a related party receivable is impaired. When such objective evidence exists, the Group recognises an allowance for the impairment loss.

Note 17—Capital commitments

PROPERTY, PLANT AND EQUIPMENT COMMITMENTS

Detailed below are those projects for which firm commitments have been made at 31 December 2012. Commitments include planned maintenance costs and capital expenditure projects.

	2012	2011
	\$ 000	\$ 000
Total contracted projects	13,712	35,528

NON-CANCELLABLE LEASES AND OTHER COMMITMENTS—THE GROUP AS LESSEE

The Group has entered into commercial leases on certain land and buildings (remaining terms of between 5.5 to 77 years), and equipment (average term of three years) with no renewal option included in the contracts. There are no restrictions placed upon the lessee by entering into these leases.

Future minimum rentals payable under non-cancellable operating leases as follows:

	2012	2011
	\$ 000	\$ 000
Due not later than one year	22,097	10,417
Due between one and two years	12,985	10,225
Due between two and five years	18,312	17,103
Due later than five years	15,944	11,220
	69,338	48,965

Note 18—Contingent liabilities

The University has entered into various arrangements with student accommodation providers whereby the University has guaranteed a minimum level of occupancy. An approximate charge of \$6,000 (2011: \$6,000) per bed per annum unused is payable upon falling below the guaranteed occupancy rate. The maximum contingent liability, should no students be placed in the contracted accommodation facilities, is \$6.8 million (2011: \$6.8 million) over the remaining term of the contracts, however as at 31 December 2012 there is no liability (2011: \$Nil).

Note 19—Subsequent events

On 6 February 2013 Mainzeal Limited went into receivership. They were head contractor on the University's Hub construction project, a multi-year capital project with a total budget of \$67 million. At the time Mainzeal went into receivership, construction on the main phase of the Hub project was well advanced, and since that date a significant portion of the Hub has opened to students and the public. In addition, a new head contractor has now been appointed, and the University is working alongside all affected parties to minimise any ongoing expense and disruption. Although the precise financial consequences have yet to be finalised, they are not expected to have a material impact on the final construction cost versus the original budget (2011: Nil).

Note 20—Statement of accounting policies

THE REPORTING ENTITY

Victoria University of Wellington (the University) is a Tertiary Education Institution (TEI) domiciled in New Zealand, and is governed by the Crown Entities Act 2004 and the Education Act 1989.

The University has designated itself and the Consolidated Group (the Group) as public benefit entities for the purposes of New Zealand equivalents to International Financial Reporting Standards (NZ IFRS).

The financial statements of the University and the Group for the year ended 31 December 2012 were authorised for issue in accordance with a resolution of the Victoria University of Wellington Council (the University Council) on 25 March 2013.

The primary purpose of the University and Group is to provide tertiary education services. This includes the advancement of knowledge by teaching and research, and offering courses leading to a wide range of degrees, diplomas and certificates. It also makes research available to the wider community for mutual benefit, and provides research and scholarship for the purpose of informing the teaching of courses. These aspects are covered fully in the Statement of Service Performance.

BASIS OF PREPARATION

The accompanying financial statements are presented in accordance with Section 220 of the Education Act 1989, the Crown Entities Act 2004 and New Zealand Generally Accepted Accounting Practice (NZ GAAP).

These financial statements have been prepared in accordance with NZ GAAP. They comply with NZ IFRS, and other applicable financial reporting standards, as appropriate for public benefit entities.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements. The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$ 000).

The accounting principles followed by the Group are those recognised as appropriate for the measurement and reporting of the Statement of Comprehensive Income and the Statement of Financial Position on a historical cost basis, with the exception that certain property, plant and equipment have been revalued.

The Group's financial statements are prepared on a consolidation basis, which involves adding together like items of assets, liabilities, equity, income, expenses and cash flows on a line-by-line basis. All significant intra-group balances, transactions, income and expenses are eliminated on consolidation. The Group's financial statements comprise the financial statements of the University, its subsidiaries, controlled and consolidated trusts, joint ventures and investments in associates as at 31 December each year. The joint venture is consolidated on a proportionate basis while the investments in associates are accounted for using the equity method. The principal activities of the subsidiaries, associates and share of joint ventures are further described in note 11. All significant inter-entity transactions have been eliminated on consolidation.

CHANGES IN ACCOUNTING POLICY

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

The University and Group has adopted the following relevant changes to the applicable accounting standards for public benefit entities:

- The 2009 revision to NZ IAS 24 Related Party Disclosures removes some inconsistencies with the definition of a related party and modifies some of the disclosure requirements for government-related entities. It also requires disclosure of commitments with related parties. This revision was effective from 1 January 2011.

The University and Group has adopted the following revisions to accounting standards during the financial year, which have had only a presentational or disclosure effect:

- The Annual Improvements process for 2010 has resulted in various minor amendments and clarifications to existing standards and interpretations. These improvements were effective from 1 January 2011.
- FRS-44 New Zealand Additional Disclosures and Amendments to NZ IFRS to harmonise with IFRS and Australian Accounting Standards (Harmonisation Amendments)—the purpose of the new standard and amendments is to harmonise Australian and New Zealand accounting standards with source IFRS and to eliminate many of the differences between the accounting standards in each jurisdiction. The main effect of the amendments on the University is that donations are no longer required to be separately disclosed and certain information about property valuations is no longer required to be disclosed.

Standards, amendments and interpretations issued but not yet effective and have not been early adopted, and are relevant to the University and Group, are:

- NZ IFRS 9 Financial Instruments will eventually replace NZ IAS 39 Financial Instruments: Recognition and Measurement. NZ IAS 39 is being replaced through the following three main phases: Phase 1 Classification and Measurement; Phase 2 Impairment Methodology; and Phase 3 Hedge Accounting. Phase 1 has been completed and has been published in the new financial instrument standard NZ IFRS 9. NZ IFRS 9 uses a single approach to determine whether a financial asset is measured at amortised cost or fair value, replacing the many different rules in NZ IAS 39. The approach in NZ IFRS 9 is based on how an entity manages its financial assets (its business model) and the contractual cash flow characteristics of the financial assets. The financial liability requirements are the same as those of NZ IAS 39, except for when an entity elects to designate a financial liability at fair value through the surplus or deficit. The new standard is required to be adopted for the year ended 31 December 2016. However, as a new Accounting Standards Framework will apply before this date, there is no certainty when an equivalent standard to NZ IFRS 9 will be applied by public benefit entities.

The Minister of Commerce has approved a new Accounting Standards Framework (incorporating a Tier Strategy) developed by the External Reporting Board (XRB). Under this Accounting Standards Framework, the University is classified as a Tier 1 reporting entity and it will be required to apply full public sector Public Benefit Entity Accounting Standards (PAS). These standards are being developed by the XRB and are mainly based on current International Public Sector Accounting Standards. The effective date for the new standards for public sector entities is expected to be for reporting periods beginning on or after 1 July 2014. This means the University expects to transition to the new standards in preparing its 31 December 2015 financial statements. As the PAS are still under development, the University is unable to assess the implications of the new Accounting Standards Framework at this time.

Due to the change in the Accounting Standards Framework for public benefit entities, it is expected that all new NZ IFRS and amendments to existing NZ IFRS will not be applicable to public benefit entities. Therefore, the XRB has effectively frozen the financial reporting requirements for public benefit entities up until the new Accounting Standard Framework is effective. Accordingly, no disclosure has been made about new or amended NZ IFRS that exclude public benefit entities from their scope.

SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

In applying the University and Group's accounting policies, management continually evaluates judgements, estimates and assumptions based on experience and other factors, including expectations of future events that may impact on the Group. All judgements, estimates and assumptions made are believed to be reasonable, based on the most current set of circumstances available to management. Significant judgements, estimates and assumptions made by management in the preparation of these financial statements are outlined below.

- Valuation of land and building assets: management relies on the services of independent valuers to assess the carrying values of land and building assets and the remaining useful lives.
- Valuation of retirement, long service and sick leave entitlements: management relies on the services of an independent actuary to assess the carrying value of these employee entitlements (refer note 14).
- Impairment: asset impairment judgements will be made based on fair value as at balance date.
- Stage of completion of research projects as at balance date.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following accounting policies, which 1) materially affect the measurement of the Statement of Comprehensive Income and Statement of Financial Position and 2) are important to understanding the operations of the University and Group, have been applied.

- **Government grants and student fees**
Recognised as revenue in advance upon receipt in the Statement of Financial Position. Revenue from rendering services is recognised only when the University has a right to be compensated, and the amount of revenue and the stage of completion of a transaction can be reliably measured.
- **Research revenue**
Reflected in the Statement of Comprehensive Income as research grants unexpended, where fulfilment of any contractual obligation is yet to occur.
- **Bequests and other monies held in trust**
Bequests and donations received on trust for particular purposes are recorded as revenue on a cash received basis through the surplus within the Statement of Comprehensive Income. These monies are not available for funding the operations of the University.

→ **Other revenue items**

Where physical assets are acquired for nil consideration the fair value of the asset received is recognised as revenue.

Revenue from sale of goods and services is recognised on sale.

Dividends are recognised when the right to receive payment has been established.

→ **Operating leases**

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term.

→ **Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and in-hand and short-term deposits with a maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

→ **Accounts receivable**

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

→ **Other financial assets**

Other financial assets are classified into the following categories for the purposes of measurement:

→ loans and receivables and other financial liabilities; and

→ financial assets at fair value through profit and loss.

Classification of the financial asset depends on the purpose for which the instruments were acquired or originated.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of assets not at fair value through profit or loss, directly attributable transaction costs.

→ **Recognition and derecognition**

All regular way purchases and sales of financial assets are recognised on the trade date (ie. the date that the Group commits to purchase the asset). Regular way purchases or sales are purchases or sales of financial assets under contracts that require delivery of the assets within the period established generally by regulation or convention in the market place. Financial assets are derecognised when the right to receive cash flows from the financial assets has expired or when the entity transfers substantially all the risks and rewards of the financial assets. If the entity neither retains nor transfers substantially all of the risks and rewards, it derecognises the asset if it has transferred control of the assets.

Loans and receivables

Loans and receivables including loan notes and loans to key management personnel are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are carried at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired. These are included in current assets, except for those with maturities greater than 12 months after balance date, which are classified as non-current.

Financial assets at fair value through profit or loss

Financial assets classified as held for trading are included in the category 'financial assets at fair value through profit or loss'. Financial assets are classified as held for trading if they are acquired for the purpose of selling in the near term with the intention of making a profit. Derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on financial assets held for trading are recognised in profit or loss.

→ **Impairment of financial assets**

At each balance date, the University and Group assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired. Any impairment losses are recognised in the surplus or deficit.

Loans and receivables

Impairment of a loan or a receivable is established when there is objective evidence that the University and Group will not be able to collect amounts due. Significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, receivership or liquidation, and default in payments are considered indicators that the asset is impaired. The amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted using the original effective interest rate. For debtors and other receivables, the carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the surplus or deficit. When the receivable is uncollectible, it is written off against the allowance account. Overdue receivables that

have been renegotiated are reclassified as current (ie. not past due). For other financial assets, impairment losses are recognised directly against the instrument's carrying amount.

Financial assets at fair value through profit or loss

For equity investments, a significant or prolonged decline in the fair value of the investment below its cost is considered objective evidence of impairment.

For debt investments, significant financial difficulties of the debtor, probability that the debtor will enter into receivership or liquidation, and default in payments are considered objective indicators that the asset is impaired.

Equity instrument impairment losses recognised in the surplus or deficit are not reversed through the surplus or deficit.

If in a subsequent period the fair value of a debt instrument increases and the increase can be objectively related to an event occurring after the impairment loss was recognised, the impairment loss is reversed in the surplus or deficit.

→ **Property, plant and equipment**

Consists of the following asset classes: land, buildings, infrastructure and improvements, computers and networks, plant and equipment, and art collections and heritage.

Land is measured at fair value, and buildings and infrastructure are measured at fair value less accumulated depreciation and impairment losses. All other asset classes are measured at cost, less accumulated depreciation and impairment losses.

→ **Revaluation**

Land, buildings and infrastructure are revalued with sufficient regularity to ensure that their carrying amount does not differ materially from fair value and at least every three years. The carrying values of revalued assets are assessed annually by independent valuers to ensure that they do not differ materially from fair value. If there is evidence supporting a material difference, then the off-cycle asset classes are revalued. Property, plant and equipment revaluation movements are accounted for on a class-of-asset basis.

The net revaluation results are credited or debited to other comprehensive income and are accumulated to an asset revaluation reserve in equity for that class of asset. Where this would result in a debit balance in the asset revaluation reserve, this balance is not recognised in other comprehensive income but is recognised in the surplus or deficit. Any subsequent increase on revaluation that reverses 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 recognised in other comprehensive income.

Additions

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits or service potential associated with the item will flow to the University and Group and the cost of the item can be measured reliably. Work in progress is recognised at cost less impairment and is not depreciated. In most instances, an item of property, plant and equipment is initially recognised at its cost. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value as at the date of acquisition.

Disposals

Gains and losses on disposals are determined by comparing the disposal proceeds with the carrying amount of the asset. Gains and losses on disposals are reported net in the surplus or deficit. When revalued assets are sold, the amounts included in property revaluation reserves in respect of those assets are transferred to general funds.

Depreciation

Depreciation is provided on a straight-line basis (SL) on all property, plant and equipment other than land and heritage collections, at rates that will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives. Heritage collections are not depreciated because they are maintained such that they have indefinite or sufficiently long useful lives that any depreciation is considered negligible.

The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

Buildings and improvements	3–89 years	SL
Computers and networks	3–5 years	SL
Plant and equipment	4–15 years	SL
Art and library collections and heritage	10–20 years	SL

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each financial year end.

Property in the name of the Crown

Property in the name of the Crown and occupied by the University, for which the University has all the responsibilities of ownership (such as insurance and maintenance), and for which no rentals have been paid to the Crown, has been included as though it was an asset of the University with effect from 1993. This is in accordance with the announced policy of Government, that these assets would be transferred into the name of the University.

→ **Intangible assets**

Intangible assets represent the cost to the University and Group of major IT systems that have been purchased, developed and implemented. These are capitalised at cost. Amortisation for IT computer software is calculated using a straight-line basis and the amortisation periods are three to five years. This expense is taken to the Statement of Comprehensive Income through amortisation.

→ **Accounts payable**

Accounts payable are recognised upon receipt of the goods or when the services have been performed and are measured at the agreed purchase contract price, net of applicable trade and other discounts, being the fair value of the transaction and then accounted for at amortised cost. Amounts owing are unsecured and are generally settled on 30-day terms.

→ **Employee entitlements**

Provisions are recognised when the University has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. With the exception of annual leave, all other entitlements are valued by an independent actuary on an annual basis, with the present obligation appearing on the Statement of Financial Position and movements in those provisions reflected in the Statement of Comprehensive Income.

Liabilities in respect of employee entitlements that are expected to be paid or settled within 12 months of balance date are accrued at nominal amounts calculated on the basis of current salary rates. Liabilities in respect of employee entitlements that are not expected to be paid or settled within that period are accrued at the present value of expected future payments using discounted rates as advised by the actuary.

- Annual leave for all staff has been accrued based on employment contract/agreement entitlements using current rates of pay. This provision is classified as a current liability.
- Long service leave has been accrued for qualifying general staff. The liability is equal to the present value of the estimated future cash flows as a result of employee service provided at balance date as assessed by an independent actuary. This provision is stated as a current liability if it is vested and a non-current liability if it is not.
- Retiring leave for all eligible staff is equal to the present value of the estimated future cash flows as a result of employee service provided at balance date as assessed by an independent actuary. This provision is stated as a current liability if it is vested and a non-current liability if it is not.

→ **Superannuation schemes**

Defined contribution schemes

Obligations for contributions to KiwiSaver, the New Zealand Universities' Superannuation Scheme and other defined contribution superannuation schemes are recognised as an expense as incurred.

→ **Borrowings**

Borrowings are initially recognised at their fair value net of transaction costs incurred. After initial recognition, all borrowings are measured at amortised cost using the effective interest method. Borrowings are classified as current liabilities unless the University or Group has an unconditional right to defer settlement of the liability for at least 12 months after balance date or if the borrowings are expected to be settled within 12 months of balance date.

→ **Goods and Services Tax (GST)**

The Statement of Comprehensive Income and the Statement of Cash Flows have been prepared so that all components are stated exclusive of GST. All items in the Statement of Financial Position are stated net of GST with the exception of receivables and payables, which include GST invoiced.

→ **Income tax**

The University is exempt from income tax. However there are some associates within the Group that are not exempt from income tax.

→ **Budget**

The budget is set prior to the beginning of each financial year and is a requirement of the Crown Entities Act 2004. The budget for 2012 was approved by the University Council on 5 December 2011.

Council activity

Council 2012 disclosures

Rosemary Barrington

Member, Paekakariki Community Board

David Chamberlain

Director, Ascendant Consulting Ltd

Director, Purakau Properties Ltd

Chairman, New Zealand Blood Service

Employee, Kiwibank Ltd

Professor Charles Daugherty

Trustee, Karori Sanctuary Trust

Trustee, Research Trust of Victoria University of Wellington

Alternate Director, Victoria Link Ltd

Board Member, The MacDiarmid Institute

Director, Allan Wilson Centre for Molecular Ecology and Evolution

Trustee, Pest Control Education Trust

Alternate Trustee, Pacific Nanowires Ltd

Kevin Duggan

Treasurer, Tertiary Education Union (Victoria University of Wellington Branch)

President, Victoria University of Wellington Staff Club

Charles Finny

Chair, Education New Zealand

Board Member, New Zealand Film Commission

Board Member, New Zealand Trade and Enterprise

Board Member, Kawarau Estate Ltd

Board Member, Wellington Employers' Chamber of Commerce

Partner, Saunders Unsworth

Max Hardy

Chairperson, Student Job Search

Victoria Heine

Partner, Chapman Tripp

Bridie Hood

President, Victoria University of Wellington Students' Association

Trustee, Victoria University of Wellington Students' Association Trust

Trustee, Victoria Broadcasting Trust

Board Member, University Sport New Zealand

Patricia McKelvey

Chair, The Correspondence School Board of Trustees

Chair, Electra Ltd

Acting Chair, Charities Commission

Board Member, Horowhenua/Kapiti GSA

Board Member, NZ Cricket Museum Trust Board

Ian McKinnon

Councillor/Deputy Mayor, Wellington City Council

Director, Wellington International Airport Ltd

Trustee, NZ Education Scholarship Trust

Graeme Mitchell

Director, Barnardos New Zealand

Director, CIGNA Life Insurance New Zealand Ltd

Member, National Provident Fund Board of Trustees

Independent Member, Audit and Risk Management Sub-Committee of Porirua City Council

Chair, Audit Committee, Ministry of Justice

Member, Audit Committee, Ministry of Social Development

Member, Audit and Risk Committee, Human Rights Commission

Deputy Chair, External Reporting Board

Deputy Chair, New Zealand Audit and Assurance Standards Board

Trustee, Local Government Superannuation Scheme

Honorary Consul General for Norway

James Ogden

Chairman, Audit Committee, Ministry of Social Development

Chairman, Value for Money Advisory Board, Ministry of Social Development

Director, Motor Trade Association Group Investments Ltd

Director, Vehicle Testing Group Ltd

Director, Seaworks Ltd

Director, The Warehouse Group Ltd

Member, Governance Committee, AMP Capital Property Portfolio

Member, Audit Committee, Ministry of Foreign Affairs and Trade

Director, Summerset Group Holdings Ltd

Member, Investment Committee for Pencarrow IV Investment Fund

Member, New Zealand Markets Disciplinary Tribunal

Member, Crown Forestry Rental Trust Finance and Risk Committee

Brenda Pilott

National Secretary, New Zealand Public Service Association
Member, Advisory Board, School of Government, Victoria University of Wellington
Member, Advisory Board, Institute for Governance and Policy Studies, Victoria University of Wellington

John Selby

Chairman, Syl Semantics
Member, Audit Committee, Ministry of Business, Innovation and Employment
Independent Member, Audit Committee, Productivity Commission
Chairman, Grosvenor Assurance

Helen Sutch

Chair, Research Advisory Committee, Transparency International New Zealand

Roger Taylor

Trustee, McKee Trust
Trustee, New Zealand Law Foundation
Director/Shareholder, Miti Partners Ltd
Director, Eastland Group Ltd, Eastland Network Ltd, Eastland Port Ltd and Gisborne Airport Ltd

Director/Shareholder, Icon Textiles Ltd
Director, Port of Taranaki Ltd
Board Member, New Zealand Symphony Orchestra
Director, McKee Nominees Ltd

Professor Pat Walsh

Board Member, Wellington Employers' Chamber of Commerce
Member, Policy Council, Wellington Employers' Chamber of Commerce
Chair, Knowledge Business Committee, Wellington Employers' Chamber of Commerce
Chair, Universities New Zealand
Chair, New Zealand-Indonesia Friendship Council
Trustee, Dan Long Trust

Nothing to disclose

Associate Professor Megan Clark

Professor Paul Morris

Dr Jock Phillips

Council meetings attended and payments to Councillors

Twelve Council meetings and workshops were held in 2012. The payments listed below include attendance at Council workshops and committees as well as Council meetings. Council members can elect not to receive payments. The Vice-Chancellor, Professor Pat Walsh, is not eligible to receive fee payments.

Member of Council	Attendance	Eligible to attend	Payment (\$)
Rosemary Barrington	20	21	6,400
David Chamberlain	13	16	4,160
Megan Clark	12	13	3,840
Charles Daugherty	16	18	5,120
Kevin Duggan	16	18	5,120
Charles Finny	14	18	4,480
Max Hardy	14	18	4,480
Victoria Heine	12	12	3,840
Bridie Hood	16	17	5,120
Patricia McKelvey	1	1	320
Ian McKinnon	28	28	25,280
Graeme Mitchell	13	16	4,160
Paul Morris	12	13	3,840
James Ogden	0	1	0
Jock Phillips	15	18	No fee paid
Brenda Pilott	9	12	2,880
John Selby	10	14	3,200
Helen Sutch	22	28	8,800
Roger Taylor	20	22	7,038
Pat Walsh	26	26	Not applicable

Senior Management Team disclosures

Professor David Bibby

BTech(Hons) PhD DSc Lough

Trustee, Malaghan Institute of Medical Research

Board Member, MacDiarmid Institute Governing Board

Director, Victoria Link Ltd

Professor Bob Buckle

BCom MCom(Hons) Auckland

Director, New Zealand School of Business Ltd

Director, New Zealand Graduate School of Business Ltd

Annemarie de Castro

BA Massey, FHRNZ

Director, Adams Properties (Blenheim) Ltd

Professor Neil Quigley

MA Cant, PhD Tor

Trustee, Research Trust of Victoria University of Wellington

Trustee, Victoria University of Wellington Art Collection Funding Trust

Director, Bradey Farm and EQM Farming Ltd

Chair, iPredict Ltd

Chair, Predictions Clearing Ltd

Chair, Victoria Link Ltd

Director, Wetox Ltd

Director, Te Puni Village Ltd

Trustee, Wellington College Foundation

Director, Reserve Bank of New Zealand

Member, New Zealand Qualifications Authority Board

Professor Roberto Rabel

PhD Duke, BA(Hons)

Trustee, Greater Mekong Subregion Tertiary Education Consortium

Professor Piri Sciascia

BSc BA Otago, Tohunga Huarewa

Massey, BA(Hons) DipTchg

Chair, Te Māngai Pāho

Director, Toi Māori Aotearoa Ltd

Director, Piri.Com Ltd

Professor Dugald Scott

MA, BEdStuds, DipTchg

Member, Victoria Link Ltd

Andrew Simpson

BCom Otago, CA

Board Member, New Zealand School of Music

Professor Pat Walsh

MA Cant, PhD Minn

(See Council members' disclosures of interest on page 98)

Nothing to disclose

Professor Penny Boumelha

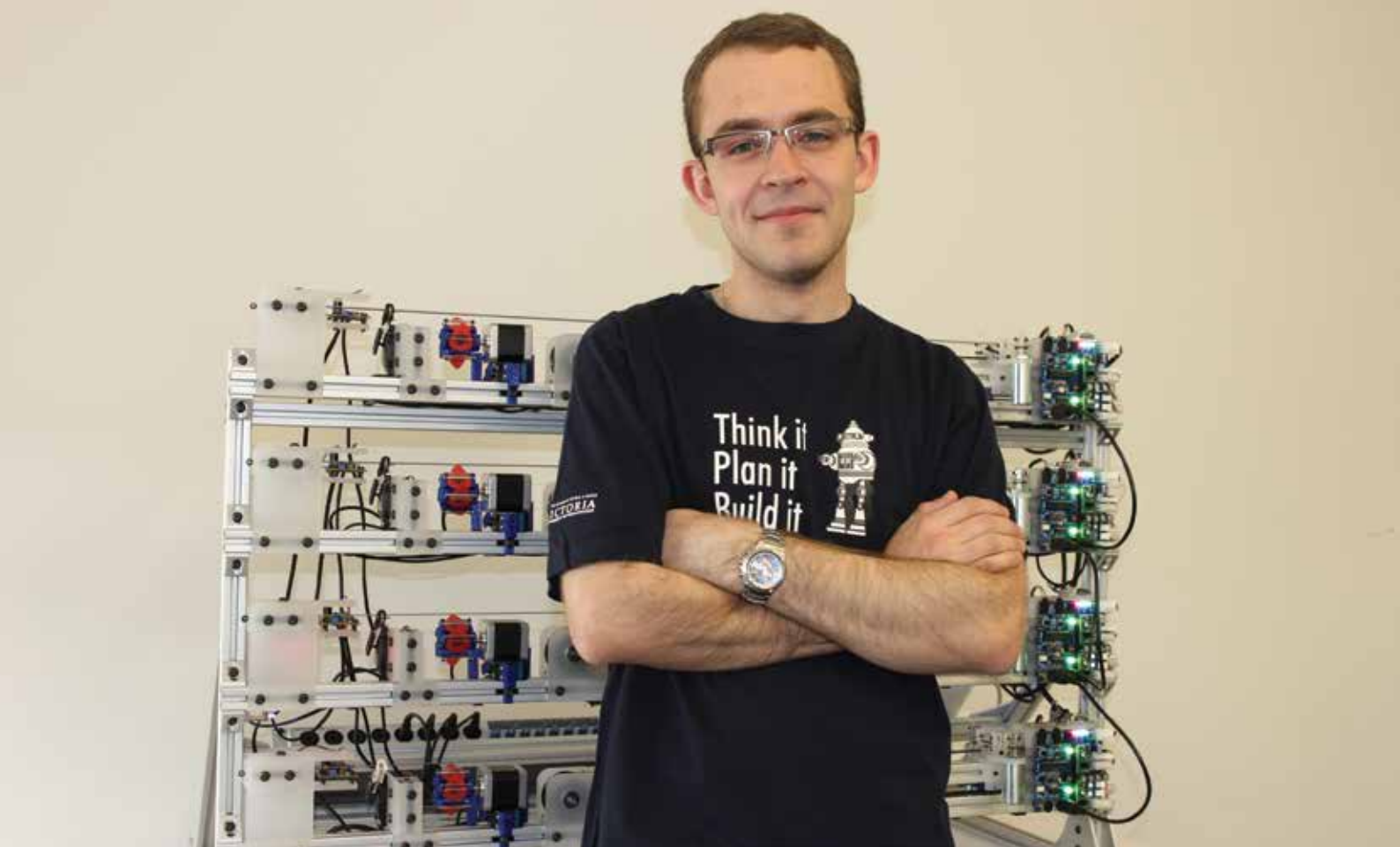
MA DPhil Oxon, FAHA

Professor Tony Smith

LLM Cant, LLD Camb, Barrister and Honorary Benchers (Middle Temple)

Professor Deborah Willis

MA Cant, PhD DipTchg



Engineering student James McVay made international headlines during 2012 with the mechanical bass guitar, MechBass, he created as part of his fourth-year research project. A video demonstrating the MechBass was viewed over 500,000 times on YouTube in just two weeks, and featured on international technology websites.

