



AUT

TE WĀNANGA ARONUI
O TĀMAKI MAKAU RAU

ANNUAL REPORT

2021

• Te Pūrongo ā-Tau

AUCKLAND
UNIVERSITY
OF TECHNOLOGY



Kōrihi atu taku manu tāwhiowhio ki te tini,
Ki te mano o Hākuturi
Aku manu honenga aku manu whitirua ki te kai ki te
inu i ngā wai o Horotiu
Whakatau iho rā ki te roro o te whare nanao atu ai ki
ngā here Pūrengi
Tēnā koutou, tēnā koutou, tēnā koutou katoa.

Ko te karanga nei o Te Pūrengi, he tono ki ngā
pononga o te kuranui kaimahi mai, pouako mai kia
whakamaua te pūrengi kia tere ai te waka ki ngā
mātāhauariki o te māramatanga.

Nā konā he whakaterere waka i ngā au o te wai e ora
ai ō tātou wawata e waipuketia ana i te Moana nui a
Kuranui, a Kuraroa, a Kurapāmaomao.

Nā ō tātou tīpuna i whakapūaho mai te arawai hei
whai, me te kārewa anō hoki i ā tātou rangatahi e
whanake haere ana i ngā tai o te ao huri nei,

Ko rātou anō e tohu ana i ngā hua o te kura matua,
e whakarere iho ana te kakau o te hoe e tetere nei
te waka o te kuranui, te waka o te kī, ki ngā pae o te
māramatanga.

Ko te wawata ia, he whakatinanatanga te pūrongo nei
hei whakaohooho i ō tātou hāpori, kia whakamaua Te
Pūrengi – e nanao atu ai te taura o tokotū, e hiki kakau
ai te hoe ki te whakaterere tōtika i te waka, kia waka eke
noa ai te koke ki tua o kitea.

My navigation bird cries out,
To the multitudes, to the forest guardians, to the
esteemed, to the gathered,
Come and feast, quench thy thirst in the waters of
Horotiu,
Come, rest on the balcony of my meeting house, grasp
tightly to the lashings of Te Pūrengi,
Welcome one and all.

The call of Te Pūrengi is a call to all staff and educators
alike to grasp the metaphorical rope of the mast, seek
out challenges, and venture into new waters.

May we explore the tides and currents that shape our
collective aspirations in the increasingly complex and
ever-changing tertiary education environment.

Informed by the courage of our tīpuna we navigate
these waters, buoyed by the transformational capacity
of our rangatahi,

Who remind us of the capability of education and the
opportunities that higher education, mātauranga, and te
reo Māori provide for all.

AUT hopes that this report will represents us and will
inspire us all, far and wide to whakamaua Te Pūrengi
– take hold of the rope of the mast, to navigate, to
uplift and support AUT in our quest for knowledge and
understanding.

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KO TE TAU: 2021

The Year: 2021

CHANCELLOR'S FOREWORD

E ngā mana, e ngā reo, e ngā kārangatanga maha, tēnā koutou katoa.

I am pleased to present Auckland University of Technology's Annual Report 2021. The year was both challenging and memorable and likely to shape the future of the University for some time to come.

An extended lockdown such as that experienced in 2021 made it difficult for the University to conduct our core activities of teaching and research. Council acknowledges and appreciates the way that AUT staff and leaders centred their efforts on supporting students, advancing research, and caring for one another during exceptionally challenging circumstances. The manaakitanga shown by staff for each other and their students was a powerful demonstration of the University's values.

As well as disrupting our core activities the pandemic continues to have a marked impact on both domestic and international enrolments and the University's financial position. International student numbers have tumbled since 2019 and that market has changed substantively. Universities and the Government must adapt and explore alternative sources, of and service to, international students. International students make a valued contribution to New Zealand far beyond the fees they pay, important as those are.

Domestic enrolments are also affected by the pandemic, particularly from Māori and Pacific students, and those from low income areas who face real challenges in pursuit of a higher education. They are a vital part of the AUT community and essential to our purpose. The challenge is not just to recruit such students but to make the extra effort to back their success.

The other University-shaping event for Council in 2021 was the search for a new Vice-Chancellor, after Derek McCormack announced his intended retirement. Vice-Chancellor McCormack gave many years of dedicated service and leadership of the University. Under his aegis, the University has grown from a respected technical institute into a highly regarded, internationally influential university. He has overseen the University's transformation into a distinctive, contemporary institution that maintains the best traditions of opportunity and welcome for diverse communities alongside the highest academic standards. This ethos flows through to AUT's research programme, which is focussed on promoting the wellbeing and prosperity of our communities. It is a legacy of which he, and AUT, can be justly proud.

Appointing a new Vice-Chancellor is the most important strategic decision a Council can make. As part of the preparation process, the appointment panel sought input from staff on the key qualities to be considered. We received more than 100 formal submissions, from which several over-arching themes emerged. These included a deep sense of pride in AUT's

achievements and academic excellence, and revealed a strong desire for the University to continue charting its own course. Staff called for more development of the research programme and for the University to further its Tiriti relationships. From the panel's perspective, we sought an experienced academic leader whose inclusive and empathetic leadership style was matched with the will to make difficult decisions when necessary. Following a robust global search which resulted in an outstanding pool of qualified candidates, we were pleased to appoint Professor Damon Salesa, who comes to AUT from his role as Pro Vice-Chancellor (Pacific) at the University of Auckland. The panel was particularly impressed by his view of AUT as an agent of social and economic transformation in New Zealand and the Pacific, and his approach to enhancing the quality of research and teaching and advancing the University's Tiriti relationships. Professor Salesa commenced his term at AUT in April 2022.

Council has watched proudly as AUT progressed through the international rankings over the last decade. This year, the University reached its best-ever result, being placed in the world's top 250 universities by Times Higher Education (THE). Another ratings agency, QS, placed AUT within the top 60 universities under 50 years old. In a ringing endorsement from its students, the University placed second in New Zealand and eighth in Australasia on the StuDocu World University Rankings, which reflects students' opinions of their own universities.

The Reeves Honorary Fellowship recognises former staff or Council members who have made an outstanding contribution to the University. This year's recipients were Dr Geoff Perry and Richard Hall. Dr Perry was Dean of the Faculty of Business, Economics and Law for seven years, during which time the University achieved the prestigious AACSB accreditation

for the AUT Business School and the faculty expanded its research activities and postgraduate offerings. Dr Perry also served as Deputy Vice-Chancellor and shaped the University's first Learning and Teaching Roadmap. Richard Hall received the award for his outstanding strategic contribution to the University, including his tenure as Executive Director of South Campus, and General Manager of Corporate Services. Most recently, he emerged from retirement to support the University's response to Covid-19. The University is richer for their contributions.

I wish to thank all Council members for their input over this year. Their strategic insight and advocacy for the communities they represent make AUT a stronger, more accountable, and more effective institution. I particularly thank those who served on the appointment panel – Pro-Chancellor Sussan Turner, Deputy Vice-Chancellor Professor Kath McPherson, Renata Blair, and James Schofield – for their willingness to serve in this most important role. I also thank Vice-Chancellor McCormack and the Strategic Leadership Team for their dedicated, people-centred leadership during such challenging times. I commend to you this Annual Report and look forward to the future with confidence. Whaowhia te kete mātauranga.



Rob Campbell

Chancellor





THE COUNCIL OF AUCKLAND UNIVERSITY OF TECHNOLOGY

Top row (from left): Rob Campbell, Sussan Turner, Dr Andrea Vujnovich, Sharleen Shergill, Dr Patrick Alley
 Second row: Renata Blair, Corrie Cook, Leopino Foliaki, Sisifa Lui, Derek McCormack
 Third row: Professor Edwina Pio, James Schofield, Janine Smith, Peter Treacy, Sina Wendt

Image credits: Matt Crawford
 Leopino Foliaki: image supplied
 Chancellor Rob Campbell: AUT

THE COUNCIL OF AUCKLAND UNIVERSITY OF TECHNOLOGY

As at 31 December 2021

The University's governing body is Council. Its membership consists of the Vice-Chancellor, elected staff, a student representative, and ministerial and Council appointees.

CHANCELLOR

Rob Campbell CNZM
 Appointed by the Auckland University of Technology Council

PRO-CHANCELLOR

Sussan Turner
 Appointed by the Minister of Education

SECRETARY TO COUNCIL

Dr Andrea Vujnovich LLB (Hons), MSc (Hons), PhD *Auckland*
 Assistant Vice-Chancellor (Corporate) & General Counsel

COUNCIL ADMINISTRATOR

Sharleen Shergill BCS, LLB
 Solicitor

MEMBERS

Dr Patrick Alley MNZM, MBChB, FRACS, DipProfEthics
 Appointed by the Auckland University of Technology Council

Renata Blair BEd (Tchg)
 Appointed by the Auckland University of Technology Council

Corrie Cook BA, GradDipBus, DipTchg, DipExpMktg
 Elected by the professional staff of Auckland University of Technology

Leopino Foliaki BCom
 Appointed by the Auckland University of Technology Council
 Appointed 27 September 2021

Sisifa Lui BA
 Appointed by the Auckland University of Technology Students' Association

Derek McCormack MSc, DipTchg
 Vice-Chancellor of the Auckland University of Technology

Professor Edwina Pio BEd, MA, PhD *Bom*
 Elected by the academic staff of the Auckland University of Technology

James Schofield BCom, MSc (Econ), FCA
 Appointed by the Auckland University of Technology Council
 Term ended 27 September 2021

Janine Smith MNZM, BCom, MPhil (First class Hons)
 Appointed by the Minister of Education

Peter Treacy BCom, LLB
 Appointed by the Minister of Education

Sina Wendt ONZM, BA
 Appointed by the Minister of Education

VICE-CHANCELLOR'S REPORT

Tēnā koutou katoa.

2021 was another challenging yet rewarding year for Auckland University of Technology Te Wānanga Aronui o Tāmaki Makau Rau. Semester 1 commenced with a week-long COVID-19 lockdown and most of Semester 2 was conducted under the same conditions. These are difficult circumstances in which to learn, teach, and research. I applaud the way our students rose to the challenge and the strength, tenacity, and dedication shown by our staff as they supported our learners.

The qualities and expertise of our staff were recognised in AUT's continued climb up the international rankings. THE named AUT in the world's top 250 universities, placing us second equal in New Zealand. The University also ranked first in Australasia and 29th in the world for global research impact. Building on last year's record result, we secured \$18.6 million in new research contracts over the course of the year.

The continued border closure meant that for the second year running, very few new international students could enrol at AUT. International EFTS have fallen by a third (~33%) since 2019. This has serious financial implications for the University, along with the lack of much-needed diversity of experience and perspectives provided by our international students. The Government made a small number of places available for students to return and complete their studies on campus; some dedicated advocacy by our International and Student Services and Administration teams meant we welcomed more than 100 students back. The number of domestic students remained on an upward trend. Domestic SAC-funded enrolments reached 17,035, which represents 5% growth since 2019. Much of this growth has been centred on the Health Sciences, Education, Architecture, and Sciences, reflecting our traditional and emerging strengths in these areas.

Graduations are always the highlight of the University year and in March we were glad to finally celebrate with 3,800 graduates from 2020. Another 1,400 graduates crossed the stage in our winter ceremonies before COVID intervened once again and forced the cancellation of our summer graduation season. My warmest congratulations to all who completed their studies with us in 2021; we look forward to celebrating your achievements as soon as possible during 2022.

CREATING EXCEPTIONAL LEARNING EXPERIENCES

Two years of disrupted learning takes a toll, and the burden frequently falls heavily on our more vulnerable students. Despite our best efforts and an increase in student satisfaction, student success rates declined in 2021. The University's new Learner Success Plan 2022-2024 seeks to address this through the introduction of better targeted support services, a whanaungatanga-based peer network for first-year students, a deeper understanding of our students and their needs, and practical support to overcome barriers. We are introducing sweeping changes to our undergraduate degrees in line with international best practice. The new structure is flexible, allowing students to select majors or minors from across different disciplines to further their interests or career aspirations. It also imparts core principles of mātauranga Māori and sustainability. Several degrees, including the Bachelor of Business and the Bachelor of Computer and Information Sciences, have already been restructured; we anticipate completing the remainder within the next four years. The Faculty of Business, Economics, and Law also achieved the prestigious EQUIS accreditation, recognising the outstanding learning environment where students foster their managerial and entrepreneurial skills, achieve personal development, and gain a sense of global responsibility.

Contemporary blended learning requires a fit-for-purpose learning management system to ensure a rich campus-based culture is enhanced by technology-mediated activities. Led by Professor Gayle Morris, Pro Vice-Chancellor Learning and Teaching, AUT commenced a two-year pedagogical reform programme in 2021, to reshape our approach to learning and teaching. A \$15 million investment, the programme includes the implementation of Canvas, our new learning management system, and is intended to set the foundation

for AUT to be at the forefront of international good practice in technology-enabled learning. Based on the principles of clear communication, teacher presence, active learner participation, accessibility, and inclusivity, the new learning environment is designed to foster whanaungatanga within a learning community, whether in person or virtual.

Throughout all these changes, we wish to retain AUT's unique qualities. In our Meaningful Student Experiences project, students told us the best things about AUT: they commended the inclusive, personalised, and inspiring culture; the supportive and helpful staff; the practical, relevant, and work-integrated learning; and the connections they make with one another. We continue to find ways to build on these qualities and provide a transformative educational experience for our students.

DISCOVERY AND APPLICATION OF KNOWLEDGE FOR WELLBEING AND PROSPERITY

Many research programmes were able to advance despite the disrupted year. The University achieved great success in the annual Te Pūtea Rangahau a Marsden (Marsden Fund) round, receiving \$2.8 million in funding for four projects, all of which are distinguished for their contribution to mātauranga Māori or Pacific knowledges. Professor Hinematau McNeill and colleagues from Te Ara Poutama and the School of Science are investigating socially, culturally, and environmentally sustainable burial practices. Associate Professor Albert Refiti is leading a team looking at Pacific architecture and community-building. Associate Professor Georgina Tuari Stewart's team are considering ways to support mātauranga Māori and biculturalism in schools. Finally, Dr Nimbus Staniland's project, He huarahi mo te wāhine Māori, investigates career sense-making amongst Māori women.

The Pacific Islands Families Study, led by Associate Professor El-Shadan Tautolo, continues to lead the way in promoting healthy Pacific futures. With \$1.2 million in funding from the Health Research Council, the latest investigation will focus on mental health and wellbeing, considering factors such as cultural identity, family, and employment, to improve mental health services for Pacific youth.



VICE-CHANCELLOR'S REPORT (continued)

Other highlights for the year include the commencement of Te Hotonga Hapori, a study led by Associate Professor Scott Duncan and Professors Gail Pacheco and Erica Hinckson, in partnership with the Ministry of Business, Innovation and Employment (MBIE). This is AUT's largest single research contract to date, and is designed to improve the outcomes of major urban regeneration projects, as well as to better understand and improve the experiences of Kāinga Ora tenants. Associate Professor Dong-Xu Liu is leading a new international study into the impact of environmental and behavioural factors on the expression of genes associated with breast cancer. Dr Mangor Pedersen was named as the leader of the artificial intelligence programme for the ground-breaking Australian Epilepsy Project. Finally, three emerging researchers, Drs Sylvia Frain, Tui Matelau-Doherty, and Reem Abbas (all from the Faculty of Design and Creative Technologies), received MBIE Science Whitinga Fellowships.

RESPONDING TO OUR PLACE IN THE WORLD

AUT continued to find ways to support our students through all the challenges of the year. Many again experienced severe financial hardship during the lockdowns. With Government assistance, we distributed more than \$2.5 million to students in 2021, including a \$75,000 grant to the AUT Students' Association's (AUTSA) Tautoko foodbank programme. Under the digital equity project, students who experience financial hardship can also request a laptop and data connection to support their studies. Finally, we introduced a grant for South Campus-based students whose timetables require regular travel between campuses.

We continue to advance social, economic, cultural, and environmental wellbeing through both scholarship and action. In their social- and sustainability-focussed Impact Rankings, THE ranked AUT 76th in the world, including sixth for our contribution to the United Nations' Sustainable Development Goal 8 (Decent work and economic growth), 11th for Goal 5 (Gender equality), and 50th for Goal 11 (Sustainable cities and communities). We published our inaugural Sustainability Annual Report, reporting on progress towards the aims set out in our Sustainability Roadmap. This report showed that in 2020, AUT taught 67 sustainability courses, studied by close to 3,000 students, and had 76 externally funded research projects related to the UNSDGs. In terms of our own footprint, we had reduced our carbon emissions by 53% and our waste by 54% since 2018. The second Sustainability Annual Report will be released in mid-2022.

Some highlights from this year's sustainability research programme include Professor Len Gillman's continuing advocacy for the restoration of indigenous names in taxonomy. Professor Gillman and a colleague from the University of

Auckland published a paper in TAXON, proposing the process by which scientific names for species could be amended, in recognition of indigenous people's contribution to knowledge and the historical precedence of indigenous names. AUT also secured a prestigious Rutherford Foundation post-doctoral fellowship investigating the impact of regenerative agriculture on carbon sequestration and the presence of microbial communities within the soil.

BUILDING OUR POSITION AS NEW ZEALAND'S UNIVERSITY OF TECHNOLOGY

Our academics continue to win accolades from their peers and the communities they serve. Associate Professor Heather Came-Friar was named this year's Kāhui Hauora Tūmatanui Public Health Champion. This lifetime achievement award from the Public Health Association of New Zealand recognises her outstanding contribution to community sexual and mental health, HIV/AIDS prevention, Māori Health and Te Tiriti o Waitangi over the past thirty years. Professors Jarrod Haar, Patria Hume, and Denise Wilson were elected as Fellows of the Academy of the Royal Society Te Apārangi. This fellowship honours their work as meeting the highest international standards.

We continue to foster our students' entrepreneurship skills through AUT Beta, a series of opportunities and events supporting business start-ups. As part of this year's programme, 46 budding entrepreneurs completed the Co.Starters business development course. More than 750 people attended Project Connect events for entrepreneurship- and technology-focussed networking. Almost 250 students participated in the X Challenge, which aims to help students convert an idea into a start-up. The challenge was won by Delta Waterways, a group of postgraduate students from Design and Creative Technologies, with an idea to enable the remote monitoring of waterways. Second place went to EquipPro, with a device for paramedics to manage airways, and in third was K&R Industries, with their durable and sustainable bread clip.

BEING A GREAT PLACE TO WORK AND LEARN

Much like the previous year, 2021 presented significant financial challenges for the University. Our total revenue declined 1.3% from 2019, largely as a result of the loss of international students, while operating costs continue to rise. This required several cost reduction strategies, including the continued restrictions on university travel and staff recruitment. This careful approach allowed AUT to end the year in a relatively strong financial position. We secured a net surplus of \$12.9 million (3.0% of revenue), well above the budgeted \$6.9 million. We again achieved all our financial covenants and reduced our overall debt by \$20 million.

Such careful stewardship meant Council approved the

commencement of construction for A1 Building, the last in a series of major building projects that have taken place over the last decade. A1 will transform North Campus in a similar manner to the Sir Paul Reeves Building at City and Mana Hauora at South. Along with classrooms and offices, A1 will become the focal point of the campus and provide much-needed social and collaborative learning space. After being delayed by the pandemic, construction will take place during 2022 and 2023.

Over the course of the year, the University has worked to implement the recommendations of the Davenport Review into policies, procedures, and protocols to deal with harassment. This included establishing a three-tier complaints system, including an independent Employee Advisory and Resolution Service (EARS). Fifteen staff from across the organisation were appointed to the Culture Change Transition Group. This group, led by Professor Judith McAra-Couper and Wiremu Tipuna, works within a Te Tiriti framework to foster positive cultural change across the organisation. We introduced a new policy on sexual harassment and updated two other relevant policies. More than 350 managers attended workshops on identifying and responding to harassment, and 120 staff were involved in a trial of a wellbeing app, which will be made available to all staff in 2022.

While most of the recommendations are now either complete or underway, we recognise that the hard work of ensuring positive change has only just begun. The new Leadership Excellence framework is designed to embed this work within our organisation. The framework was created in partnership with our senior Māori leaders and combines the core leadership behaviours, expectations, and capabilities to be a great people leader in a bi-cultural educational organisation. Other important actions from the year include five projects designed to address areas for development identified in the Great Work Jam. Led by participants of Catalyst, our in-house leadership training programme, these projects focus on key issues such as our response to student feedback, connecting our work to our mission of great graduates, and looking at new ways of collaboration. We are also proud that our Rainbow Tick accreditation was extended until 2023. Finally, in recognition of the tremendous efforts of our staff, we awarded three additional paid holidays in the lead-up to Christmas.

FINAL THOUGHTS

At the end of this tumultuous, challenging, and rewarding year, I extend my appreciation to our new Chancellor, Rob Campbell, for the insight and leadership he has displayed and his commitment to fostering AUT's Tiriti relationship. Thanks are likewise due to Council and the Strategic Leadership Team for their commitment to our students, and to making AUT a driving force for good in our community and our world.

The University welcomed two new senior staff members in 2021. Professor Wendy Lawson brought extensive senior leadership experience to her role as AUT's first Deputy Vice-Chancellor Academic, while Professor Kathryn McPherson moved into the Deputy Vice-Chancellor Research role. Professor Lawson's initial tasks include overseeing the implementation of AUT's Learner Success Plan and preparations for the upcoming academic audit. Professor Fiona Brooks was appointed as the new Dean of the Faculty of Health and Environmental Sciences. I would like to thank Professor Mark Orams for his superb work while in the interim role. I am grateful for his continued contribution as Dean of the Graduate Research School.

Once again, I am grateful to Student President Sisifa Lui and the AUTSA executive for their tireless advocacy for our students. Their ideas and feedback helped shape the University's response to the lockdown and were greatly appreciated.

This will be my final report before I retire in March 2022. I welcome the incoming Vice-Chancellor, Professor Damon Salesa, who will become the first Pacific person to lead a New Zealand university. He has the vision and leadership qualities to guide AUT well into the future. The University is in good hands.

I have been honoured to serve this excellent institution as a staff member and, for the last 18 years, as Vice-Chancellor. The University has taken great strides during this time, both in our international reputation and in our outreach to under-served communities. I am immensely proud of the achievements and influence that placed us within the world's top 250 universities. I am equally proud that AUT was chosen to be the first university to establish a campus in South Auckland. The campus is now thriving as a community hub and catalyst for social and economic transformation. AUT stands as evidence that excellence and opportunity can go hand-in-hand. That is our greatest legacy.

To all our staff, students, and graduates: tāwhaitia te ara o te tika, te pono, me te aroha; kia piki ki te taumata tiketike. Follow the path of integrity, respect and compassion; scale the heights of achievement. Kei ō ringaringa te ao. The world is yours.

E noho rā.



Derek McCormack

Vice-Chancellor



OFFICERS OF AUCKLAND UNIVERSITY OF TECHNOLOGY

1 Derek McCormack 2 Professor Wendy Lawson 3 Professor Kath McPherson 4 Professor Kate Kearins
5 Professor Pare Keiha 6 Professor Guy Littlefair 7 Professor Fiona Brooks 8 Professor Gayle Morris
9 Professor Mark Orams 10 Walter Fraser 11 Dr Andrea Vujnovich 12 Lyle Williams 13 Liz Gosling
14 Luke Patterson 15 David Curry 16 Beth Bundy 17 Megan Skinner 18 Joanna Scarbrough 19 Kim Tairi

OFFICERS OF AUCKLAND UNIVERSITY OF TECHNOLOGY

As at 31 December 2021

AUT is led by the Vice-Chancellor who appoints the senior officers employed by the University. The officers are responsible for providing the strategic direction for AUT and for ensuring that the University is well managed, its academic standards are maintained, and the various needs of the University's stakeholders are met.

VICE-CHANCELLOR

Derek McCormack MSc, DipTchg

DEPUTY VICE-CHANCELLOR (ACADEMIC)

Professor Wendy Lawson BSc, PhD *Cambridge*, PGCertPublicAdmin

DEPUTY VICE-CHANCELLOR (RESEARCH)

Professor Kathryn McPherson BA(Hons), PhD *Edinburgh*, RN, RM, DipHV

PRO VICE-CHANCELLORS AND DEANS

Pro Vice-Chancellor
Dean, Faculty of Business, Economics and Law

Professor Kate Kearins BEd, PGDip Mgmt, MA (Hons), MMS, PhD *Waikato*, DipTchg

Pro Vice-Chancellor (Māori Advancement) and Dean,
Faculty of Culture and Society and Tumuaki, Te Ara
Poutama (Māori and Indigenous Development)

Professor Pare Keiha QSO, MBA, MComLaw, MSc, PhD *Auckland*, FRSA, MInstD, MRSNZ

Pro Vice-Chancellor (International)
Dean, Faculty of Design and Creative Technologies

Professor Guy Littlefair MSc, PhD *Nottingham Trent (UK)*, FIEAust, CPEng, EngExec, NER, APEC Engineer, IntPE(Aus), CMEngNZ, MDINZ, MRSNZ

Pro Vice-Chancellor
Dean, Faculty of Health and Environmental Sciences

Professor Fiona Brooks BA(Hons), PhD *Sheffield*

Pro Vice-Chancellor (Learning and Teaching)

Professor Gayle Morris BA, GradDip, PGCertDigCollrng, MEd, PhD *Melbourne*, EMCAULLT

Dean, Graduate Research School

Professor Mark Orams BRP(Hons), MSc, PhD *Queensland*

ASSISTANT VICE-CHANCELLORS

AUT South
Pacific Advancement

Walter Fraser BA, PGDipCom

Corporate Development
General Counsel

Dr Andrea Vujnovich LLB (Hons), MSc (Hons), PhD *Auckland*

Finance and Infrastructure
Chief Financial Officer

Lyle Williams BCom, CA, CPA Fellow

GROUP DIRECTORS

Chief Information Officer

Liz Gosling BTec HND, MBA (Human Resources Management)

Chief Marketing Officer

Luke Patterson MBA

Estates Operations

David Curry BA(Hons) PGDipFM

People and Culture

Beth Bundy BA (Hons), MPA (Exec), FCPHR, FCIPD, CMInstD

Strategy and Planning

Megan Skinner MA (Hons)

Student Services and Administration

Joanna Scarbrough

UNIVERSITY LIBRARIAN

Kim Tairi BBus (InfoMgt), MEd, GradDipTerEd, DipVET, AFALIA (CP), RLIANZA



WE HAVE

16 schools

- Art & Design
- Business
- Clinical Sciences
- Communication Studies
- Economics
- Education
- Engineering, Computer & Mathematical Sciences
- Future Environments
- Hospitality & Tourism
- Language & Culture
- Law
- Public Health & Interdisciplinary Studies
- Science
- Social Sciences & Public Policy
- Sport & Recreation
- Te Ara Poutama - Māori & Indigenous Development

28,100 students

4,500 staff

3 campuses across Auckland:

- Manukau
- Auckland CBD
- North Shore

3 specialist locations:

- AUT Millennium high performance sports centre
- Warkworth Radio Astronomical Observatory
- AUT Centre for Refugee Education

ABOUT AUCKLAND UNIVERSITY OF TECHNOLOGY

AUT is one of New Zealand's largest universities. We have been a university since 2000, and a place of learning for more than 125 years.

WE OFFER EXCEPTIONAL LEARNING EXPERIENCES
TO DEVELOP OUTSTANDING GRADUATES

WORLD'S TOP
250 & **2nd**
UNIVERSITIES **EQUAL**
IN NEW ZEALAND
(Times Higher Education)

WORLD-RANKED SUBJECTS

- Sports
- Hospitality & Leisure Management
- Art & Design
- Accounting & Finance
- Communication & Media Studies
- Nursing
- Business & Management Studies
- Economics and Econometrics
- Medicine
- Computer Science & Information Systems
- Electrical & Electronic Engineering
- Mechanical, Aeronautical & Manufacturing Engineering

(QS World University Subject Rankings 2021)

1st & **29th**
in New Zealand **in the world**
for global research impact
(Times Higher Education)

60⁺ **1,033**
research centres and **doctoral students**
institutes with
world-class expertise

5 ^{★ ★ ★ ★}
OUT OF 5

for Research,
Internationalisation, Teaching,
Employability, Innovation,
Facilities, and Inclusiveness
(QS Stars)

1st
in New Zealand &
27th
in the world
for international outlook
(Times Higher Education)

#76 ^{WORLDWIDE FOR}
SOCIAL IMPACT
(Times Higher Education)

Students come from

138
countries

We foster new thinking, discovery and achievement

- AUT students are taught by expert academics who are active in advancing their fields.
- We have more than 60 research institutes and centres in diverse fields including: radio astronomy, artificial intelligence, tourism, data mining, geo-informatics, forensics, nutrition, financial forecasting, sports science, rehabilitation, epidemiology and biotechnology engineering.
- We collaborate with more than 5,000 industry, education and research partners worldwide.
- AUT alumni enter the workforce able to challenge routine thinking and provide innovative solutions to industry and society. They are outstanding graduates who are highly capable, enterprising and ready to contribute to a changing world.

We have a strong focus on students and graduates

- We want our students to be challenged, successful and engaged with the wider world. We encourage them to collaborate, experiment and experience working life beyond the classroom.
- We provide a transformational student experience.
- 90% of bachelors graduates complete a work placement or internship.
- We contribute to the social and economic development of Auckland, New Zealand, and the wider world through our graduates, research and innovation, and our engagement with industry and communities.



AUT DIRECTIONS TO 2025

In *AUT Directions to 2025*, we outline our vision for the coming years.

OUR MISSION

GREAT GRADUATES

OUR VISION

To be a university known for the desirability of our contemporary education, built on our commitments to:

LEARNING & TEACHING
Creating exceptional learning experiences

RESEARCH
Discovery and application of knowledge for wellbeing and prosperity

ENGAGEMENT
Responding to our place in the world

DISTINCT CONTRIBUTION
Building our position as New Zealand's university of technology

VIBRANT COMMUNITY
Being a place where people love to work and learn

OUR CULTURE

OPEN-MINDED
We are open-minded, curious and questioning

COURAGEOUS
We think critically, listen carefully and speak courageously

COLLABORATIVE
We are welcoming, collegial, collaborative and respectful of others

PURPOSEFUL
We are achievement-oriented and dedicated to the success of our students and partners

OUR VALUES

TIKA
Integrity

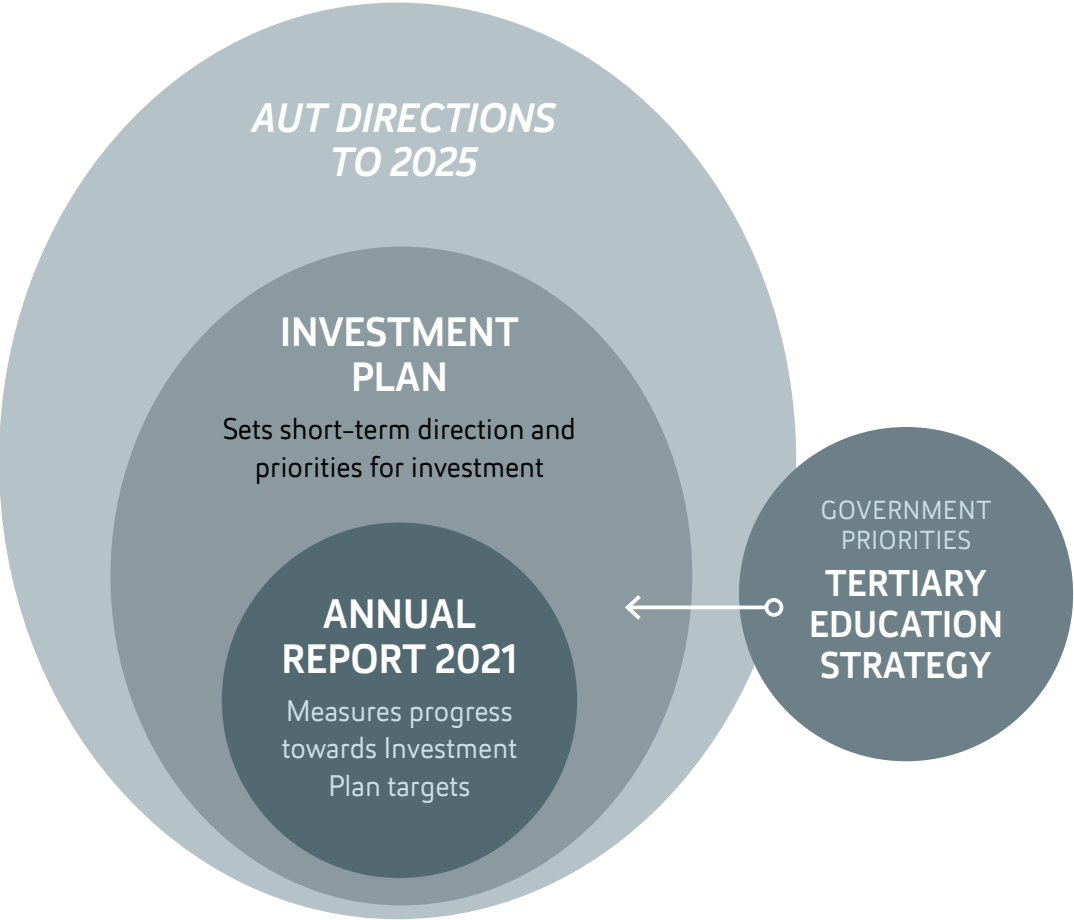
PONO
Respect

AROHA
Compassion

PLANNING AND MONITORING OUR PROGRESS

AUT Directions was adopted in 2017 and has one central mission: great graduates. To achieve this mission, we offer exceptional learning experiences, conduct research that makes a difference, engage with our communities, and celebrate a culture that is inclusive, vibrant and collegial. We want to increase the extent and impact of our relationships with industry, demonstrate technological excellence, and encourage innovation and entrepreneurship to flourish. Our *Investment Plan 2019-2020* reflects these aims.

TEC extended AUT's *Investment Plan 2019-2020* for an additional year due to COVID-related disruptions. A new *Investment Plan 2022-2024* will be in place for Annual Report 2022.



THE FIVE THEMES OF *AUT DIRECTIONS* ARE:



PROFESSOR JARROD HAAR

Ngāti Maniapoto, Ngāti Mahuta

AUT UNIVERSITY MEDAL 2021

Professor Jarrod Haar joined AUT in 2016. With a strong combination of research, supervision, teaching, and service excellence, he has over 400 refereed academic outputs, including 120 journal articles. His specialisations include wellbeing at work, good leadership, and the experiences of Māori in the workforce. He gained international recognition for his work on the four-day work week in 2018 and shone a light on the challenges experienced by many Māori scientists, who must manage their own research productivity while also shouldering responsibility for increasing their organisation's cultural capacity and leading engagement with Māori communities. While often rewarding, these multiple expectations can create conflicting priorities and are a potential source of burnout for cultural minorities. He is a strong advocate for organisations to support Māori and other minority staff by ensuring that roles, expectations, resources, and promotion opportunities reflect this wider contribution.

Over the course of his career, Professor Haar has secured \$5 million in research grant funding and is a named researcher on a \$100 million Science for Technological Innovation National Science Challenge. He has given 53 keynotes or invited presentations. He is an award-winning writer with 10 best paper awards, an award-winning lecturer, and enthusiastic participant in teaching. As a quantitative researcher, he enjoys mentoring students and colleagues towards publication.

Active in graduate research supervision, Professor Haar has supported many doctoral and masters research students to successful completion, as well as participating as examiner for many others.

In 2018, he was appointed as a member of the Marsden Fund Council and is the Convenor of the Marsden Economics and Human Behavioural Sciences panel. He was admitted as a Fellow of the Academy of the Royal Society of New Zealand Te Apārangi in 2020. He is also a Research Fellow of the Australia and New Zealand Academy of Management, and a Chartered Fellow of the Human Resource Institute of New Zealand. Professor Haar is an active collaborator and sought-after media commentator and Deputy Director of the New Zealand Work Research Institute.

2021
EXCELLENCE AWARD
WINNERS



RESEARCH EXCELLENCE

Emerging Researcher

Dr Mangor Pedersen
For achievements in research, developing and validating new technologies for measuring human brain networks.

Dr Cassandra Fleming
For her unprecedented achievements in Chemistry research, which have received international recognition.

Postgraduate Research Supervision

Associate Professor Monique Redmond
For profoundly influencing the direction of postgraduate study and research themes in the School of Art and Design.

TEACHING EXCELLENCE

Methods of Research and Enquiry Teaching Team
For the Methods of Research and Enquiry course to improve student satisfaction and online delivery

Associate Professor Heather Came-Friar
For consistent leadership in demonstrating commitment and passion for teaching excellence

Dr Tago Mharapara
For inspiring student interest in the principles of management and organisational behaviour and fostering students’ critical thinking

VICE-CHANCELLOR’S COMMENDATIONS FOR TEACHING EXCELLENCE

Mahitahi | Collaborative Practices Team
For exemplifying innovative, creative, and scholarly teaching practice, with clear commitment to continuous improvement and exceptional learning experiences for students

Dr Jalal Mohammed
For excellent teaching and being a pioneer and champion amongst staff for online learning and teaching

PROFESSIONAL EXCELLENCE

School of Science Technical Team
For achieving a long-standing excellent standard of technical support to students and staff in the School of Science

Helen Rayner
For outstanding contributions to university planning and strategy, and for leading the completion of the University’s three-year Investment Plan

Dee Holdsworth-Perks
For outstanding stakeholder management skills, and leadership of a diverse team in the Human Potential Centre

William Taylor
For leading the establishment of a dedicated and safety-focussed service for AUT staff and students

Eloise de Latour
For overseeing the complex workstreams that sit behind the AUT Business School’s continuous improvement regime and accreditation success

VICE-CHANCELLOR’S SPECIAL COMMENDATIONS

Liz Gosling
For outstanding leadership of the University’s Emergency Management Team and COVID-19 response

COVID-19 Communications Team
For providing outstanding communications to support staff and students during the COVID-19 pandemic

VICE-CHANCELLOR’S SPECIAL 21ST ANNIVERSARY AWARDS

Gaye Bryham
Professor Welby Ings

Dr Tony Lanigan
Jacqui Rutter
For outstanding contributions to the progress and reputation of AUT during the last 21 years

UNIVERSITY MEDAL FOR OUTSTANDING LEADERSHIP

Derek McCormack
Vice-Chancellor
In recognition of his leadership of Auckland University of Technology. Over his 18 years as Vice-Chancellor, he has led AUT from an unranked, emerging university to one of the top 250 universities in the world and second-equal in New Zealand.

RESEARCH TEAM EXCELLENCE



AUT Living Laboratories
Professor Hannah Buckley, Associate Professor Bradley Case, Dr David Hall, Dr Valance Smith, Dr Leilani Walker, Dr Rebecca Jarvis, Graham Hinchcliffe, Jeff Silby
Living Laboratories is a transdisciplinary collaboration of AUT researchers. Academics from the diverse fields of ecology, geo-spatial science, socio-ecology, public policy, green finance, and te reo me te mātauranga Māori are studying the restoration of native forest on farmland at Te Muri, Pourewa, and Pūkoro. This living legacy will support decades of teaching and research activity into native biodiversity, carbon sequestration, and wellbeing. Experiments are co-designed with mana whenua, to maximise the mauri of the landscape and the surrounding communities while adding to the body of knowledge on climate change policy and sustainable land use.



Human Potential Centre
Led by Professor Grant Schofield
The Human Potential Centre focusses on the prevention and treatment of chronic illnesses and the promotion of wellbeing at all life stages. For two decades they have been at the forefront of developments in public health and wellbeing for New Zealanders and have forged positive partnerships with community and industry groups here and overseas. In 2020 they secured almost \$8 million from MBIE for the Te Hotonga Hapori – Connecting Communities project, which investigates the impact of major urban regeneration projects on community wellbeing.

INDIVIDUAL RESEARCH EXCELLENCE



Professor Scott Duncan
Professor Duncan works to improve people’s well-being through physical activity and daily mobility, better-designed neighbourhoods, and curriculum-based health and wellbeing interventions for children. He chairs the Ministry of Health’s Physical Activity Technical Advisory Group and is an elected executive committee member of the International Society of Behavioural Nutrition and Physical Activity, and the Australasian Society of Physical Activity. Professor Duncan leads the Te Hotonga Hapori research programme, which aims to improve the process and outcomes of major urban regeneration projects.



Associate Professor Georgina Tuari Stewart
Dr Stewart has built an international audience of scholars, curriculum developers and teachers through her work on Māori philosophy, biculturalism, decolonisation, and curriculum theory. Her book, Māori Philosophy, dealt with philosophical rights and the ethical stance of philosophical work and she was a founding member and leader of the Indigenous Philosophy and Editor Development groups at the Philosophy of Education Society of Australasia. She co-edited the first exclusively te reo edition of Te Apārangi’s (the Royal Society of New Zealand) journal and has supervised many doctoral candidates to submit their theses in te reo. In recognition of her standing, she was appointed to a Government steering group on the national curriculum framework.

KEY FACTS AND FIGURES

ALL EFTS ¹

	2021 Budget	2021 Actual	2020 Actual	2019 Actual
EFTS				
Domestic SAC-funded EFTS	17,011	17,035	16,492	16,241
International EFTS receiving SAC funding ²	325	287	321	356
Total SAC-funded EFTS	17,336	17,322	16,813	16,597
International EFTS	1,826	2,163	3,013	3,219
Other Domestic EFTS	254	236	276	239
Other International EFTS ³	243	348	309	326
Non EFTS ⁴	48	42	48	48
Total programme EFTS	19,707	20,111	20,459	20,429
AUT International House	31	7	39	102
Total EFTS	19,738	20,118	20,498	20,531
Total number of students		28,158	29,118	29,428

EFTS BY QUALIFICATION TYPE

	2021		2020		2019	
	Numbers	Percentage	Numbers	Percentage	Numbers	Percentage
SAC-FUNDED EFTS						
Postgraduate	2,816	16%	2,586	16%	2,589	16%
Bachelor degree and graduate programme	13,555	78%	13,319	79%	12,845	77%
Diploma and certificate	951	6%	908	5%	1,163	7%
Total SAC-funded EFTS	17,322	100%	16,813	100%	16,597	100%
INTERNATIONAL EFTS						
Postgraduate	664	31%	1,418	47%	1,417	44%
Bachelor degree and graduate programme	1,416	65%	1,520	50%	1,704	53%
Diploma and certificate	83	4%	75	3%	98	3%
Total International EFTS	2,163	100%	3,013	100%	3,219	100%

1 Equivalent full-time students
2 Includes International SAC-funded EFTS (German academic exchange students and diplomatic staff and family), International Research SAC-funded EFTS (On-shore international PhDs), and International Exchange (SAC-funded) EFTS
3 Other International EFTS refer to International students enrolled in programmes that are not eligible for SAC funding. This includes non-credit-bearing courses and revenue-generating activities
4 Non-EFTS refer to students who receive specific funds for enrolment in programmes that do not attract SAC funding

DOMESTIC SAC-FUNDED STUDENTS

	2021		2020		2019	
	Numbers	Percentage	Numbers	Percentage	Numbers	Percentage
STUDENTS BY ETHNICITY ⁵						
Asian	5,707	25%	5,612	25%	5,564	26%
Māori	2,603	11%	2,533	12%	2,403	11%
New Zealand European/Pākehā	9,169	40%	8,699	39%	8,504	39%
Pacific	3,882	17%	3,672	17%	3,710	17%
Other	1,609	7%	1,513	7%	1,489	7%
Non-declared	40	<1%	51	<1%	63	<1%

STUDENTS BY MODE OF STUDY

Full-time	16,021	70%	15,406	70%	15,195	70%
Part-time	6,989	30%	6,674	30%	6,538	30%

STUDENTS BY AGE

Under 25 years	15,431	67%	14,774	67%	14,845	68%
25–39 years	5,396	23%	5,123	23%	4,768	22%
40+ years	2,183	10%	2,183	10%	2,120	10%

STUDENTS BY GENDER

Female	14,410	63%	13,756	62%	13,487	62%
Male	8,500	37%	8,251	38%	8,203	38%
Gender diverse	100	<1%	73	<1%	43	<1%

INTERNATIONAL STUDENTS

International students were enrolled from 96 countries. The top ten are listed below.

	2021		2020
	Numbers	Percentage	Percentage
China	1,636	50%	40%
India	289	9%	22%
Vietnam	195	6%	5%
South Korea	116	4%	3%
Hong Kong	81	2%	2%
Thailand	79	2%	2%
Indonesia	53	2%	1%
Oman	53	2%	1%
Malaysia	46	1%	1%
Taiwan	45	1%	1%
Other (86 countries)	680	21%	22%
Total International students ⁶	3,273	100%	100%

5 Based on student headcount and primary self-selected ethnicity
6 This includes international students that are SAC-funded

QUALIFICATIONS AWARDED

	2021	2020	2019
Doctorates	154	126	121
Masters	927	1,049	872
Honours, Postgraduate Diplomas and Postgraduate Certificates	1,118	1,404	1,365
Degrees, Graduate Diplomas and Graduate Certificates	4,120	3,883	3,914
Diplomas	315	230	222
Certificates	298	476	537
Total qualifications awarded	6,932	7,168	7,031

STAFF

For the year ended 31 December 2021

	Academic	2021 Admin	Total	Academic	2020 Admin	Total
FACULTIES						
Business, Economics and Law	193	57	250	200	63	263
Culture and Society	171	52	223	170	62	232
Design and Creative Technologies	313	111	424	329	120	449
Health and Environmental Sciences	443	146	589	433	152	585
Te Ara Poutama	24	3	27	24	3	27
Total faculty FTE	1,144	369	1,513	1,156	400	1,556
Total central administration services FTE	28	860	888	38	855	893
TOTAL UNIVERSITY FTE	1,172	1,229	2,401	1,194	1,255	2,449

KEY FACTS BY FACULTY

EFTS	Business, Economics and Law		Culture and Society		Design and Creative Technologies		Health and Environmental Sciences		Te Ara Poutama		University programmes	
	2021 Actual	2020 Actual	2021 Actual	2020 Actual	2021 Actual	2020 Actual	2021 Actual	2020 Actual	2021 Actual	2020 Actual	2021 Actual	2020 Actual
ENROLMENTS												
SAC-funded EFTS	3,060	3,126	2,715	2,651	4,460	4,448	6,168	5,684	45	52	874	852
International EFTS	862	1,139	373	467	664	1,017	246	368	3	3	15	19
Other EFTS	49	13	54	55	147	134	116	104	0	0	260	327
TOTAL PROGRAMME EFTS	3,971	4,278	3,142	3,173	5,271	5,599	6,530	6,156	48	55	1,149	1,198
Taught EFTS ⁷	4,140	4,433	3,031	3,133	5,606	5,882	6,885	6,500	420	403	29	108
RESEARCH AND COST OF SERVICE												
Student: academic staff ratio ⁸	21.3:1	22.2:1	18.9:1	19.6:1	17.9:1	17.9:1	15.5:1	15.0:1	17.5:1	16.8:1	17.8:1	17.9:1
MoE bulk-funded taught EFTS ⁹	4,072	4,397	2,950	3,047	5,393	5,701	6,652	6,282	417	398	19,485	19,826
RESEARCH												
Research outputs ¹⁰	363	367	303	284	756	748	885	697	28	41	2,048	1,930
Research revenue	\$2,397,614	\$1,987,179	\$1,746,224	\$1,662,661	\$6,218,615	\$4,929,268	\$11,721,546	\$9,284,638	\$50,814	\$65,052	\$22,134,813	\$17,928,798
FINANCIAL \$'000s												
Faculty costs	39,761	37,758	29,687	28,888	62,773	63,994	79,795	77,404	3,413	3,381	215,429	211,425
Administrative costs	36,662	39,298	28,480	30,107	67,934	68,892	69,558	66,658	4,079	3,739	207,193	209,175
Total costs	76,423	77,056	58,167	58,995	130,707	132,886	149,353	144,062	7,492	7,120	422,622	420,600
Less recoveries	2,068	1,130	2,883	2,268	6,698	5,266	7,118	4,359	499	324	14,642	10,556
NET COST OF SERVICE	74,355	75,926	55,284	56,727	124,009	127,620	142,235	139,703	6,993	6,796	407,980	410,044
Net cost of service per EFTS	\$18,260	\$17,268	\$18,740	\$18,617	\$22,994	\$22,386	\$21,382	\$22,239	\$16,770	\$17,075	\$20,938	\$20,682

⁷ The decrease in University Programmes is due to an improved allocation process for COVID-related extensions for masters, doctoral, and honours degrees

⁸ For 2021, 11.0 FTE belonging to the Centre for Refugee Education (Faculty of Culture and Society) have been removed to provide a more accurate comparison of student:staff ratios across the faculties. In 2020, 10.3 FTE were removed

⁹ The University total includes one EFTS that was not attributed to the University faculties in 2021. For 2020, this was also one EFTS

¹⁰ Where there are multiple AUT authors in more than one faculty, an output is counted once per faculty

FINANCIAL REVIEW

For the year ended 31 December 2021

KEY FINANCIAL INDICATORS

	University			Consolidated		
	2021 Actual \$000s	2021 Budget \$000s	2020 Actual \$000s	2021 Actual \$000s	2021 Budget \$000s	2020 Actual \$000s
OPERATIONS						
Total revenue	423,495	404,588	425,434	425,603	406,260	426,249
Total expenses before finance, depreciation, amortisation and impairment costs	363,657	347,818	360,746	365,105	349,307	361,385
Operating surplus before finance, depreciation, amortisation and impairment costs	59,838	56,770	64,688	60,498	56,953	64,864
Finance costs	2,649	3,936	3,097	2,649	3,936	3,097
Depreciation, amortisation and impairment costs	44,323	45,979	49,298	44,323	45,979	49,298
Share of associate and joint venture's surplus/(deficit)	-	-	-	(1,353)	(207)	(1,171)
NET SURPLUS	12,866	6,855	12,293	12,173	6,831	11,298
CASH FLOWS FROM OPERATIONS						
Operating cash receipts	416,044	407,736	420,094	417,519	412,211	421,474
Operating cash payments	341,508	356,698	355,706	343,119	361,138	356,593
NET CASH FLOWS FROM OPERATIONS	74,536	51,038	64,388	74,400	51,073	64,881
PROPERTY, PLANT & EQUIPMENT – NET BOOK VALUE	1,062,030	1,027,411	966,624	1,062,030	1,027,411	966,624
DEBT						
Bank borrowings – term	50,000	126,636	64,850	50,000	126,636	64,850
Finance leases – current	6,115	7,065	7,058	6,115	7,065	7,058
Finance leases – term	7,850	8,541	11,997	7,850	8,541	11,997
TOTAL DEBT	63,965	142,242	83,905	63,965	142,242	83,905
TOTAL EQUITY	895,632	788,900	782,675	935,095	820,605	814,405
OPERATING RATIOS						
Net surplus/revenue	3.0%	1.7%	2.9%	2.9%	1.7%	2.7%
Cashflow from operations ratio	122%	114%	118%	122%	114%	118%
Interest cover ratio	5.86	2.74	4.97	5.60	2.74	4.65
Liquidity ratio	53%	26%	42%	53%	26%	42%
CAPITAL RATIOS						
Debt cover ratio	0.86	2.79	1.30	0.86	2.79	1.29
Debt/debt + equity	7%	15%	10%	6%	15%	9%
Debt/total revenue ratio	15%	35%	20%	15%	35%	20%

STATEMENT OF RESPONSIBILITY

For the year ended 31 December 2021

In terms of the Education and Training Act 2020 and the Crown Entities Act 2004 we certify that:

- the Council and management of the Auckland University of Technology accept responsibility for the preparation of these statements of service performance and financial statements and the judgements used therein; and
- the Council and management of the Auckland University of Technology accept responsibility for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of performance reporting and financial reporting; and
- the Council and management of the Auckland University of Technology are of the opinion that these statements of service performance and financial statements fairly reflect the financial position for the Auckland University of Technology and Group at 31 December 2021 and the results of the operations for the year ended 31 December 2021.



Rob Campbell CNZM
Chancellor



Professor Damon Salesa
Vice-Chancellor

26 April 2022

INDEPENDENT AUDITOR'S REPORT

AUDIT NEW ZEALAND Mana Arotake Aotearoa

To the readers of Auckland University of Technology and group's financial statements and performance information for the year ended 31 December 2021

The Auditor-General is the auditor of Auckland University of Technology (the University) and group. The Auditor-General has appointed me, Karen MacKenzie, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements and performance information of the University and group on his behalf.

OPINION

We have audited:

- the financial statements of the University and group on pages 79 to 130, that comprise the statement of financial position as at 31 December 2021, the statement of financial performance, statement of other comprehensive revenue and expense, statement of changes in equity and statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information; and
- the performance information of the University and group, that comprises the statement of service performance on pages 32 to 61, the statement of the cost of outputs on page 63 and the key facts and figures on pages 24 to 27.

In our opinion:

- the financial statements of the University and group on pages 79 to 130:
 - present fairly, in all material respects:
 - the financial position as at 31 December 2021; and
 - the financial performance and cash flows for the year then ended; and
 - comply with generally accepted accounting practice in New Zealand in accordance with the Public Benefit Entity Reporting Standards; and
- the performance information of the University and group on pages 24 to 27, 32 to 61 and 63
 - presents fairly, in all material respects, the University and group's service performance achievements as compared with the forecast outcomes included in the investment plan for the year ended 31 December 2021; and
 - complies with generally accepted accounting practice in New Zealand.

Our audit was completed on 27 April 2022. This is the date at which our opinion is expressed.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the Council and our responsibilities relating to

the financial statements and performance information, we comment on other information, and we explain our independence.

BASIS FOR OUR OPINION

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

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

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

RESPONSIBILITIES OF THE COUNCIL FOR THE FINANCIAL STATEMENTS AND PERFORMANCE INFORMATION

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

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

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

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

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

RESPONSIBILITIES OF THE AUDITOR FOR THE AUDIT OF THE FINANCIAL STATEMENTS AND PERFORMANCE INFORMATION

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

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

decisions of readers taken on the basis of these financial statements and performance information.

For the budget information reported in the financial statements and performance information, our procedures were limited to checking that:

- the University budget information in the financial statements agreed to the Council approved budget;
- the consolidated budget information in the financial statements agreed to the budget compiled by the University; and
- the information agreed to the investment plan or Council approved budget, as applicable, for the performance information.

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

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

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

- We obtain sufficient appropriate audit evidence regarding the financial statements and performance information of the entities or business activities within the group to express an opinion on the consolidated financial statements and the consolidated performance information. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

Our responsibilities arise from the Public Audit Act 2001.

OTHER INFORMATION

The Council is responsible for the other information. The other information comprises the information included on pages 4 to 23, 28 and 29, and 62 to 78, but does not include the financial statements and performance information, and our auditor's report thereon.

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

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

INDEPENDENCE

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

In addition to the audit, we have provided a report on the group's performance-based research fund –eligible external research income. This is compatible with those independence requirements. Other than the audit and this assignment, we have no relationship with or interests in the University or any of its subsidiaries.



Karen MacKenzie
Audit New Zealand
On behalf of the Auditor-General
Auckland, New Zealand

TE TAUĀKĪ O NGĀ PAETAE

Statement of service performance

The following Statement of Service Performance contains information on the University's KPIs. It documents the services provided by AUT to meet stakeholder needs and to ensure the intent of *AUT Directions to 2025* is fulfilled. For an overall view of the performance of the University, this section must be read in conjunction with the section entitled 'The Year: 2021'.

This Forecast Statement of Service Performance was prepared in 2020, with the expectation that the pandemic and the ongoing closure of the New Zealand border would continue to affect the University's performance throughout 2021. As such, we reduced targets for several measures, such as those related to doctoral students, graduate employment, postgraduate enrolments, and enrolment numbers. In agreement with the Tertiary Education Commission, we also removed some measures, including one focussed on the proportion of international students. The year's intense disruptions, including a week-long lockdown at the start of Semester 1 and the prolonged lockdown that commenced a month into Semester 2, may have affected results for student achievement (educational performance indicators), participation in work-integrated learning (KPI 1.3), graduate employment (KPI 1.4), research productivity and partnerships and doctoral enrolments (KPIs 2.1-2.5) and overall enrolments (KPIs 5.1- 5.3). Despite the challenges of the past two years, the University is generally showing steady progress towards its development aims.

EDUCATIONAL PERFORMANCE INDICATORS

Educational performance indicators (EPIs) are among the range of measures the Government uses to monitor the performance and contribution of the tertiary sector. The EPIs include course completion, cohort-based qualification completion, retention from first to second year, and progression from pre-degree to degree-level programmes. The measures and targets represented below are taken from the EPI commitments submitted alongside Investment Plan 2019-2020, which included 2021 targets. The course completion targets are aspirational and were agreed with TEC as part of the sector-wide plan to achieve parity in performance and participation for Māori and Pacific students by 2022. TEC has now extended this timeframe to ten years.

AUT's provisional 2021 results are presented below, alongside final 2020 results. The retention, course completion and participation statistics were taken from TEC's Ngā Kete data site on 29 March 2022 and reflect the results as at 31 December 2021. Provisional results are typically lower than final results, due to the timing of the data submission. Final 2021 results will be published in Annual Report 2022.

INDICATOR	Cohort group	Ethnicity Group	Target 2021	Provisional 2021	Actual 2020	Provisional 2020
Course completion		Māori	82.0%	79.3%	80.3%	77.9%
		Non-Māori and non-Pasifika	88.0%	86.9%	89.5%	87.0%
		Pasifika	69.0%	67.6%	71.4%	69.2%
First-year retention	Level 7 (degree)	Māori	75.0%	69.2%	71.0%	71.0%
	Level 7 (degree)	Non-Māori and non-Pasifika	80.0%	79.1%	80.5%	80.6%
	Level 7 (degree)	Pasifika	75.0%	71.9%	71.5%	71.5%
Participation ¹¹	Level 7 (degree)	Māori	10.5%	11.4%	11.2%	11.2%
	Level 7 (degree)	Non-Māori and non-Pasifika	71.8%	70.9%	70.8%	70.8%
	Level 7 (degree)	Pasifika	17.7%	20.1%	20.2%	20.2%
	Level 8-10	Māori	5.5%	7.7%	7.6%	7.6%
	Level 8-10	Non-Māori and non-Pasifika	87.3%	83.4%	83.6%	83.6%
	Level 8-10	Pasifika	7.2%	10.0%	9.8%	9.8%

INDICATOR ¹²	Target 2021	Actual 2021	Actual 2020
External research income	\$23.0M	\$22.1M	\$17.9M
International student EFTS	2,886	2,798	3,643

11 TEC uses the multiple ethnicity approach, where students are counted once in each ethnicity they select. Results will add to more than 100%
12 Targets for external research income (ERI) and international student EFTS are taken from the educational performance indicator commitments agreed with TEC as part of Investment Plan 2019-2020. The ERI target differs from the budget figure described in the Statement of Financial Performance; budgets are set on an annual basis whereas the target is set several years in advance. Likewise, the budget for International student EFTS is determined annually and differs from the target described above. This measure includes International full-fee paying, SAC-funded International, and Other International EFTS

Provisional EPI results reveal the impact of the year's disruption. Student success rates decreased by a percentage point from the previous year for Māori, and around four points for Pacific and non-Māori, non-Pacific students. The increased level of satisfaction with programmes and teaching detailed in KPIs 1.1 and 1.2 is testament to our tireless support for students through all the year's challenges. However, some students found the challenge insurmountable. Retention rates were not as seriously affected, although generally were below the anticipated level. Māori and Pacific participation largely increased, especially at the postgraduate level.

THEME

1

CREATING EXCEPTIONAL
LEARNING EXPERIENCES



Architecture & Built
Environment class

DELIVERING
COMPELLING
PROGRAMMES

Our programmes will be high quality, relevant and supported with effective learning and teaching services, offering students a rich educational experience on campus and in industry, community and field settings here and overseas.

GOING BEYOND
EDUCATED AND
EMPLOYABLE

We will challenge students to become inquiring and agile thinkers and communicators with a broad understanding of their world, looking at issues in ways that transcend disciplines. They will gain core and transferable skills with which to navigate the shifting opportunities of work and enterprise and contribute in all aspects of their lives.

DESIGNING
STUDENT-DIRECTED
LEARNING

Students will be able to explore and build programmes from both broad curricular and co-curricular options designed to enhance their sense of purpose and confidence, and their employability and enterprise skills. Students' options will include modes of delivery and engagement.

SUPPORTING
GREAT
TEACHING

Our teaching will be creative, interactive and responsive, characterised by its contemporary approaches, technologies and resources. Our teachers will be active in developing their teaching expertise, and be at the forefront of their disciplines as researchers, scholars and advanced professional practitioners.

HIGHLIGHTS

90%
of students completed
**WORK-INTEGRATED
LEARNING**

**AUT X
CHALLENGE**
Winner – Delta Waterways:
remote monitoring of
waterways

81%
of available graduates
**WORKING
FULL TIME**

AUT Business School
received
**EQUIS
ACCREDITATION**

890
COURSES
readied for the new
teaching and learning
approach

**INCREASED
STUDENT
SATISFACTION**
with teaching and
programmes of study

PERFORMANCE MEASURES

Key performance indicator

1.1

Achieved

Increase the proportion of students who would recommend their programme of study

Target 2021	Actual 2021	Actual 2020	Actual 2019
80%	82%	81%	81%

This result is taken from the Annual Programme Survey conducted by AUT's Academic Quality Office. The survey uses 16 five-point Likert scale items and two qualitative questions to gather student feedback on the programmes and services we offer. The response rate for this question was 25% (6,163 respondents out of a total population of 24,732) and the margin of error was 1.1%. The overall response rate for the survey was 26% (6,327 respondents out of a population of 24,732). This is consistent with other online surveys and above the previous year's response rate of 21%.

Student satisfaction with their programme of study increased one percentage point from the previous two years, a strong result after such a disrupted year. Over the course of the year, the Bachelor of Arts, Bachelor of International Hospitality Management and Bachelor of Business degrees were restructured to meet the new curriculum requirements discussed in Annual Report 2020, making them more flexible and easily tailored to suit students' career aspirations, and imparting core ethical, bi-cultural and sustainability concepts.

Key performance indicator

1.2

Achieved

Increase the proportion of students who are satisfied with teaching quality

Target 2021	Actual 2021	Actual 2020	Actual 2019
80%	83%	82%	83%

This result is taken from the Annual Programme Survey. Further details of this survey, including the format, overall response rate, and margin of error are provided in the note for KPI 1.1. The response rate for this question was 25% (6,238 respondents out of a total population of 24,732).

Student satisfaction with teaching increased one percentage point from 2020 to 2021, returning to pre-pandemic levels. Considering the level of disruption to Semester 2, this represents the quality of AUT's online delivery, flexibility in face-to-face delivery, and the support academic staff provided to students.

Alongside the University's response to lockdowns, the main focus for 2021 was a \$15 million pedagogical reform initiative, including the implementation of a new learning management system. This is designed to create classrooms that are inclusive, active, and engaging, whether in person or virtual. Close to 900 courses had completed the reform programme by the end of the year, with the rest to complete the process in 2022. The University's student feedback group provided useful insights to help shape the implementation process.

These pedagogical reforms are underpinned by a teacher development programme. All staff who are new to teaching must complete AUT Essentials, which introduces key concepts such as learner-focussed curriculum design, creating nurturing environments, good assessment practices, and helpful evaluations and feedback. There were 90 staff who completed this programme in 2021. Established teachers must engage in regular development sessions; this year the University offered advanced courses in authentic assessment, and support for creating online content.

PERFORMANCE MEASURES (continued)

Key performance indicator

1.3

Achieved

Percentage of bachelors graduates who completed work-integrated learning while studying

Target 2021	Actual 2021	Actual 2020	Actual 2019
90%	90%	92%	93%

The work-integrated learning programme continues to be a defining characteristic of AUT's bachelor degrees. Participation has been slightly lower over the past two years, due to the pandemic. Some students were able to continue with their placements during the lockdown, especially those in clinical health disciplines, and many others made the switch to remote working. For the remaining students, the University provided options such as applied project work, in-depth case studies on their original host organisation, or other employability-related initiatives. From the Bachelor of Business, 39 students completed a virtual internship with an overseas organisation, and six enrolled in the Co.Starters programme to further a business idea.

Key performance indicator

1.4

Achieved

Percentage of available graduates who are working full time

Target 2021	Actual 2021	Actual 2020	Actual 2019
80%	81%	77%	84%

Results are taken from the Annual Graduate Survey conducted by the Academic Quality Office at AUT and refer to domestic graduates only. AUT graduates from 2020 were invited to participate in the 2021 survey, which uses a variety of scales (ranging from yes/no questions to open-ended questions) to provide insight into their initial destinations upon completion of their qualification, and their experiences of transition into the workforce. In total, the response rate to this question was 28% (1,403 respondents out of a population of 5,096), with a margin of error of 2.4%. The overall response rate to the 2021 Graduate Survey was 39% (1,983 respondents out of a population of 5,096). This is above average for online surveys, and similar to that of the 2020 survey (36%).

Although the graduate employment rate rose considerably from 2020 and exceeded the target for the year, it remains well below pre-pandemic levels. While workforce demand remains high in some industries (including health sciences and education), the market is undoubtedly more challenging for others. The work-integrated learning programme remains the cornerstone of AUT's approach to supporting students to develop their employability. As well as gaining invaluable work experience and an insight into their chosen career, students are encouraged to reflect on the ethical and sustainability considerations they observed. This helps embed the core qualities of a great graduate: to care, to question, and to act.

We continue to support students into the workforce through AUT talenthub (our in-house recruitment agency), the Employability Lab, and other extra-curricular activities. AUT talenthub secured employment for 70 graduates over the course of the year, in both internships and permanent roles. The AUT Beta programme helps students develop their entrepreneurial skills through the X Challenge, Co.Starters workshops, and Project Connect events. Another 38 students completed the AUT Edge Award while 14 completed the postgraduate Beyond AUT Award. The Employability Matters programme included a business career fair, volunteering expo, coding hackathon, panel discussions, résumé workshops offered by industry partners such as Foodstuffs and The Warehouse Group, and graduate recruitment presentations. Industry speakers represented a range of employers, including technology, business, health, government, engineering, and the creative sector. The Florida-based Disney organisation also ran a remote networking workshop for our students.

PROFESSOR PAUL MOON

Te Ara Poutama

Professor Paul Moon is one of New Zealand's most respected historians. Renowned for his scholarship on Māori history, Te Tiriti o Waitangi, and the early period of Crown rule, his abiding interest is understanding why colonisation happened. His investigations of the events, causes, morality and agency of colonisation have resulted in more than 20 books, published by leading publishers such as Routledge, HarperCollins, and Penguin Random House. His seminal works include *Encounters: The creation of New Zealand*, which was shortlisted for the international Ernest Scott Prize in History, *A Savage Country: The untold story of New Zealand in the 1820s*, and *Te Ara Ki Te Tiriti: The path to the Treaty of Waitangi*. He was the only historian granted full access to Hone Heke Ngāpua's personal papers and located his previously unknown personal diary, allowing him to write the definitive biography of one of New Zealand's foremost leaders of the late 19th century. He has also published biographies of Hōne Heke, James Busby and Governor Robert FitzRoy. Another career highlight was the five years spent interviewing and then writing about the Tūhoe tohunga, Hōhepa Kereopa. The resulting works include *Tohunga: Hohepa Kereopa* along with *A Tohunga's Natural World: Plants, Gardening and Food*, and *The Tohunga Journal*. A more

recent publication, *When Darkness Stays: Hōhepa Kereopa and a Tūhoe Oral History* was described as "extraordinary... unsettling, harrowing and ultimately redemptive"

Professor Moon was elected a fellow of the Royal Historical Society in 2003. He has worked on several Tiriti claims, advises Government departments on Tiriti-related issues, and is a sought-after media commentator and research supervisor. His research students speak of his humour and kindness, and describe him as a genuine mentor. In teaching and learning, he encourages his students to develop a strong, meticulously researched evidence base from which to build a clear and compelling case. AUT introduced an undergraduate minor in history at his instigation, and he was at the forefront of the discipline's adoption of digital teaching methodologies.

In recognition of his outstanding contribution to AUT and the field of New Zealand history, Professor Moon received the Vice-Chancellor's Award for Research Excellence in 2015 and the AUT Medal in 2017. In 2021, he became the first-ever AUT academic to receive a Doctor of Literature, the University's ultimate accolade.



THEME

DISCOVERY AND APPLICATION OF KNOWLEDGE FOR WELLBEING AND PROSPERITY

INTEGRATING TEACHING WITH RESEARCH	CONTRIBUTING EXCELLENT RESEARCH	APPLYING OUR RESEARCH	ADVANCING BY COLLABORATING	ENHANCING STUDENT RESEARCH
We will support our staff in their work of advancing knowledge and in growing the quality and value of this work, including its benefit to their teaching and students	We will pursue excellence in innovative and relevant research from fundamental enquiry to applied research and creative practice	Our research will increasingly be project- and mission-led in interdisciplinary teams. We will share our discoveries and developments in ways that allow them to be widely used, and will be active in research supporting industry, business and governments.	Our collaborations with external partners will enhance our research capability and capacity	Our research students will be active members of our academic community, contributing to our research programmes and teams. Opportunities for undergraduate students to be involved in research will be a feature of our educational experience

HIGHLIGHTS

\$2.8M

from **Te Pūtea Rangahau a Marsden** including

\$8.7M

from the **Health Research Council** including

- \$0.8M for sustainable Māori burials
- \$0.8M for Pacific architecture and community building
- \$0.8M for supporting mātauranga Māori and bicultural learning in schools
- \$0.4M for understanding career paths of Māori women

- \$5M for reducing the burden of stroke
- \$0.8M for thriving Pacific adults
- \$1.2M for community and whānau-based wellbeing

154

new doctoral graduates including 10 Māori and 9 Pacific

PERFORMANCE MEASURES

Key performance indicator

2.1

✓ Achieved

Increase the number of quality-assured outputs

A quality-assured research output is defined as any research output that successfully completed a formal quality-assurance process before its final version was first made available in the public domain. It has been subjected to formal, independent scrutiny by those with the skills or expertise (or both) to assess its quality. This may include its rigour, logic, clarity, intellectual significance, originality, impact, applications and artistic merit. Formal quality-assurance processes vary between disciplines and output types, including (but not limited to): peer review by journals and book publishers; selection of conference papers; Māori or Pacific research-specific processes or methodologies; review and curation processes conducted by major galleries, museums, or broadcasters; and reviews by users of commissioned or funded research.

Research activity recovered from the previous year and exceeded target despite a second year of major disruptions and delays to research programmes, restricted access to specialised equipment, and (in many cases) additional domestic responsibilities.

Integrated Academic Practice was introduced in 2021. This University-wide development programme identifies skills gaps and provides the necessary support for staff to meet the responsibilities and contributions outlined in our Academic Expectations document. In research, this includes supporting junior academic staff to plan their projects, join research teams, and build their profile along with providing accountability through annual plans and performance reviews.

Target 2021	Actual 2021	Actual 2020	Actual 2019
2,000	2,048	1,930	2,032

Key performance indicator

2.2

✓ Achieved

Increase the proportion of research-active academic staff

The proportion of academic staff producing research outputs increased two points from the previous year. Although we exceeded target for 2021, we still have some distance to travel before reaching the intended breadth and depth of research capacity across the University. Our staff have taken diverse pathways into academia, with many bringing expertise in Māori and Pacific advancement, professional practice, research consultancy, and engagement with external partners. We acknowledge the value of this experience and seek to support staff as they develop a publication career that complements and enhances their contribution to our communities. Integrated Academic Practice is AUT's first university-wide researcher development programme and together with the Performance-Based Research Fund Plan, is designed to co-ordinate, focus, and lift our research activity and performance.

Target 2021	Actual 2021	Actual 2020	Actual 2019
55%	57%	55%	55%

PERFORMANCE MEASURES (continued)

Key performance indicator

2.3

✗ Not achieved

Increase the value of new research contracts signed

This KPI measures the total value of all new contracts signed during the year. It reports the full value of all contracts signed during 2021, including several large multi-year contracts. The external research income reported in Note 2(iii) of the Financial Statements measures the actual income received from research during the year. This amounted to \$22.1 million in 2021.

After two years of record results, AUT signed fewer research contracts in 2021 and did not meet target.

Wellbeing research emerged as an underlying theme to many of the projects signed in 2021 as funders recognised AUT's strengths in this important field. The University secured \$8.7 million from the Health Research Council, including \$5 million to continue Professor Valery Feigin's work on reducing the burden of stroke, \$1.2 million to the Pacific Islands Families Study for research into thriving Pacific young adults, and a further \$1.2 million to Professor Denise Wilson's investigation into community and whānau-based wellbeing.

In addition to the four Te Pūtea Rangahau a Marsden grants, AUT researchers secured a further \$1.8 million from the Royal Society of New Zealand, for research into anti-racism in the health sector, improving our future pandemic responses, the legacy of Pacific nuclear testing, and light-responsive drug delivery systems.

Target 2021	Actual 2021	Actual 2020	Actual 2019
\$24M	\$18.6M	\$33.8M	\$28.4M

Key performance indicator

2.4

✓ Achieved

Increase the number of doctoral students

After a slight decrease in 2020, doctoral student numbers grew in 2021. This includes more than 100 new domestic candidates, and over 80 new internationals who commenced their studies during the year.

Target 2021	Actual 2021	Actual 2020	Actual 2019
900	1,033	1,011	1,017

Key performance indicator

2.5

✗ Not achieved

Increase the proportion of outputs with an international co-author

Results for 2020 and 2019 have been restated due to a change in our software provider for research analytics. The target was set based on results from the previous provider, which reported a higher proportion of outputs with an international co-author.

The proportion of outputs with an international co-author remained at the same level as in 2020, and below target for the year. Such collaborations are important for enhancing AUT's research capability, reputation and capacity, and may also help advance our position within the international university rankings. This is an area for development for AUT and is included in our Research Roadmap.

Target 2021	Actual 2021	Actual 2020	Actual 2019
62%	59%	59%	57%

DR SOMMER KAPITAN

Faculty of Business, Economics, and Law

Marketing is undeniably powerful; it also carries inherent dangers. Statistics reveal that 41% of New Zealanders over 18 carried credit card debt in 2021, with the average balance at \$3,800. At a time when we are exposed to a new marketing message every 2.7 seconds, how can we cut through the temptation to spend more, and harness the power of marketing for social good?

This question underlies Dr Sommer Kapitan's work and drives her to translate this research into our wider society. She has a strong focus on sustainable consumption, the green supply chain, and sustainable decision-making. Together with colleagues, she created a scale for businesses to measure and market their commitment to sustainability, and investigated the gap between consumers' support for sustainable consumption and their actual purchasing decisions.

Over the past five years, Dr Kapitan has charted a significant shift in consumer society, where paid influencers have risen to prominence. An increasing proportion of people now receive recommendations, news, entertainment, and information from key opinion leaders on social and e-commerce platforms. She found that influencers are considered more authentic and expert than traditional marketing approaches, such as celebrity endorsements. The sense of intimacy and friendship they create can be hugely influential in our purchasing decisions.

While this rising tide can have advantages for cash-poor and creative organisations, the power of influencers presents a significant challenge for regulators. In a forthcoming paper, Dr Kapitan will deal with the policy and regulatory changes needed to protect consumers.

Dr Kapitan has spoken at events run by Adobe Singapore, ad:tech, WeAreTenzing, and the Tech Marketers Group, and at the iMedia Brand Summit. She is a frequent media commentator in New Zealand and Australia, providing insight into influencers' effects on social cohesion and their role in disrupting the market.

In her teaching, Dr Kapitan applies the same approach to that of marketing practice: first build something of value to the audience, then share it. She offers her students the opportunity to test the theories, practice, make mistakes, and grow, so they learn how they can best contribute. Her final-year students complete a specific project, such as a rebrand, under the guidance of an experienced mentor. The project is pitched to an industry panel as part of their final assessment. She is also establishing a reputation as a sought-after doctoral supervisor; she has supervised three doctoral scholars to completion, covering topics such as sustainable consumption and retail atmospherics for healthy food choices, and her current scholars are completing projects on social influencers, sustainable consumption, and the impact of reality-enhancing technologies.



THEME
3 RESPONDING TO OUR
PLACE IN THE WORLD



RESPECTING TE TIRITI O WAITANGI	WORKING FOR OUR CITY AND COUNTRY	SHARING OUR KNOWLEDGE AT HOME	IMPROVING OUR WORK THROUGH INTERNATIONALISATION	BEING A RESPONSIBLE GLOBAL CITIZEN
We will partner with Māori to advance mātauranga Māori and te reo and achieve the benefits a university can provide with and for Māori.	We will prioritise the needs of the people of Tāmaki Makaurau Auckland, and Aotearoa New Zealand, contributing to social, economic and environmental development. We will be active in our city, responding to its Māori heritage and identity, Pacific communities, and ethnic diversity, and playing our part in its development as a world centre.	Our staff members will contribute to public discussion on matters of general concern and interest in Aotearoa New Zealand and our region of the Pacific.	Our international work will meet high standards, be mutually beneficial, and designed to increase our student and staff opportunities, teaching and research capability, and financial sustainability.	We will recognise and respond to our global responsibilities and opportunities guided by our commitment to the United Nations Sustainable Development Goals, and act on the understanding that all our graduates will be global as well as national citizens.

HIGHLIGHTS

5

bachelors degrees have
core mātauranga Māori
courses

100

Pacific health graduates

69

Māori health graduates

77

Pacific STEM graduates

30

Māori STEM graduates

36

Pacific doctoral candidates

53

Māori doctoral candidates

24

Pacific doctoral graduates
since 2017

36

Māori doctoral graduates
since 2017

PERFORMANCE MEASURES

Key performance indicator

3.1

Target achieved

Increase the number of Māori graduates from bachelors degrees

Target 2021	Actual 2021	Actual 2020	Actual 2019
300	305	366	291

Māori graduate numbers fell from 2020 yet remained above target for the year. As part of our approach to supporting Māori success, the University is integrating mātauranga Māori into our generalist bachelors degrees. To date, five degrees now have mātauranga-focussed courses as part of the core, including the Bachelor of Computer and Information Sciences and the Bachelor of Business, with the remainder to be introduced over the next four years.

The University provides a range of engagement and support services for Māori students, including scholarships, peer mentors, pastoral care, financial assistance, and Ngā Rā Whakareatea, a six-week orientation programme including pōwhiri, hāngī, information sessions, and workshops on adjusting to university life. The University also funds the work of Titahi Ki Tua, the AUT Māori Students’ Association, who provide invaluable peer support and whanaungatanga for Māori learners.

Key performance indicator

3.2

Achieved

Increase the number of postgraduate students that are Māori

Target 2021	Actual 2021	Actual 2020	Actual 2019
375	390	381	365

The number of Māori postgraduate students continues to increase steadily. There were 68 Māori doctoral candidates in 2021, along with 141 students in masters degrees. Eleven Māori candidates completed their doctorates during the year, taking the total to 36 since 2017. The Mai-ki-Aronui group continues to support Māori and Indigenous doctoral scholars, fostering robust academic kōrero and leadership and presentation skills. Many scholars who have since completed their doctorates continue to lead and support the Mai kaupapa. The group met regularly throughout the year and established partnerships with similar groups at the University of Auckland and Unitec. Within the faculties, Design and Creative Technologies has a mentoring programme for Māori students and hosted a writing retreat at Waikato-Tainui College for Research and Development.

Key performance indicator

3.3

Achieved

Increase the number of Pacific graduates from bachelors degrees

Target 2021	Actual 2021	Actual 2020	Actual 2019
400	440	403	383

More Pacific peoples are completing bachelors degrees at AUT, with a 15% increase in the number of graduates over the last three years. There has been particularly strong growth in the key disciplines of Health Sciences and STEM (science, technology, engineering, and mathematics), where the demand for qualified Pacific professionals is growing strongly. In 2021, 100 Pacific people graduated with degrees in health, up from 66 in 2017. Another 77 completed a STEM qualification, up from 54 in 2017.

PERFORMANCE MEASURES (continued)

Key performance indicator

3.4

Achieved

Increase the number of Pacific postgraduate students

Target 2021	Actual 2021	Actual 2020	Actual 2019
390	421	385	379

This KPI measures Pacific postgraduate students who are eligible for Domestic SAC funding only.

Pacific postgraduate enrolments grew strongly in 2021, an increase of nine percent from the previous year. This includes 51 doctoral candidates and 163 masters students. In total, nine Pacific candidates completed their doctorates during 2021, for a total of 24 since 2017. The Health Research Council awarded \$126,000 to one candidate for her doctoral research into addressing obesity through healthy food environments.

ASSOCIATE PROFESSOR MONIQUE REDMOND

Faculty of Design and Creative Technologies

Associate Professor Monique Redmond is an artist and researcher who specialises in social art, installation, temporary, and event-based practices. Her practice is collaborative and community centred and is designed to encourage people to engage and participate in everyday exchanges.

Her latest work exemplifies this approach. *Budding Vase Subscription* is a collaborative social art project with Harriet Stockman (School of Art and Design), which has just completed its third iteration and annual vase distribution. People can subscribe to receive a ceramic bud vase when they have a flower or small bunch of blooms from their garden to display. The vase is given in exchange for two photographs: one of a flowering plant, or tree, in their garden, and the second of the vase and flowers in situ. The photos and following discussion become part of an ongoing, active archive shared via @buddingvasesubscription on Instagram. The work highlights the material and social aspects of ordinary gestures of sharing, exchange, and reciprocity.

Dr Redmond is an active contributor to the Public Share artist collective, which she co-founded with five AUT Visual Arts postgraduate alumni: Harriet Stockman, Kelsey Stankovich, Mark Schroder, Deborah Rundle, and Joe Prisk. The collective uses art to engage with the public and draw attention to values of sharing, honouring, pausing, and generosity, while sparking conversations on issues such as the rights of workers and tenants, and sustainable practices. Public Share has staged 13 projects over the past seven years, mostly based in institutions or workplaces. Their most recent project, *No nSense: an antidote to individualism* explored how the artists work

collectively to consider politics of exchange, pause, conviviality, labour and workers' rights. The project included page works (lists, images, and text) for ENJOY Gallery's 2020 book, *As needed, as possible: emerging discussions on art, labour and collaboration in Aotearoa*, and the production of clay tumblers that were used and taken away by guests at the publication's launch events. Past projects have included *Workers Club* at RM Gallery to draw attention to eroding workers' rights and the importance of social spaces in workplaces, and *Irregular Allotments*, where clay from the Te Atatu motorway construction site was used to make mugs that were gifted to site workers at a morning tea held in their honour. The mugs symbolise the importance of the tea break for workers to pause and take refreshment during their working day. Another project, *Last Run*, repurposed fragments of Crown Lynn pottery into raku-fired tumblers to showcase the impact of a market economy on jobs, the community, and the environment. Former staff were invited to a morning tea at Te Toi Uku, Crown Lynn Museum where the mugs were used, and workplace stories shared.

Sharing and reciprocity underpin Dr Redmond's approach to teaching as well as research. She is generous with her time and knowledge, encouraging students to take risks and build their skills in an environment infused with whanaungatanga and manaakitanga. She is a firm believer in the importance of learning through collaboration. Through her advocacy, several students have been invited to present their research at national and international art events and festivals and she has profoundly influenced the direction of postgraduate study and research themes in the School of Art and Design. Dr Redmond was awarded the 2021 Vice-Chancellor's Excellence Award for postgraduate research supervision.



THEME

4

BUILDING OUR POSITION AS
NEW ZEALAND'S UNIVERSITY
OF TECHNOLOGY



Electrical engineering students at work in the lab

INCREASING OUR
STRENGTH IN
APPLICATION AND
INNOVATION

Throughout our curriculum of social sciences, humanities, life and physical sciences, engineering and information technology, and creative arts, we will pursue an emphasis on professional preparation, refining practice, the application of knowledge, and innovation

LEADING OUR
SECTOR IN
EXTERNAL IMPACT

We will aim to be the leading New Zealand university in the extent and impact of our interactions with industry, professions, and the employment and enterprise sectors.

DEMONSTRATING
TECHNOLOGICAL
EXCELLENCE

All aspects of our university and its interactions will be distinguished and enhanced by the utility and ease of our technology, digital, and design systems and solutions

APPLYING SHARED
TECHNOLOGICAL
THEMES

We will increasingly work across disciplines and develop key themes to be expressed in all of our work, such as design, digital and information science, wellbeing, enterprise, human interaction, and sustainable development.

HIGHLIGHTS

2021 KĀHUI HAUORA
TŪMATANUI PUBLIC
HEALTH CHAMPION

Associate Professor Heather Came-Friar
– for her work in community sexual and mental health, HIV/AIDS prevention, Māori Health and Te Tiriti o Waitangi.

Professor Jarrod Haar, Professor
Patria Hume, Professor Denise Wilson
elected as

FELLOWS OF THE
ACADEMY OF THE
ROYAL SOCIETY
TE APĀRANGI

PERFORMANCE MEASURES

Key performance indicator

4.1

Achieved

Increase staff consultancy revenue

Consultancy revenue increased by \$0.5 million from 2020 to 2021. The Centre for Social Data Analytics remains our major provider of consultancy services; a third of the year’s revenue arose from their work with American social services agencies. Other clients included BRANZ, the Health Promotion Agency, Lululemon Canada, Timberlands, and Fonterra.

Target 2021	Actual 2021	Actual 2020	Actual 2019
\$1.7M	\$ 1.7M	\$1.2M	\$1.75M

Key performance indicator

4.2

Achieved

Contribute to the public debate

Number of media articles using AUT staff as expert voices or highlighting AUT research

Target 2021	Actual 2021	Actual 2020	Actual 2019
>1,000	1,475	1,535	2,113

Once again, AUT academics were sought by media for their expertise in a wide range of topics. Professor Jarrod Haar received heavy coverage for research on COVID-era workplace burnout and resilience, flexible work approaches, and best practice among human resource teams. Others who commented on the impact of COVID include Professor Emerita Elaine Rush on rising food prices and nutritional poverty, and Dr Merja Myllylahti on trust in media and the role media play in helping understand COVID. Dr Ken Johnson became a sought-after commentator on technological security. Others of note were Dr David Hall on climate finance and policy, Associate Professor Ali Seyfoddin on medicinal cannabis research, Professor Patria Hume on sporting injuries, Associate Professor Jacquie Kidd on Māori men and prostate cancer, and Dr Ayesha Scott on financial abuse. Professor John Tookey continued to be in demand for expertise on residential and commercial construction, supply chain issues and the pressures of the housing market. The appointment of Associate Professor Khylee Quince as Aotearoa New Zealand’s first Māori Dean of Law was widely covered as were opinion pieces she wrote on tikanga Māori in Law School, and racism in the justice system.

TRAUMATIC BRAIN INJURY NETWORK

Faculty of Health and Environmental Sciences



Although often considered a particular risk for sports people, brain injuries can happen to anyone. Research shows that almost a third of people will experience at least one traumatic brain injury (TBI) by the age of 25, and of those, around half will go on to experience long-term problems. Some common causes include falls at home, car accidents, assaults, or being hit by an object. Led by Professor Alice Theadom, AUT’s Traumatic Brain Injury Network was launched two years ago and brings together a global network of more than 400 researchers, clinicians, policymakers, and community members in a bid to deepen our understanding of the effects of brain injury and improve patient outcomes.

The TBI Network’s research agenda is driven by the needs of those affected by brain injuries. One such example is the development of the Brain Injury Screening Tool. Many patients reported receiving irrelevant or inconsistent care following a mild brain injury, with long delays to access specialist services. For their part, clinicians noted they often lacked understanding of the referral options, and of ways to track a patient’s recovery. In response, a group of clinicians, researchers, and policymakers developed a screening tool that can be used by any health professional, including doctors, school nurses, prison health care workers, and hospital staff. The tool identifies a patient’s risk of poor recovery and provides evidence-based guidance on the correct referral procedure, along with the latest advice on supporting recovery. Community members helped refine the tool to ensure it was relevant and easily understood. The Brain

Injury Screening Tool is now being tested in a range of settings, including ACC, several district health boards, and primary care practices. At the same time, researchers (including postgraduate students) are investigating the tool’s effectiveness at identifying those at risk, reducing recovery time, and improving clinicians’ confidence in managing mild brain injuries.

The network is committed to developing the next generation of researchers. At present, there are 15 postgraduate students covering topics such as improving the identification of brain injuries in the prison and probation services, and from domestic violence and drug- and alcohol-related harm. Other studies explore the use of telehealth to support recovery, and the impact of sports concussions, particularly how the length of time of the time taken to return to play can affect long-term issues.

Research is showing that even ostensibly mild TBIs can require long recovery times and have a considerable impact on a patient’s work, social outcomes, and their quality of life. The outcomes are significantly worse for more serious injuries and if left untreated, can cause major distress for the patient and their whānau. The TBI Network is dedicated to improving patients’ wellbeing and recovery outcomes through better diagnosis and relevant and timely support.

THEME

5

BEING A PLACE WHERE
PEOPLE LOVE TO WORK
AND LEARN



DESIGNING WORK THAT IS PURPOSEFUL AND REWARDING	BEING AN INCLUSIVE COMMUNITY	ACHIEVING OUR GOALS THROUGH EFFECTIVE ADMINISTRATION	MAKING GREAT SPACES AND PLACES	SUSTAINING OUR FUTURE
We work together for a vibrant university community in which creativity is nurtured and achievement celebrated, and where everyone's experience of work is purposeful, enjoyable, fair and rewarding.	We welcome people of all ethnicities, genders, sexual orientations, religious and political beliefs, socioeconomic situations, and accessibility needs, by improving equity and creating a sense of shared community and belonging where everyone is valued.	Our systems, procedures and accountability mechanisms will be designed to help us all achieve our shared goals effectively, with a high trust, light touch approach that challenges us to improve and supports the creativity and collegiality crucial for our work	We will provide students and staff with attractive, functional campuses and facilities and inspiring work and learning spaces	<p>We will learn from our students, prospective students and graduates the qualities of a desirable university education and consistently move towards developing them.</p> <p>We will improve our university rankings, ratings and accreditations, and build our profile and standing for the benefit of our students, graduates and communities.</p> <p>We will grow our enrolment to a sustainable level for a strong comprehensive, contemporary university in New Zealand.</p> <p>We will secure our financial position with diversified revenue streams and effective spending.</p>

HIGHLIGHTS

#1

in Australasia for
**GLOBAL RESEARCH
IMPACT**
(Times Higher Education)

#1

in New Zealand for
**INTERNATIONAL
OUTLOOK**
(Times Higher Education)

TOP
40

WORLDWIDE
young university
(Times Higher Education)

TOP
27

WORLDWIDE
for **Sport**
(QS)

+3%

INCREASE
in **domestic students**
since 2020

424

**international
doctoral candidates**

PERFORMANCE MEASURES

Key performance indicator

5.1

Target achieved

Increase total EFTS

Target 2021	Actual 2021	Actual 2020	Actual 2019
20,000	20,118	20,498	20,513

Total EFTS measures all AUT enrolments and reflects the result shown in Key Facts and Figures. The Total EFTS target differs from the budget figure described in Key Facts and Figures; budgets are set on an annual basis whereas the target is set several years in advance.

Total EFTS fell from the previous year (-2%), driven by a 28% decrease in international student numbers. However, the overall impact was lessened by continued growth in domestic EFTS (+3%), which meant the University comfortably achieved its 2021 target.

Key performance indicator

5.2

Not achieved

Increase the number of students at South Campus

Target 2021	Actual 2021	Actual 2020	Actual 2019
2,300	2,223	2,246	2,267

South Campus enrolments have decreased slightly (-2%) over the past three years and remained below target in 2021. This is largely due to a 12% decline in the number of school leavers commencing their university studies at South from 2019 to 2021. AUT continues to engage with South Auckland secondary students, providing advice on NCEA subject selections, exam preparation, guidance on tertiary transitions, and support to remain in education. We work with local school principals to identify opportunities for collaboration and supporting a seamless transition for students.

Key performance indicator

5.3

Target achieved

Increase the proportion of students in postgraduate study

Target 2021	Actual 2021	Actual 2020	Actual 2019
18%	18%	20%	20%

Despite nine percent growth in domestic enrolments, the proportion of students in postgraduate study fell two percentage points overall from 2020. International student enrolments decreased by more than half (-53%) over the same time. However, the number of international doctoral candidates recovered strongly in 2021, returning to 424 after falling to 411 the previous year.



Students at AUT South Campus

DR DAVID HALL

Faculty of Culture and Society

Fire, flood, pestilence, and war. Despite the apocalyptic overtones of our newsfeeds, Dr David Hall expects a better future for our planet. He points to the way technology, policies, and mindsets have already changed, creating a foundation for further action to arrest climate change and secure a safe and prosperous future shared by all. "It's really a matter of accelerating the trends that are already underway and making sure that the inevitable happens sooner rather than later."

Dr Hall is dedicated to providing exactly that acceleration. As a teacher, he inspires the next generation of leaders through his classes on climate action, ethics, and society. His students learn about the political and economic barriers to action and the power of stories to effect change. Rather than being overwhelmed by the challenges ahead, they reflect on the benefits and opportunities presented by, and their potential contribution to, the necessary overhaul of our social and economic structures.

Through his research, Dr Hall is influencing Aotearoa's approach to climate action. He is the founding director of the Climate Innovation Lab, a partnership with ANZ Bank that is leading the way on sustainable investment. As well as facilitating private investment for innovative solutions, the Lab is developing the policy mechanisms and financial instruments to allow the low-emissions economy to grow and flourish. In partnership with the Ministry for the Environment, the Lab examined investment into assets and activities that contribute to climate mitigation and adaptation. They have also developed

financial instruments to support forestry investment and developed a business case for a Native Forest Bond Scheme on erosion-prone pastoral land.

Dr Hall co-leads AUT Living Laboratories, a multidisciplinary team drawn from Ngāti Whātua Ōrākei and AUT's School of Science, Te Ara Poutama, and Policy Observatory as they investigate ways to regenerate our native forests. In consultation with local iwi, Living Laboratories is experimenting with site preparation and planting techniques in Auckland and the Waikato to determine optimal conditions for establishing the tōtara, rimu, matai, tawa, and other trees that once covered so much of Aotearoa. As well as supporting our biodiversity, reducing carbon emissions, and improving land resilience, Living Laboratories is an example of the reparative economy, repairing some of the historical damage of colonisation, deforestation, and breaches of Te Tiriti o Waitangi. The project was highlighted as an exemplary nature-based solution at the United Nations' Climate Action Assembly in 2019.

Dr Hall's expertise is recognised well beyond the University. Currently, he serves on national and local government advisory groups on forestry, climate innovation, and biodiversity incentives. He is the director of the Environmental Defence Society, and is a member of B Corp's Regional Standards Advisory Group for Australasia. As well as being a respected media commentator, he chairs the Vice-Chancellor's Sustainability Steering Group, ensuring that AUT fulfils its own commitments to being a responsible global citizen.



KO NGĀ PŪRONGO

Reports

STATEMENT OF THE COST OF OUTPUTS

For the year ended 31 December 2021

The University's activities contribute to three broad classes of outputs. These outputs are learning and teaching, research and scholarship, and engagement with communities. The following table outlines the cost of providing these outputs.

	University		
	2021 Actual \$000s	2021 Budget \$000s	2019 Actual \$000s
OUTPUTS			
Learning and teaching	306,372	294,319	311,163
Research and scholarship	72,449	78,728	66,887
Engagement with communities	31,808	24,686	35,091
TOTAL COST OF OUTPUTS	410,629	397,733	413,141

COMPULSORY STUDENT SERVICES FEES

For the year ended 31 December 2021

AUT sought student input on the student services levy through AUTSA. The consultation process included a live question-and-answer session on social media platforms with the Vice-Chancellor, Group Director Student Services and Administration (SSA), AUTSA President, and Chief Financial Officer.

In addition, the Group Director SSA met with the President and General Manager of AUTSA, discussing the types of services to be delivered and the apportionment of levy funding. AUTSA proposed new services to be delivered and these were included in the 2021 allocation. AUT sets one standard Compulsory Student Services Fee (CSSF) for all students.¹⁶ The fee was \$790.40 (GST inclusive) per full-time

student for 2021 and is borrowable against a student loan. The fee is used to fund key services, under the Minister's approved categories, that assist student wellbeing while enrolled at AUT.

As with the previous year, Student Services and Administration moved to phone and online support and engagement activities during Alert Levels 3 and 4. Access to specialist services such as childcare centres and gymnasiums followed Government guidelines. In collaboration with AUTSA, services were also adjusted to include additional financial support, equipment and data packages funded by the University and a Government grant of \$1.8 million through the Hardship Funding for Learners programme.

COMPULSORY STUDENT SERVICES FEES (continued)

STUDENT ADVISORY COMMITTEE

AUT's formal partnership with AUTSA is through the Student Advisory Committee, which also provides oversight and guidance on the allocation of the CSSF. The membership consists of equal numbers of representatives from AUT and AUTSA. The committee is responsible for ensuring the best value for students and promoting student engagement with learning and with AUT. The following report outlines the investment in service provision in 2021.

ADVOCACY AND LEGAL ADVICE

AUTSA provides AUT students with independent and confidential support, advice and advocacy services, including assistance for legal matters, disciplinary action, harassment, complaints, employment and tenant rights, grade appeals, class representatives, and general information and translation of AUT rules and policies. All university-related issues are resolved or escalated appropriately.

CAREERS ADVICE AND GUIDANCE

AUT offers career counselling, employability development services, and job search support to prospective and current AUT students. AUT's career specialists provide advice and support students in making informed decisions about their career path and study programme, internship opportunities, and improving their employability. AUT also delivers the AUT Edge and Beyond AUT Awards, which formally acknowledge students' involvement in volunteering, leadership and employability activities.

CLUBS AND SOCIETIES

AUTSA offers support and grants to student clubs to deliver a range of student-run social, sporting, sustainability, religious, academic, and cultural clubs. Students can meet new people, participate in events, and get involved in university life.

CHILDCARE SERVICES

AUT hosts two childcare facilities: a childcare centre at City Campus and an independently-run crèche at North Campus. Both centres provide excellent facilities and services, including school holiday programmes. AUT also provides comfortable and private rooms for breastfeeding at all three main campuses.

COUNSELLING AND PASTORAL CARE

AUT has a range of pastoral, mental health, counselling, and wellbeing services to facilitate our students' integration into university life and provide ongoing personal, spiritual, psychological and emotional support. The University offers specialised services to students with an impairment and those who are Māori, Pacific, Chinese, international, refugees, new migrants, elite athletes, Rainbow community members, scholarship recipients, and postgraduate students. Students who present with behavioural concerns are supported by the Student Conduct team who are professionals with psychosocial qualifications.

The University operates a comprehensive orientation and transition programme, and an early intervention service delivered by peer advisors to promote the success and retention of our students. In addition, workshops and events are offered throughout the year to support the development of wellness, positive psychology and resilience.

EMPLOYMENT INFORMATION

AUTSA provides students with employment information and funding for Student Job Search (SJS), an employment agency targeted at finding employment for students.

FINANCIAL SUPPORT AND ADVICE

AUT offers students information and advice to help manage their money, including assistance with StudyLink issues, budgeting, and banking. In addition, the University offers financial assistance for students experiencing financial hardship in the form of food and transport vouchers and assistance with outstanding bills. The 2020 and 2021 allocation was substantially increased over previous years, in response to pandemic-related hardship.

STUDENT MEDICAL CENTRES

The Student Medical Centres at City and North Campuses offer integrated general practice medical, nursing, and wellbeing services to support students' overall health and wellbeing. The centres are registered primary health organisations. Routine consultations are free for domestic students who register with one of the centres as their primary health care organisation. At North Campus, the Student Medical Centre, counselling and mental health services are delivered at NorthMed, a purpose-built integrated health clinic near the campus.

For students based at South Campus, the University offers a nurse and mental health services, as well as access to doctor-funded consultations with four local medical practitioners.

MEDIA

AUTSA supports the production and dissemination of information by students for students through Debate magazine and online media.

SPORT, RECREATION AND CULTURAL SERVICES

AUT delivers a range of recreational and competitive sports events and activities. Each campus has a fitness centre offering quality fitness equipment, in-person and online group classes, personalised exercise programmes, and access to sport and exercise services. The University also offers a wide range of cultural events and diversity-related activities to promote diversity and inclusion, as well as to support student engagement.

AUTSA complements AUT's services with the delivery of a student-led recreational programme of events, including AUTSA O-Week to welcome and celebrate new students at the beginning of Semesters 1 and 2, social sport activities and spirituality services.

	\$000s				
	Compulsory student services fee	Other	Total revenue	Total expenses	Surplus/ (deficit)
AUTSA SERVICE LEVEL AGREEMENT					
Advocacy and legal advice	429	-	429	467	(38)
Class representation	-	-	-	107	(107)
Advocacy	-	-	-	342	(342)
Legal advice – tenancy	-	-	-	18	(18)
Clubs and societies	186	-	186	177	9
Grants	-	-	-	177	(177)
Activities	-	-	-	-	-
Media	449	-	449	359	90
Print media – Debate magazine	-	-	-	313	(313)
Online	-	-	-	46	(46)
Employment information	21	-	21	15	6
Student Job Search	-	-	-	15	(15)
Sports, recreation and cultural services	519	-	519	613	(94)
AUTSA O Week	-	-	-	94	(94)
Recreational activities and events	-	-	-	48	(48)
Student on-campus events	-	-	-	471	(471)
Financial support and advice	57	-	57	80	(23)
Tautoko	-	-	-	80	(80)
Spirituality	45	-	45	-	45
TOTAL AUTSA SERVICE LEVEL AGREEMENT	1,706	-	1,706	1,711	(5)

AUT SERVICES

Careers information, advice, and guidance	1,308	-	1,308	1,394	(86)
Employability lab and support	1,308	-	1,308	1,394	(86)
Counselling services	6,364	515	6,879	7,301	(422)
Mental health and counselling services	1,253	17	1,270	1,353	(83)
Disability services	765	494	1,259	1,310	(51)
Student advisory pastoral support	1,903	-	1,903	2,029	(126)
Student wellbeing	979	-	979	1,044	(65)
Student conduct and support	248	-	248	264	(16)
Māori student pastoral care	522	4	526	561	(35)
Pacific student pastoral care	447	-	447	477	(30)
Orientation and transition	247	-	247	263	(16)
Financial support and advice	1,055	-	1,055	1,125	(70)
Financial information and advice	283	-	283	302	(19)
Financial hardship subsidy	772	-	772	823	(51)
Health services	1,248	621	1,869	1,951	(82)
Medical health centres	1,248	621	1,869	1,951	(82)
Childcare services	141	261	402	412	(10)
Childcare subsidy	-	-	-	-	-
Childcare centre	141	261	402	412	(10)
Sports, recreation and cultural services	1,675	209	1,884	1,992	(108)
Competitive sports	221	31	252	266	(14)
Gyms and recreation	1,329	178	1,507	1,595	(88)
Diversity and cultural engagement	125	-	125	131	(6)
TOTAL AUT STUDENT SERVICES	11,791	1,606	13,397	14,175	(778)

TOTAL

13,497	1,606	15,103	15,886	(783)
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The administration of Compulsory Student Services Fees is integrated within the University's normal operations. All income and expenditure associated with the provision of student services is separately accounted for in the University's accounting system.



AN INCLUSIVE COMMUNITY

We welcome people of all ethnicities, genders, sexual orientations, religious and political beliefs, socio-economic situations, and accessibility needs, by improving equity and creating a sense of shared belonging where everyone is valued.

AUT Directions to 2025

A community defined by whanaungatanga (a shared sense of belonging) is one that offers a warm welcome, mutual trust, open communication, and diligent efforts to remove or mitigate barriers some groups may experience. At AUT we recognise a particular responsibility to support the success of Māori, Pacific peoples, people with disabilities, those from refugee backgrounds, members of the Rainbow community, and those who experience educational and economic disadvantage.

EQUAL OPPORTUNITIES

We provide dedicated support for Māori students through Te Tari Takawaenga and the Office of Māori Advancement (OMA). These services include orientation programmes, ongoing mentoring, scholarships, pastoral care, and academic and cultural support. Led by Chancellor Rob Campbell and Pro Vice-Chancellor Māori Advancement, Professor Pare Keiha, the University met with local mana whenua and Māori community groups, identifying ways for AUT to support their educational goals. The discussions included leaders from Ngāti Paoa, Ngāti Whātua o Orākei, Te Runanga o Ngāti Whātua, Te Kawerau a Maki, Ngāti

Tamaoho, Ngai Tai ki Tāmaki, Te Ahiwaru, Ngāti Manuhiri, Te Whānau o Waipareira, the Manukau Urban Māori Authority, Te Kotahi a Tāmaki and Ngā Puna o Waiōrea. Further afield, we have a long-standing partnership with Ngā Puhi and other Far North hapū, which includes annual visits to schools and marae within the region, and the McDonald's Scholarship opportunity. To the South, AUT is involved in Te Kōtahi a Tāmaki, a coalition of more than 40 marae with links to Waikato-Tainui ki Tonga. The group shares skills, knowledge and resources, working towards transformational change for their whānau and hapū through cultural excellence and enterprise.

AUT recognises the importance of embedding Māori concepts within our curriculum to support Māori success and provide a comprehensive New Zealand education for all students. As such, our restructure of generalist undergraduate degrees includes integrating mātauranga Māori into each qualification. Courses such as DIGD507 Mahitahi Collaborative Practices introduce students to te ao Māori and explore ethics, human interactions, and communication skills through a Māori lens. DIGD507 is currently part of the core for the Bachelor of Communication

Studies and the Bachelor of Computer and Information Sciences, and will be introduced into other generalist degrees in the Faculty of Design and Creative Technologies as they are aligned with the new framework. To date the Bachelor of Health Science, Bachelor of Business, Bachelor of International Hospitality Management, and Bachelor of Arts all have core mātauranga-founded courses; we expect all other degrees to have completed the restructure over the next four years.

AUT maintains its close association with the Pacific communities of South Auckland, especially through our South Campus. The University is strengthened by the knowledge and generosity of the community, and the opportunity to develop a shared response to the region's needs and challenges. Our data suggest that socio-economic status is an important determinant of a student's chances of success. Our pastoral care and curriculum-based initiatives are thus designed to support students who experience social and educational disadvantage. This approach is underpinned by a robust analytics programme, to deepen our understanding of our students and ensure they receive the necessary support. We also offer a diverse range of scholarships to support students from lower socio-economic backgrounds, including the Woolf Fisher First-in-Family Awards, Keir Trust Study Award, and the Des Graydon Memorial Scholarship.

During the year, the Faculty of Business, Economics, and Law appointed two new staff to provide additional support for students. One of the new appointees focusses

specifically on Māori and Pacific success. Any student identified as being at risk of failure or withdrawal was contacted and invited to attend a series of workshops, led by the faculty's student success team in conjunction with tuakana-teina mentors, AUT Brightside facilitators, and learning advisors. These workshops were designed to help students identify strategies to overcome challenges to their academic success, create a plan to achieve their study and life goals, and to receive support with any lagging skills. To lift success rates for Pacific students in the Bachelor of Laws, the faculty and the Office of Pacific Advancement offered 'Village Meets', where senior students provided mentoring and peer support. The faculty also established unsupervised study groups, where second-year law students can meet online in small groups and provide peer and study support for each other.

During normal times, a fifth of AUT's students experience severe financial hardship. This was compounded by the pandemic as many students lost part-time employment, or their families were unable to continue providing support. In 2021 we granted more than \$2.5 million in financial support. This was shared between the University's own student hardship fund, and the money provided by the Government's Hardship Funding for Learners initiative.



We also launched a transport fund, where \$0.2 million was distributed to more than 520 students studying across multiple campuses. OMA also established the Equity Māori Hardship Fund, providing pastoral care and financial assistance to those students experiencing COVID-related hardship and without other avenues for support.

AUT offers several scholarships for students from refugee backgrounds. In addition, we employed a Student Inclusion Manager (Refugees), whose role is to foster engagement, social and cultural integration, and support great educational experiences for refugee students.

Almost eight percent of AUT's students advised the University of a disability or impairment in 2021. The Disability Support Services (DSS) group works with each student to identify their specific accessibility needs and where appropriate, devise a support strategy, known as an accommodation plan. More than 790 students had an active accommodation plan during the year. As well as traditional services such as note-takers and reader-writers, the University provides advanced technological support, including the Sonocent AudioNotetaker and ReadAloud, to support students in the classroom and with reading text books. Other devices we provide include iPads, smartpens, noise-cancelling headsets, and coloured overlays and glasses for students who struggle to interpret visual information. We are moving to a more inclusive approach to teaching and learning. Accessibility is a foundational principle of our new learning management system, Canvas, and the pedagogical reform programme.

During the year, we completed the Barriers to Learning project, the result of 33 in-depth individual interviews, plus meetings and additional correspondence, with students and key stakeholders. This comprehensive review of

the academic and university life experiences of students with impairments was sparked by formal and anecdotal feedback from students, supported by a trend of declining satisfaction in the annual University Experience Survey. Many of the report's recommendations have since been addressed, including improved introductory material and enrolment forms; better information for academic staff on supporting students with impairments; and closer communication between DSS, Library staff, and academics.

STUDENT WELLBEING

Student wellbeing continued to be a central concern for AUT, especially during the prolonged time in Alert Levels 3 and 4. We supported our students through a comprehensive network of counselling, online resources, wellbeing checks, staff training and assistance, peer support, and wellbeing promotion activities.

The year's highlight was the opening of Te Āhuru, our new student accommodation and recreation centre. The name evokes comfort, strengthening, and rejuvenation – all foundational principles of the centre. Te Āhuru accommodates almost 700 people and includes a sports court, dance and exercise studios, kitchen facilities, games, and several common areas.

The Education (Pastoral Care of Tertiary and International Learners) Code of Practice 2021 outlines the Government's expectations for tertiary institutions to provide pastoral care for their students. In preparation for the Code's implementation in 2022, the University established governance processes, held staff training, and introduced formal control mechanisms. We also established a student feedback committee of 46 students. Their insight was particularly helpful during Alert Levels 3 and 4.

Two years of the pandemic and associated disruptions present a significant wellbeing challenge. Demand for counselling services surged during 2021, up 22% from the previous year. In response the University extended its counselling team and trialled co-locating counsellors with student hubs and accommodation services to ensure timely support was available. More than 150 students were also referred to Puāwaitanga, a free phone and online professional counselling service. The Auckland Primary Health Office also funded two roles at AUT, to work with staff and support students' confidence in self-managing their own wellbeing needs.

Students in university accommodation required additional support during Alert Level 4. Residents received daily wellbeing checks, free meals, and an online residential life programme.

The University trains academic and support staff on several key issues, including: identifying and referring students of concern; matters of sexual consent; and responding to disclosures of sexual violence. Specialist student advisors work closely with the faculties to ensure a smooth referral process and that vulnerable students are cared for in a timely and appropriate manner. All support service staff and security personnel completed the St John's Mental Health First Aid course, and received training on the new Code of Practice. Students can use our online platforms to report harassment, bullying, or sexual harm allegations.

Senior students also provide peer support through the 'Are You OK?' programme. The advisors represent our diverse student body, and include representatives from our Deaf, disabled, Rainbow, mature, Māori, Pacific, international and new migrant communities. Their role is to check in on students on the campus and connect them with appropriate support services where necessary. When Auckland entered Alert Level 4, advisors continued providing online and phone-based support.

Wellbeing promotion activities centred on providing access to information and tools that would allow students to self-manage their health and wellbeing. As well as releasing a new wellbeing section on our website, the University delivered several campaigns related to sexual health and consent, mental health, staying well and connected, suicide prevention, and alcohol and drugs. To further support students who have experienced sexual harm, Help Auckland provides an on-campus counselling service.



Te Āhuru, our new student accommodation and recreation centre

EQUAL EMPLOYMENT OPPORTUNITIES

A diverse academic staff body is important for fostering the success of our students. Māori and Pacific academics, in particular, play an important role in supporting students from similar backgrounds and providing a culturally safe and inclusive classroom experience. To date, around half (50%) of academic staff are of New Zealand European/Pākehā descent, with another 15% Asian and 23% other ethnicities (including Middle Eastern, Latin American, and African). Just 5% of staff are Māori and another 2% are Pacific. As the market for Māori and Pacific academics remains highly competitive, AUT is taking a longer-term approach to attracting, developing, and retaining early career Māori and Pacific academics through Eke Tangaroa. Through this programme, recent doctoral graduates receive academic mentoring and leadership support to further their career as researchers, teachers, and future leaders. AUT has recruited 29 early career academics since 2015, of whom 23 remain with AUT. There are now five Eke Tangaroa staff teaching Health Sciences, three in the STEM fields, four in Business, and four in Communications. Five new staff were appointed in 2021, including three Māori and two Pacific academics. Based on feedback from participants, the University established a new Kaiurungi (Navigator) role in 2021, to act as a liaison for all Eke Tangaroa stakeholders.

Part of supporting our Māori and Pacific academics is to build cultural understanding and Tiriti knowledge amongst all our staff. OMA and altLAB staff are designing a series of professional learning workshops on Tiriti-based curriculum design and teaching. This initiative arose from the 2020 Wānanga Aronui workshop series, along with a Tiriti-honouring document to guide AUT's future development. OMA staff were also involved in creating the AUT Leadership Excellence Framework, to ensure our senior staff development programme reflects and advances our Tiriti relationship. Staff from the Faculty of Business, Economics and Law participated in Te Kopura, a te reo Māori course piloted in Semester 2 to overwhelmingly

positive feedback. The University intends to extend the opportunity to all faculties and divisions over the next few years.

Ultimately, we seek to increase the number of Māori and Pacific peoples in senior leadership roles. This remains a development area for AUT as we have remained at 27 (15 Māori and 12 Pacific) since 2019. Eke Tangaroa participants are mentored as potential leaders and through the Wānanga Aronui series, the University has identified the need to improve recognition of the wider contributions made by Māori and Pacific staff in the promotion process.

The University is also seeking a greater gender balance amongst its senior staff. In 2021, the number of females in senior leadership positions increased from 129 to 138, including two senior roles at SLT level and two senior professional staff roles. Ignite is our in-house leadership development programme for women. There were 22 participants in 2021, with an even split between professional and academic staff. We also sponsored two academic and two professional staff to attend the New Zealand Universities Women in Leadership (NZUWiL) programme.

AUT is a diverse organisation where all staff deserve to feel safe and included. The University retains its close relationship with the Rainbow Community and was reaccredited with the Rainbow Tick until 2023. In partnership with our staff Out@AUT group, AUT set up a Rainbow Tick Action Group to implement recommendations from the Rainbow Tick Consultant on how to improve our status as an inclusive employer.

AUT aims to be an inclusive community for staff with impairments, as well as students. In 2021 the University received accreditation through the National Foundation of Deaf and Hard of Hearing's Hearing Accredited Workplace Programme (HAWP). This demonstrates our status as an organisation that recognises and values Deaf and hard-of-hearing employees.

STAFF SAFETY AND WELLBEING

In late 2020, AUT staff participated in the Great Work Jam, an opportunity to discuss the University's culture and future direction. The feedback centred on three themes: innovative education, a human-centric community, and effective communication. A series of five projects have emerged from these themes, led by participants from Catalyst, the senior leadership development programme.

Creating greatness: Helping all staff connect with the University's mission of great graduates.

Innovative education: Introducing more agile and innovative educational approaches to support the traditional degree offerings

Learner voice: Improving the way we listen to, and implement, the student voice in learning and teaching, along with the development, operation, and governance of the University.

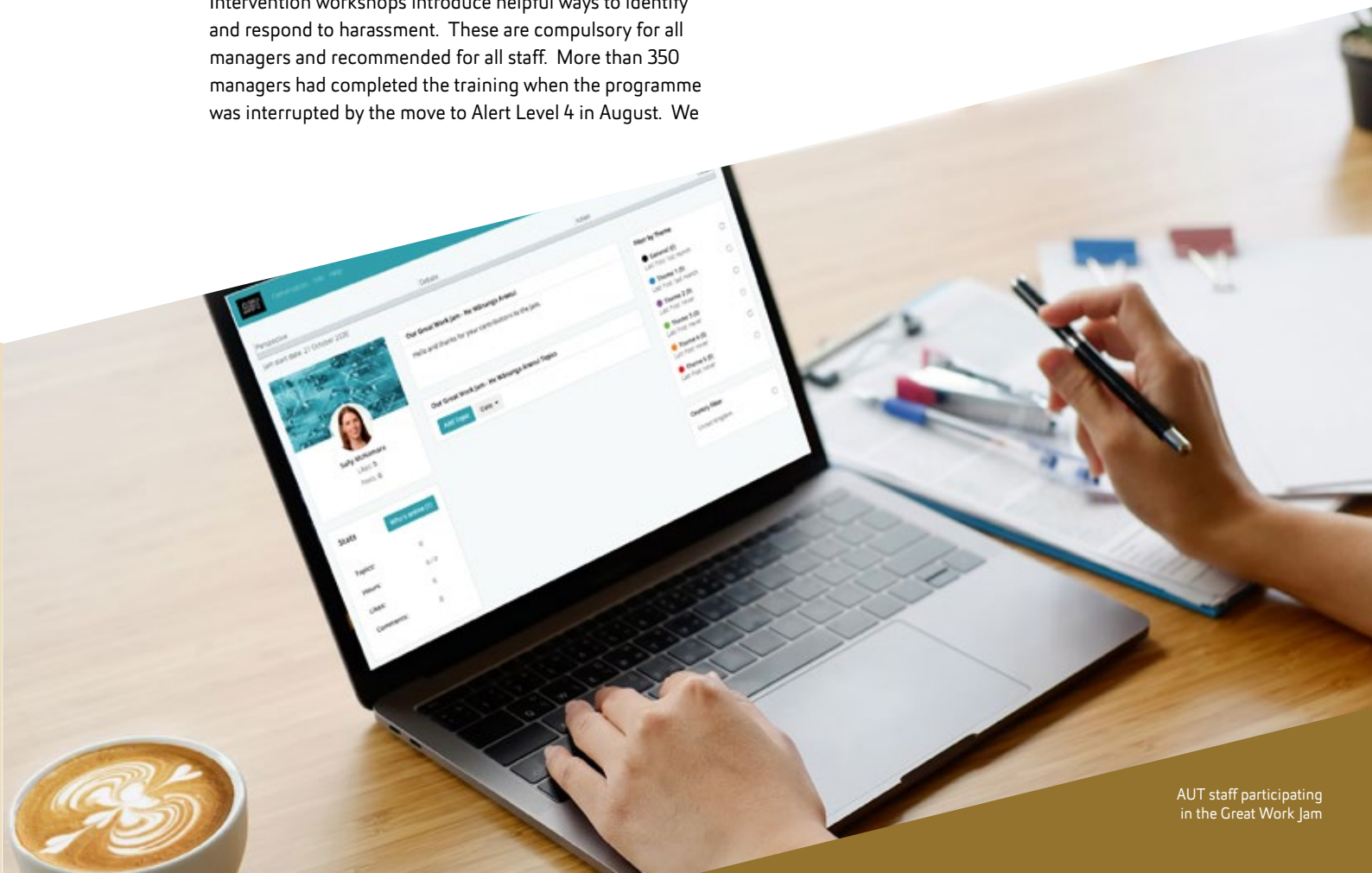
New ways of working: Improving the collaboration and sharing of knowledge across the University

Speak up: Identifying steps all staff can take to ensure AUT is a safe place to speak up, without fear of repercussions.

The same 'safe to speak up' culture was identified in the 2020 Davenport review. Almost all the report's recommendations have been implemented, with the remainder now in progress. The new Bystander Intervention workshops introduce helpful ways to identify and respond to harassment. These are compulsory for all managers and recommended for all staff. More than 350 managers had completed the training when the programme was interrupted by the move to Alert Level 4 in August. We

reviewed and updated several policies, including those on sexual harassment and research supervision. The Culture Change Transition Group is a staff-led initiative using a Tiriti framework to ensure the University's culture reflects its values of tika, pono, and aroha. The University formally established a three-tier advisory and response system for cases of inappropriate behaviour: At Tier 1, Respect in Action is an in-house service that supports staff to prevent bullying and harassment, and advises on pathways for managing any situations that arise. The new Tier 2 EARS service provides an independent option for staff to raise concerns and seek guidance on the next steps. Tier 3 is when a formal complaint is made to the AUT Employment Relations Team. Staff can seek assistance at any stage they feel is appropriate.

The time in Alert Levels 3 and 4 was a challenging experience for staff as well as students, particularly those with care-giving responsibilities in addition to their ordinary employment. Following a survey of staff experiences in September, we launched the Wellbeing Wednesdays series of webinars and resources, introduced additional sick leave, and provided better resources for people leaders. More than 2,500 people participated in a learning and development course over the year, with especially high demand for courses in wellbeing and resilience.



AUT staff participating in the Great Work Jam



GOING BEYOND EDUCATED AND EMPLOYABLE

We will challenge students to become inquiring and agile thinkers and communicators with a broad understanding of their world, looking at issues in ways that transcend disciplines. They will gain core and transferable skills with which to navigate the shifting opportunities of work and enterprise and contribute in all aspects of their lives.

AUT Directions to 2025

Work-integrated learning is a signature component of AUT's educational approach. Students can test the theories they have learned in an applied setting, gain valuable experience and employability skills, and make a valued contribution to an organisation.

The employers included:

- St John Ambulance
- SkyCity Entertainment Group
- Counties Manukau, Waitemata, Auckland, Taranaki and Northland DHBs
- The Warehouse Group
- Cyber Forensics
- Birth Care Centre
- Nga Hau Birthing Centre

There were 141 on-campus and 62 online employer presentations

70 students secured internships through AUT Talenthub

90% of our bachelors graduates completed work-integrated learning

In 2021, our students completed:

23,742 & 301
unpaid work placements paid internships
at
1,292
different employers

Note on the data: the figures above represent data available as at March 2022. Depending on their degree, some students will complete multiple placements throughout their studies; others will undertake one major work-integrated learning placement in their final year. The unpaid work placements include 3,942 placements of at least eight hours per week, for a minimum period of three months.





A RESPONSIBLE GLOBAL CITIZEN

We will recognise and respond to our global responsibilities and opportunities guided by our commitment to the United Nations Sustainable Development Goals, and act on the understanding that all our graduates will be global as well as national citizens.

AUT Directions to 2025

AUT continues to work towards a just, sustainable, and equitable world through our research, our teaching, and our actions. We placed 76th in the 2021 THE University Impact Rankings, which assess the social impact of universities and their commitment to the UNSDGs. For individual sustainability development goals, we ranked:

6th – Goal 8 Decent work and economic growth

11th – Goal 5 Gender equality

50th – Goal 11 Sustainable cities and communities.

The inaugural Sustainability Annual Report 2020 was released during the year. The report discussed AUT's contribution to the UNSDGs and our progress towards the aims set out in the Sustainability Roadmap. Helped by the lockdowns of 2020 and 2021, AUT has significantly reduced our carbon emissions and waste-to-landfill since 2018. The challenge is for the University to continue these reductions in a more normal year. Students in a range of qualifications have access to sustainability-focussed courses, majors, and minors, and eight undergraduate degrees have sustainability embedded in the core. Our research contribution included 76 externally funded sustainability projects in 2020. This work continues under the leadership of our newly appointed Director of Sustainability, Lucy McKenzie, and is supported by the Sustainability Steering Committee, chaired by Dr David Hall. The soon-to-be released Sustainability Report 2021 will provide an update on our progress.

The year's highlights include a new sustainability teaching sub-group, established by the Learning and Teaching Committee, to ensure our sustainability aims are reflected in our curricula. In a circular economy challenge, our third-year industrial design students investigated ways to repurpose the 60,000 light-proof milk bottles used at AUT each year. The students used specialist equipment built by their engineering peers to create a range of products including furniture, a reusable coffee cup, a study lamp, and desk dividers for use in the Library. The desk dividers were made of noise-reducing felt, surrounded by a plastic divider. Both the felt and the divider were made out of the milk bottle plastic. We also established the Food Futures Research Cluster to support sustainable food systems in Aotearoa and the Pacific. The cluster is centred on developing resilient and regenerative food systems and to contributing to food-centric projects that promote the health and wellbeing of our communities. Finally, ICT Services completed a sustainability benchmarking exercise with Fujitsu. The University received a rating of 71, which is significantly above the global average of 57, and has a range of additional recommendations to implement that will further improve our performance.

SUSTAINABLE DEVELOPMENT GOALS

OUR CONTRIBUTION TO THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

The University makes a broad-ranging contribution to the UNSDGs through its research and teaching, and commitment to responsible institutional citizenship. The following index provides a guide to the University's actions in support of the 17 goals. This index applies only to those actions described in Annual Report 2021 and should not be considered an exhaustive summary of our contribution. Some actions may contribute to more than one goal.



- Distributing financial support and technology to students in need (Vice-Chancellor's report (p.10), KPI 3.1 (p. 48), An inclusive community (p. 67))



- Research on Māori men and prostate cancer (KPI 4.2, p. 54)
- Strong wellbeing theme in the year's research grants, including more than \$7 million for investigations into stroke, mental health of Pacific youth, and whānau-based wellbeing (KPI 2.3, p.43)
- Mental health and wellbeing support for staff and students (An inclusive community, pp. 68-69, 71)
- Food Futures Research Cluster established (A responsible global citizen, p. 74)



- Integrating mātauranga Māori and sustainability in our generalist undergraduate degrees (Vice-Chancellor's report (p.9), KPI 3.1 (p. 48), An inclusive community (p. 66))
- Embedding sustainability education in the core of three more undergraduate degrees (KPI 1.1, p. 36)
- EQUIS accreditation recognises the work we do to engender a sense of global responsibility within our students (Vice-Chancellor's report, p. 9)
- Securing Marsden funding for biculturalism and mātauranga Māori education in schools (Vice-Chancellor's report, p. 9)
- Teaching sustainability-focussed courses and qualifications (Vice-Chancellor's report, p. 10)
- Supporting staff to increase their Tiriti and te reo knowledge (An inclusive community, p. 70)



- Ignite leadership development programme to support women aiming for senior leadership roles (An inclusive community, p. 70)



- Research on COVID-era workplace burnout and resilience (KPI 4.2, p. 54)
- Supporting students to gain experience and improve their employability through the work-integrated learning programme (KPI 1.3, p. 37)



- The winners of AUT's X Challenge all had a strong sustainability focus in their business ideas (Vice-Chancellor's report, p. 10)



- Introducing our Learner Success Plan (Vice-Chancellor's report, p. 9)
- Appointing the first Pacific person as Vice-Chancellor of a New Zealand University (Chancellor's foreword, p. 11)
- Commencing our pedagogical reform programme, based on accessibility for all students (Vice-Chancellor's report, p. 9)
- Securing Marsden funding for research into career planning for Māori women (Vice-Chancellor's report, p. 9)
- Appointing Aotearoa New Zealand's first Māori Dean of Law (KPI 4.2, p. 54)
- Research calling for the restoration of indigenous names within taxonomy (Vice-Chancellor's report, p.10)
- Dedicated induction and support services for Māori students (KPI 3.1, p. 48)
- Mai-Ki-Aronui programme supports Māori and indigenous doctoral candidates (KPI 3.2, p. 48)
- Additional support for students from refugee backgrounds (An inclusive community, p. 68)
- Support for students with accessibility needs (An inclusive community, p. 68)
- Eke Tangaroa programme to increase the number of Māori and Pacific academics (An inclusive community, p. 70)
- Support for Rainbow students and staff (An inclusive community, p. 70)



- Securing Marsden funding for research into sustainable burial practices and Pacific architecture and community building (Vice-Chancellor's report, p. 9)
- Commencement of Te Hotonga Hapori study on urban regeneration (Vice-Chancellor's report, p. 10)
- Centre for Social Data Analytics works with American social services agencies to improve their service to vulnerable people (KPI 4.1, p. 54)



- Significant reductions in carbon emissions and waste-to-landfill when compared with 2018 (Vice-Chancellor's report, p. 10)
- Strong performance in our initial ICT sustainability benchmarking exercise (A responsible global citizen, p. 74)
- Design students participated in a circular economy challenge, finding innovative uses for the 60,000 milk bottles used on campus each year (A responsible global citizen, p. 74)



- Research on climate finance and policy (KPI 4.2, p. 54)
- AUT Living Laboratories (p. 60)



- Secured Rutherford Fellowship on regenerative agriculture (Vice-Chancellor's report, p. 10)



- Partnerships with local hapū, including Ngāti Whātua Ōrākei, Waikato-Tainui ki Tonga, Ngāti Paoa, and Ngā Puhī (An inclusive community, p. 66)



- 76 externally-funded research projects focussed on the UNSDGs in 2020 (Vice-Chancellor's report, p. 10)



Design students recycled milk bottles into a range of products, including lamps, reusable coffee cups, and these sound-reducing dividers installed in the Library

GREAT SPACES AND PLACES

We will provide students and staff with attractive, functional campuses and facilities and inspiring work and learning spaces.

AUT Directions to 2025

The University continues to upgrade, maintain and develop our facilities despite pandemic-related disruption and delays. Our major achievement for 2021 was the opening of Te Āhuru (WQ Building), the brand new 697-bed residential student accommodation building at the junction of Mayoral Drive and Wakefield Street. Te Āhuru also houses the new student recreation centre and staff offices, with space for a food court-style operation in the lower levels of the building. Work will continue on this over the next year.

We began furnishing the top four floors of Ngā Wai Hono (WZ Building) early in the year. On completion, AUT will be able to vacate the WT Building before the lease expires in mid-2022. Level 3 of the City Campus Library underwent a major refurbishment in 2021 to meet student demand for additional space for both quiet individual study and collaborative learning.

AUT's major development project, the A1 Building on North Campus, has been on hold since 2019 as part of our efforts to manage pandemic-related financial constraints. In November,

after a retendering process, AUT Council approved the project to recommence. When complete, A1 Building will provide a central heart for North Campus, along with teaching facilities, office space and much-needed social and collaborative learning space. As part of the enabling works for the A1 project, the AC Building on North Campus was demolished in mid-2021. AF Building remains decommissioned and will be refurbished as part of the A1 Project.

The University's total land holdings remain at 29.8 hectares. Gross floor area reduced during the year as a result of partially vacating WT and demolishing AC, although this was somewhat offset by the opening of WQ. Overall, the total gross floor area was 236,800m², a decrease of close to 4,000m² from the previous year. The combined net book value of all land and buildings owned by the University is \$1.02 billion.



Architect's rendering
of the new A1 building

PŪRONGO PŪTEA Financial Statements

STATEMENT OF FINANCIAL PERFORMANCE

For the year ended 31 December 2021

		University			Consolidated		
	Note	2021 Actual \$000s	2021 Budget \$000s	2020 Actual \$000s	2021 Actual \$000s	2021 Budget \$000s	2020 Actual \$000s
REVENUE							
Government grants	2	201,067	194,516	190,879	201,067	194,516	190,879
Student-derived revenue	2	178,872	164,948	194,735	178,872	164,948	194,735
Research revenue	2	22,135	17,042	17,928	22,135	17,042	17,928
Other revenue	2	21,421	28,082	21,892	23,529	29,754	22,707
Total revenue		423,495	404,588	425,434	425,603	406,260	426,249
EXPENSES							
Personnel costs	3	256,956	247,640	262,273	258,034	247,986	262,273
Supplies and other costs	4	106,701	100,178	98,473	107,071	101,321	99,112
Depreciation, amortisation and impairment	11,12	44,323	45,979	49,298	44,323	45,979	49,298
Total expenses before finance costs		407,980	393,797	410,044	409,428	395,286	410,683
Operating surplus before finance costs		15,515	10,791	15,390	16,175	10,974	15,566
Finance costs	5	2,649	3,936	3,097	2,649	3,936	3,097
Operating surplus		12,866	6,855	12,293	13,526	7,038	12,469
Share of associates' and joint venture's surplus/(deficit)	10	-	-	-	(1,353)	(207)	(1,171)
NET SURPLUS		12,866	6,855	12,293	12,173	6,831	11,298

Explanations of major variances against budget are provided in Note 31.
The accompanying notes form part of these Financial Statements.

STATEMENT OF OTHER COMPREHENSIVE REVENUE AND EXPENSE

For the year ended 31 December 2021

	Note	University			Consolidated		
		2021 Actual \$000s	2021 Budget \$000s	2020 Actual \$000s	2021 Actual \$000s	2021 Budget \$000s	2020 Actual \$000s
Net surplus		12,866	6,855	12,293	12,173	6,831	11,298
OTHER COMPREHENSIVE REVENUE AND EXPENSE							
Items that may be reclassified subsequently to surplus/(deficit)							
Net gain/(loss) on other financial assets at fair value through other comprehensive revenue and expense	20	-	-	-	(120)	-	(316)
Net gain/(loss) on cash flow hedges	20	3,070	-	(974)	3,070	-	(974)
Item that will not be reclassified to surplus/(deficit)							
Net gain on asset revaluations	20	97,021	-	-	97,021	-	-
Share of other comprehensive revenue of joint venture	10, 20	-	-	-	8,546	-	-
Total other comprehensive revenue and expense		100,091	-	(974)	108,517	-	(1,290)
TOTAL COMPREHENSIVE REVENUE AND EXPENSE		112,957	6,855	11,319	120,690	6,831	10,008

Explanations of major variances against budget are provided in Note 31.
The accompanying notes form part of these Financial Statements.

STATEMENT OF FINANCIAL POSITION

As at 31 December 2021

As at 31 December 2021		University			Consolidated		
		2021 Actual \$000s	2021 Budget \$000s	2020 Actual \$000s	2021 Actual \$000s	2021 Budget \$000s	2020 Actual \$000s
Note							
CURRENT ASSETS							
Cash and cash equivalents	6	10,796	679	329	13,366	1,832	1,728
Receivables	7	64,778	38,511	61,032	65,445	38,871	61,304
Other financial assets	8	-	3,777	4,500	1,150	6,277	7,000
Inventories		124	86	137	124	86	137
Prepayments		5,549	3,466	5,493	5,549	3,466	5,494
Derivative financial instruments	18	100	-	-	100	-	-
Total current assets		81,347	46,519	71,491	85,734	50,532	75,663
NON-CURRENT ASSETS							
Investment in subsidiaries	9	1,675	1,675	1,675	-	-	-
Investments accounted for using the equity method	10	23,528	23,528	23,528	58,755	51,239	51,611
Other financial assets	8	91	91	91	3,114	2,926	2,719
Property, plant and equipment	11	1,062,030	1,027,411	966,624	1,062,030	1,027,411	966,624
Intangible assets	12	9,955	6,280	5,908	9,955	6,280	5,908
Derivative financial instruments	18	778	-	-	778	-	-
Total non-current assets		1,098,057	1,058,985	997,826	1,134,632	1,087,856	1,026,862
TOTAL ASSETS		1,179,404	1,105,504	1,069,317	1,220,366	1,138,388	1,102,525
CURRENT LIABILITIES							
Payables	13	77,220	49,606	58,901	78,547	50,612	60,236
Deferred revenue	14	105,356	89,736	106,551	105,462	89,879	106,694
Employee entitlements	15	24,664	17,796	21,131	24,730	17,826	21,131
Provisions	16	308	165	196	308	165	196
Finance lease borrowings	17	6,115	7,065	7,058	6,115	7,065	7,058
Derivative financial instruments	18	312	394	468	312	394	468
Total current liabilities		213,975	164,762	194,305	215,474	165,941	195,783
NON-CURRENT LIABILITIES							
Borrowings	19	50,000	126,636	64,850	50,000	126,636	64,850
Employee entitlements	15	8,994	10,940	10,169	8,994	10,940	10,169
Provisions	16	2,678	2,824	2,625	2,678	2,824	2,625
Finance lease borrowings	17	7,850	8,541	11,997	7,850	8,541	11,997
Derivative financial instruments	18	275	2,901	2,696	275	2,901	2,696
Total non-current liabilities		69,797	151,842	92,337	69,797	151,842	92,337
TOTAL LIABILITIES		283,772	316,604	286,642	285,271	317,783	288,120
EQUITY							
General equity	20	404,260	396,645	391,394	426,843	419,900	414,670
Revaluation reserves	20	491,372	392,255	391,281	508,252	400,705	399,735
Total equity		895,632	788,900	782,675	935,095	820,605	814,405
TOTAL LIABILITIES and EQUITY		1,179,404	1,105,504	1,069,317	1,220,366	1,138,388	1,102,525

Explanations of major variances against budget are provided in Note 31. The accompanying notes form part of these Financial Statements.

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2021

Note	University			Consolidated		
	2021 Actual \$000s	2021 Budget \$000s	2020 Actual \$000s	2021 Actual \$000s	2021 Budget \$000s	2020 Actual \$000s
Total equity at the beginning of the year	782,675	782,045	771,356	814,405	813,774	804,397
COMPREHENSIVE REVENUE						
Net surplus	12,866	6,855	12,293	12,173	6,831	11,298
Other comprehensive revenue	100,091	-	(974)	108,517	-	(1,290)
Total comprehensive revenue	112,957	6,855	11,319	120,690	6,831	10,008
TOTAL EQUITY AT THE END OF THE YEAR	895,632	788,900	782,675	935,095	820,605	814,405

Explanations of major variances against budget are provided in Note 31. The accompanying notes form part of these Financial Statements.

STATEMENT OF CASH FLOWS

For the year ended 31 December 2021

For the year ended 31 December 2021		University			Consolidated		
		2021 Actual \$000s	2021 Budget \$000s	2020 Actual \$000s	2021 Actual \$000s	2021 Budget \$000s	2020 Actual \$000s
	Note						
CASH FLOWS FROM OPERATING ACTIVITIES							
Receipts from government grants		201,833	194,681	190,879	201,833	194,681	190,879
Receipts from student-derived revenue		166,458	164,948	183,347	166,458	164,948	183,347
Receipts from service activities		39,492	32,894	32,805	40,794	36,349	33,924
Interest received		161	–	201	185	11	244
Dividend received		9	–	9	21	8	17
Receipts from other revenue		7,826	15,213	10,732	8,094	16,214	11,085
Payments to employees		(256,262)	(247,640)	(260,382)	(257,421)	(248,740)	(261,230)
Payments to suppliers		(82,597)	(99,326)	(92,227)	(83,049)	(102,507)	(92,266)
Interest paid		(2,649)	(3,936)	(3,097)	(2,649)	(3,936)	(3,097)
Net GST received/(paid)		265	(5,796)	2,121	134	(5,955)	1,978
NET CASH FLOW FROM OPERATING ACTIVITIES		74,536	51,038	64,388	74,400	51,073	64,881
CASH FLOWS FROM INVESTING ACTIVITIES							
Proceeds from sale of property, plant and equipment		12	–	95	12	–	95
Purchases of property, plant and equipment		(39,334)	(78,278)	(29,855)	(39,334)	(78,278)	(29,855)
Purchases of intangible assets		(6,892)	(6,615)	(2,150)	(6,892)	(6,615)	(2,150)
Receipt on maturity/(placement) of short-term investments		4,500	–	6,406	5,850	(43)	4,656
Acquisition of other financial assets		–	–	–	(43)	–	–
NET CASH FLOW FROM INVESTING ACTIVITIES		(41,714)	(84,893)	(25,504)	(40,407)	(84,936)	(27,254)
CASH FLOWS FROM FINANCING ACTIVITIES							
Proceeds from/(repayment of) borrowings		(14,850)	42,073	(32,050)	(14,850)	42,073	(32,050)
Proceeds from/(repayment of) finance lease		(7,505)	(8,218)	(7,184)	(7,505)	(8,218)	(7,184)
NET CASH FLOW FROM FINANCING ACTIVITIES		(22,355)	33,855	(39,234)	(22,355)	33,855	(39,234)
Net increase/(decrease) in cash and cash equivalents		10,467	–	(350)	11,638	(8)	(1,607)
Cash and cash equivalents at beginning of the year		329	679	679	1,728	1,840	3,335
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	6	10,796	679	329	13,366	1,832	1,728

Explanations of major variances against budget are provided in Note 31. The accompanying notes form part of these Financial Statements.

STATEMENT OF CASH FLOWS (continued)

RECONCILIATION OF NET SURPLUS TO NET CASH FLOWS FROM OPERATING ACTIVITIES

NET SURPLUS FROM OPERATIONS

ADJUSTMENTS FOR ITEMS NOT INVOLVING CASH

	University 2021 Actual \$000s	2020 Actual \$000s	Consolidated 2021 Actual \$000s	2020 Actual \$000s
NET SURPLUS FROM OPERATIONS	12,866	12,293	12,173	11,298
Depreciation, amortisation and impairment	44,323	49,298	44,323	49,298
Increase/(decrease) in employee entitlements – term portion	(1,175)	(1,415)	(1,175)	(1,415)
Increase/(decrease) in reinstatement provision	165	(818)	165	(818)
Net (gain)/loss on foreign currency translation	153	(56)	153	(56)
Net (gain)/loss on foreign exchange derivatives	(387)	258	(387)	258
Net (gain)/loss on financial assets	–	–	(585)	(130)
Share of associates' and joint venture's (surplus)/deficit	–	–	1,321	1,153
TOTAL ITEMS NOT INVOLVING CASH	43,079	47,267	43,815	48,290

MOVEMENTS IN WORKING CAPITAL

(Increase)/decrease in receivables	(3,746)	(20,703)	(3,746)	(20,601)
(Increase)/decrease in prepayments	(56)	499	(50)	499
(Increase)/decrease in inventories	13	(5)	13	(5)
Increase/(decrease) in payables	20,020	3,640	19,835	4,003
Increase/(decrease) in deferred revenue	(1,195)	13,883	(1,232)	13,883
Increase/(decrease) in current employee entitlements	3,533	5,019	3,570	5,019
TOTAL MOVEMENTS IN WORKING CAPITAL	18,569	2,333	18,390	2,798

ADD/(LESS) ITEMS CLASSIFIED AS INVESTING ACTIVITIES

Net (gain)/loss on disposal of property, plant and equipment	22	2,495	22	2,495
TOTAL ITEMS CLASSIFIED AS INVESTING ACTIVITIES	22	2,495	22	2,495

NET CASH FLOWS FROM OPERATING ACTIVITIES

	74,536	64,388	74,400	64,881
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RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

UNIVERSITY /CONSOLIDATED

2021

	Opening balance \$000s	Financing cash flows \$000s	Non-cash changes \$000s	Closing balance \$000s
Borrowings	64,850	(14,850)	–	50,000
Finance lease borrowings	19,055	(7,505)	2,415	13,965
TOTAL LIABILITIES FROM FINANCING ACTIVITIES	83,905	(22,355)	2,415	63,965

2020

Borrowings	96,900	(32,050)	–	64,850
Finance lease borrowings	19,544	(7,184)	6,695	19,055
TOTAL LIABILITIES FROM FINANCING ACTIVITIES	116,444	(39,234)	6,695	83,905

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2021

NOTE 1 STATEMENT OF ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these Financial Statements are set out below. The Financial Statements comprise Financial Statements for Auckland University of Technology (the University) as an individual entity, and for the consolidated entity consisting of the University, its subsidiaries, and interest in an associate and a joint venture (the Consolidated Group).

REPORTING ENTITY

Auckland University of Technology is a University under the Auckland University of Technology (Establishment) Order 1999 and is domiciled in New Zealand. The relevant legislation governing the University's operations includes the Crown Entities Act 2004 and the Education and Training Act 2020. The primary objective of the University is to provide tertiary education and research services for the benefit of the community rather than making a financial return. For the purposes of financial reporting, the University and the Consolidated Group are considered to be Public Benefit Entities (PBE).

The Financial Statements of the University and the Consolidated Group for the year ended 31 December 2021 were authorised for issue by the Council of Auckland University of Technology on 26 April 2022.

BASIS OF PREPARATION

The Financial Statements have been prepared on the going concern basis, and the accounting policies have been applied consistently throughout the period.

Statement of compliance

The Financial Statements of the University and the Consolidated Group have been prepared in accordance with the requirements of the Crown Entities Act 2004 and the Education and Training Act 2020, which include the requirement to comply with generally accepted accounting practice in New Zealand (NZ GAAP). The Financial Statements have been prepared to comply with Public Benefit Entity International Public Sector Accounting Standards (PBE IPSAS) for a Tier 1 entity.

Measurement base

The Financial Statements have been prepared on an accruals basis and are based on the historical cost convention as modified by the revaluation of certain assets and liabilities as identified in the significant accounting policies. These include the revaluation of financial assets and liabilities (including derivative instruments) at fair value through other comprehensive revenue and expense and certain classes of property, plant and equipment.

Functional and presentation currency

The Financial Statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars, unless otherwise stated. The functional currency of the University and its subsidiaries is New Zealand dollars.

Standards issued and not yet effective and not early adopted

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

PBE IPSAS 41 Financial Instruments

PBE IPSAS 41 Financial Instruments supersedes PBE IPSAS 29 Financial Instruments: Recognition and Measurement. It is effective for the year ending 31 December 2022, with earlier adoption permitted. The main changes between PBE IPSAS 29 and PBE IPSAS 41 are:

- New financial asset classification requirements for determining whether an asset is measured at fair value or amortised cost.
- A new impairment model for financial assets based on expected losses, which might result in the earlier recognition of impairment losses.
- Revised hedge accounting requirements to better reflect the management of risks.

The University and the Consolidated Group have performed a preliminary assessment on the impact of the standard and do not expect material changes to the carrying value of its financial instruments. Additional disclosures may be required about the University and the Consolidated Group's financial assets.

PBE FRS 48 Service Performance Reporting

PBE FRS 48 replaces the service performance reporting requirements of PBE IPSAS 1 Presentation of Financial Statements and is effective for the year ending 31 December 2022, with earlier adoption permitted. The University and the Consolidated Group have not yet assessed in detail the impact of PBE FRS 48 on its Statement of Service Performance.

NOTE 1 STATEMENT OF ACCOUNTING POLICIES (continued)

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Specific accounting policies are disclosed in the notes to which they relate. All other accounting policies that do not relate to a specific disclosure note are outlined below.

Basis of consolidation

The consolidated Financial Statements comprise the Financial Statements of the University, its subsidiaries, interest in an associate and joint venture interests. The consolidated financial statements are prepared by adding together like items of assets, liabilities, equity, revenue, expenses, and cash flows of entities in the Consolidated Group on a line-by-line basis. All intra-group balances, transactions, revenue, and expenses are eliminated on consolidation.

The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. The consolidation of an entity begins from the date the University obtains control of the entity and ceases when the University loses control of the entity.

Foreign currency translation

Transactions in foreign currencies are translated to New Zealand dollars at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance date are translated to New Zealand dollars at the foreign exchange rate ruling at that date. All foreign exchange differences arising on translation are recognised in the surplus or deficit.

Goods and Services Tax (GST)

Auckland University of Technology is a GST-registered entity as defined by the Goods and Services Act 1985. The Financial Statements have been prepared on a GST-exclusive basis with the exception of receivables and payables, which are stated GST inclusive. When GST is not recoverable on input tax then it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department at balance date is included as part of receivables or payables in the Statement of Financial Position.

The net GST paid to, or received from, the Inland Revenue Department, including the GST relating to investing and financing activities, is classified as an operating cash flow in the Statement of Cash Flows.

Commitments and contingencies are disclosed exclusive of GST.

Income tax

The University and its subsidiaries are exempt from the payment of income tax as they are treated by the Inland Revenue Department as charitable organisations for the purposes of the Income Tax Act. Accordingly, no provision for income tax has been made.

Budget figures

The University budget figures are those approved by the Council of the Auckland University of Technology before the beginning of each financial year. The consolidated group budget figures have been compiled from the University budget and its subsidiaries budget. They have been prepared in accordance with generally accepted accounting practice and are consistent with the accounting policies adopted by the Council in preparing these Financial Statements.

Critical accounting estimates and assumptions

In preparing these Financial Statements, the University and the Consolidated Group have made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are:

- Other financial assets – see note 8
- Revaluation of land and buildings – see note 11
- Depreciation and amortisation – see note 11 and note 12
- Long service leave and retirement leave – see note 15
- Research and study leave – see note 15
- Reinstatement provision – see note 16

Critical judgements in applying accounting policies

The University has made the following critical judgements in applying accounting policies:

- Research revenue recognition – see note 2
- Interest in joint venture – see note 10
- Crown-owned land and buildings – see note 11
- Research and study leave – see note 15

NOTE 2 REVENUE

2(i) GOVERNMENT GRANTS

	University		Consolidated	
	2021 Actual \$000s	2020 Actual \$000s	2021 Actual \$000s	2020 Actual \$000s
Student Achievement Component (SAC) Funding	173,643	161,339	173,643	161,339
Performance-Based Research Funding (PBRF) – Note (a)	20,724	20,627	20,724	20,627
Mangere Refugee Centre	2,213	2,190	2,213	2,190
Tertiary students with disabilities	494	477	494	477
Māori and Pacific peoples	1,424	1,312	1,424	1,312
Early childhood education centre – Note (b)	324	407	324	407
Other government funding (including Hardship Funding for Learners)	2,245	4,527	2,245	4,527
TOTAL GOVERNMENT GRANTS	201,067	190,879	201,067	190,879

NOTE (a): PBRF

	University		Consolidated	
	2021 Actual \$000s	2020 Actual \$000s	2021 Actual \$000s	2020 Actual \$000s
Provisional PBRF received	20,652	20,730	20,652	20,730
Prior year PBRF final wash-up	72	(103)	72	(103)
TOTAL PBRF	20,724	20,627	20,724	20,627

NOTE (b): Early childhood education centre

Revenue

	University		Consolidated	
	2021 Actual \$000s	2020 Actual \$000s	2021 Actual \$000s	2020 Actual \$000s
Early childhood education funding	324	407	324	407
Other revenue *	194	212	194	212
Total revenue	518	619	518	619

Expenditure

	University		Consolidated	
	2021 Actual \$000s	2020 Actual \$000s	2021 Actual \$000s	2020 Actual \$000s
Operating expenses	597	692	597	692
Total expenditure	597	692	597	692

NET DEFICIT	(79)	(73)	(79)	(73)
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*Other revenue represents early childhood education fees received from parents and is reflected as part of the trading revenue in Note 2(iv).

NOTE 2 REVENUE (continued)

2(ii) STUDENT-DERIVED REVENUE

	University		Consolidated	
	2021 Actual \$000s	2020 Actual \$000s	2021 Actual \$000s	2020 Actual \$000s
Domestic student tuition fees	79,020	72,581	79,020	72,581
Fees-free funding	21,506	20,552	21,506	20,552
International student tuition fees	63,509	88,682	63,509	88,682
Compulsory student service fees	13,498	11,691	13,498	11,691
Other student-related fees	1,339	1,229	1,339	1,229
TOTAL STUDENT-DERIVED REVENUE	178,872	194,735	178,872	194,735

2(iii) RESEARCH REVENUE

	University		Consolidated	
	2021 Actual \$000s	2020 Actual \$000s	2021 Actual \$000s	2020 Actual \$000s
Research revenue received	21,989	17,827	21,989	17,827
Movement in research revenue carried forward	146	101	146	101
TOTAL RESEARCH REVENUE	22,135	17,928	22,135	17,928

2(iv) OTHER REVENUE

	University		Consolidated	
	2021 Actual \$000s	2020 Actual \$000s	2021 Actual \$000s	2020 Actual \$000s
Trading revenue	11,029	11,025	11,029	11,025
Student accommodation revenue	3,802	4,109	3,802	4,109
Interest revenue	161	201	183	247
Dividend revenue	9	9	21	17
Net gain on foreign exchange derivatives	387	-	387	-
Net foreign exchange gains	-	56	-	60
Other operating revenue	5,900	6,377	7,974	7,134
Donations received	133	115	133	115
TOTAL OTHER REVENUE	21,421	21,892	23,529	22,707

NOTE 2
REVENUE (continued)

ACCOUNTING POLICY

Revenue is measured at fair value. The University recognises revenue from individual categories of transactions as follows:

Student Achievement Component (SAC) funding

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

Fees-free funding

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

Domestic student tuition fees

Domestic student tuition fees are subsidised by government funding and are considered non-exchange in nature. Revenue is thus recognised when the course withdrawal date has passed, which is when a student is no longer entitled to a refund for withdrawing from the course.

International student tuition fees

International student tuition fees are treated as exchange transactions, and recognised as revenue on a course percentage of completion basis. The percentage of completion is measured by reference to the days of the course completed as a proportion of the total course days.

Performance-Based Research Fund (PBRF)

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

Research revenue

For an exchange research contract, revenue is recognised on a percentage of completion basis. The percentage of completion

is measured by reference to the actual research expenditure incurred as a proportion of total expenditure expected to be incurred.

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

Other grants received

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

Donations, bequests, and pledges

Donations and bequests are recognised as revenue when the right to receive the fund or asset has been established, unless there is an obligation in substance to return the funds if conditions of the donation or bequest are not met. If there is such an obligation, they are initially recorded as revenue in advance when received and recognised as revenue when the conditions are satisfied. Pledges are not recognised as assets or revenue until the pledged item is received.

Trading revenue

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

Student accommodation services

Revenue from the provision of student accommodation services is recognised on a percentage of completion basis. This is determined by reference to the number of accommodation days used as a proportion of the total accommodation days contracted for with the individual.

Interest and dividends

Interest revenue is recognised by accruing on a time proportion basis the interest due for the investment. Dividends are recognised when the right to receive payment has been established.

NOTE 2
REVENUE (continued)

CRITICAL JUDGEMENTS IN APPLYING ACCOUNTING POLICIES

Research revenue

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

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

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

NOTE 3
PERSONNEL COSTS

	University		Consolidated	
	2021 Actual \$000s	2020 Actual \$000s	2021 Actual \$000s	2020 Actual \$000s
ACADEMIC				
Salaries and wages	134,728	134,643	135,740	134,643
Defined contribution plan employer contributions	3,671	3,660	3,690	3,660
Movement in employee entitlements	1,201	821	1,245	821
Other staff-related costs	4,490	5,906	4,493	5,906
	144,090	145,030	145,168	145,030
ADMINISTRATION				
Salaries and wages	102,601	103,185	102,601	103,185
Defined contribution plan employer contributions	2,802	2,812	2,802	2,812
Movement in employee entitlements	799	1,975	799	1,975
Other staff-related costs	6,664	9,271	6,664	9,271
	112,866	117,243	112,866	117,243
TOTAL PERSONNEL COSTS	256,956	262,273	258,034	262,273

ACCOUNTING POLICY

Superannuation schemes

Defined contribution schemes

Employer contributions to KiwiSaver and two of the National Provident Fund (NPF) Superannuation schemes, namely the Lump Sum National Scheme and the Pension National Scheme, are accounted for as defined contribution schemes and are recognised as an expense in the surplus or deficit as incurred.

Defined benefit schemes

The University belongs to the Government Superannuation Fund (GSF) scheme, which is a defined benefit scheme managed by the Government Superannuation Fund Authority. The University has no underwriting responsibilities as any shortfall is met by the Government. As such, employer contributions to the GSF scheme are accounted for as a defined contribution scheme.

NOTE 4
SUPPLIES AND OTHER COSTS

	University		Consolidated	
	2021 Actual \$000s	2020 Actual \$000s	2021 Actual \$000s	2020 Actual \$000s
Faculty costs	44,165	37,257	44,165	37,257
Occupancy/property costs	18,457	15,690	18,457	15,690
Operating lease costs – buildings	9,957	8,327	9,957	8,327
Operating lease costs – equipment	840	1,452	840	1,452
Administration expenses	16,297	15,794	16,297	15,794
Fees to principal auditor:				
Financial Statements audit (*)	228	223	257	247
PBRF assurance engagement	21	20	21	20
Provision for impairment of receivables:				
Change in provision for impairment of receivables	46	1,162	46	1,162
Uncollectible receivables written off	539	490	539	490
Councillors’ fees (Note 22)	245	241	245	241
Net loss on foreign exchange derivatives	-	258	-	258
Net foreign exchange losses	153	-	153	-
Loss on disposal of property plant and equipment	22	2,495	22	2,495
Other operating costs	15,731	15,064	16,072	15,679
TOTAL SUPPLIES AND OTHER COSTS	106,701	98,473	107,071	99,112

*Includes audit fees of \$11,975 (2020: \$11,584) for Auckland University of Technology Foundation paid on its behalf by Auckland University of Technology.

Operating lease commitments as lessee

Auckland University of Technology leases property, plant and equipment in the normal course of its business. Most of these leases have a non-cancellable term of 36 months. The commitments for future aggregate minimum lease payments, in relation to non-cancellable operating leases contracted at the balance date but not recognised as liabilities, are as follows:

	University		Consolidated	
	2021 Actual \$000s	2020 Actual \$000s	2021 Actual \$000s	2020 Actual \$000s
Not later than one year	7,030	5,617	7,030	5,617
Later than one year and not later than five years	21,636	6,291	21,636	6,291
Later than five years	22,920	-	22,920	-
TOTAL NON-CANCELLABLE OPERATING LEASES	51,586	11,908	51,586	11,908

The University leases 29,974 square metres (2020: 24,815 square metres) of office space in Auckland for teaching, research and administrative purposes. Most of these leases can be renewed at the University’s option, with rents set by reference to current market rates for items of equivalent age and condition

ACCOUNTING POLICY

Operating leases

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

over the lease term. Lease incentives received are recognised in the surplus or deficit as a reduction of rental expense over the lease term.

NOTE 5
FINANCE COSTS

	University		Consolidated	
	2021 Actual \$000s	2020 Actual \$000s	2021 Actual \$000s	2020 Actual \$000s
Interest on bank borrowings	1,932	2,207	1,932	2,207
Interest on finance leases	717	890	717	890
TOTAL FINANCE COSTS	2,649	3,097	2,649	3,097

ACCOUNTING POLICY

Borrowing costs are expensed in the financial year in which they are incurred.

NOTE 6
CASH AND CASH EQUIVALENTS

	University		Consolidated	
	2021 Actual \$000s	2020 Actual \$000s	2021 Actual \$000s	2020 Actual \$000s
Cash at bank and on hand	10,796	329	13,366	1,728
TOTAL CASH AND CASH EQUIVALENTS AS PER THE STATEMENT OF CASH FLOWS	10,796	329	13,366	1,728

The carrying value of cash at bank and short-term deposits with maturity dates of three months or less approximates their fair value.

The weighted average effective interest rate for cash and cash equivalents was 0.62% (2020: 0.19%).

Financial assets recognised in a non-exchange transaction that are subject to restrictions

The cash and cash equivalents balance of the Consolidated Group includes an amount of \$2.1 million (2020: \$0.50 million) that relates to unspent funds received that are subject to restrictions. These unspent funds relate to donations and bequests received by the Auckland University of Technology Foundation. The restrictions generally specify how the funds are required to be used for specified purposes as outlined by donors.

ACCOUNTING POLICY

Cash and cash equivalents include cash on hand, deposits held on call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings as current liabilities in the statement of financial position.

NOTE 7 RECEIVABLES

	University		Consolidated	
	2021 Actual \$000s	2020 Actual \$000s	2021 Actual \$000s	2020 Actual \$000s
Trade receivables	2,139	1,913	2,714	2,386
Less: provision for impairment	(438)	(793)	(438)	(793)
	1,701	1,120	2,276	1,593
Student fee receivables	64,152	61,048	64,152	61,048
Less: provision for impairment	(2,588)	(2,187)	(2,588)	(2,187)
	61,564	58,861	61,564	58,861
Other receivables	172	641	172	641
Accrued revenue	153	63	246	63
Tertiary Education Commission	1,044	-	1,044	-
Related parties	144	347	143	146
TOTAL RECEIVABLES	64,778	61,032	65,445	61,304

Student fee receivables are non-interest bearing and are generally paid in full by the course start date. Therefore, their carrying value approximates their fair value.

Trade receivables and other receivables are non-interest bearing and are generally settled on 30-day terms. Therefore, the carrying value of other receivables approximates their fair value.

Movements in the provision for uncollectability of trade receivables and student receivables are as follows:

	University		Consolidated	
	2021 Actual \$000s	2020 Actual \$000s	2021 Actual \$000s	2020 Actual \$000s
Opening provisions	793	763	793	763
Provisions made/ (reversed) during the year	(353)	36	(353)	36
Trade receivables written-off during the year	(2)	(6)	(2)	(6)

CLOSING PROVISIONS FOR IMPAIRMENT OF TRADE RECEIVABLES	438	793	438	793
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STUDENT FEE RECEIVABLES

Opening provisions	2,187	1,055	2,187	1,055
Provisions made/ (reversed) during the year	938	1,616	938	1,616
Student fee receivables written-off during the year	(537)	(484)	(537)	(484)

CLOSING PROVISIONS FOR IMPAIRMENT OF STUDENT FEE RECEIVABLES	2,588	2,187	2,588	2,187
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NOTE 7 RECEIVABLES (continued)

The ageing profile of trade receivables and student receivables at the balance date is as follows:

	University			Consolidated		
	Gross \$000s	Impairment \$000s	Net \$000s	Gross \$000s	Impairment \$000s	Net \$000s
TRADE RECEIVABLES						
2021 – Under 30 days	703	(4)	699	892	(4)	888
31 – 60 days	1,021	(71)	950	1,295	(71)	1,224
61 – 90 days	77	(65)	12	97	(65)	32
Over 90 days	338	(298)	40	430	(298)	132
Total trade receivables	2,139	(438)	1,701	2,714	(438)	2,276
2020 – Under 30 days	824	-	824	1,029	-	1,029
31 – 60 days	625	(329)	296	779	(329)	450
61 – 90 days	89	(89)	-	111	(89)	22
Over 90 days	375	(375)	-	467	(375)	92
Total trade receivables	1,913	(793)	1,120	2,386	(793)	1,593

STUDENT FEE RECEIVABLES

2021 – Under 30 days	61,009	-	61,009	61,009	-	61,009
31 – 60 days	64	(64)	-	64	(64)	-
61 – 90 days	192	(148)	44	192	(148)	44
Over 90 days	2,887	(2,376)	511	2,887	(2,376)	511
Total student fee receivables	64,152	(2,588)	61,564	64,152	(2,588)	61,564
2020 – Under 30 days	58,173	-	58,173	58,173	-	58,173
31 – 60 days	366	(90)	276	366	(90)	276
61 – 90 days	98	(24)	74	98	(24)	74
Over 90 days	2,411	(2,073)	338	2,411	(2,073)	338
Total student fee receivables	61,048	(2,187)	58,861	61,048	(2,187)	58,861

All receivables greater than 30 days in age are considered to be past due. There are no provisions for impairment of other receivables and no amounts are overdue.

Due to the large number of student fee receivables, the impairment assessment is performed on a collective basis, based on an analysis of past collection history and debt write-offs.

ACCOUNTING POLICY

Receivables are recognised initially at fair value and subsequently measured at amortised cost, less any provision for impairment.

Collectability of receivables is reviewed on an on-going basis. Receivables which are known to be uncollectable are written off. A provision for impairment of receivables is established when there is objective evidence that the University will not be able to collect all amounts due according to the original terms of payment.

NOTE 8
OTHER FINANCIAL ASSETS

	University		Consolidated	
	2021 Actual \$000s	2020 Actual \$000s	2021 Actual \$000s	2020 Actual \$000s
CURRENT PORTION				
Term deposits with maturities greater than 3 months	-	4,500	1,150	7,000
	-	4,500	1,150	7,000
NON-CURRENT PORTION				
Unlisted shares (at cost, less impairment)	91	91	91	91
Unlisted shares held by subsidiaries	-	-	3,023	2,628
	91	91	3,114	2,719
TOTAL OTHER FINANCIAL ASSETS	91	4,591	4,264	9,719

UNLISTED SHARES

Unlisted shares held by the University are carried at cost less any impairment as either the fair value of unlisted shares cannot be reliably determined using a standardised valuation technique or due to cost not being materially different to fair value. There is currently no intention to dispose of these investments.

Unlisted shares held by subsidiaries are carried at fair value. The fair value of these shares is determined based on the most recent price of the equity investment. Adjustments are made to the most recent price of investment when there is evidence of events subsequent to that investment that have affected the value of the company.

IMPAIRMENT

There are no impairment provisions for other financial assets. None of the financial assets are either past due or impaired.

ACCOUNTING POLICY

Financial assets are initially recognised at fair value plus transaction costs unless they are carried at fair value through surplus or deficit, in which case the transaction costs are recognised in the surplus or deficit.

TERM DEPOSITS

Term deposits are initially measured at the amount invested. Where applicable, interest is subsequently accrued and added to the investment balance. Term deposits of the Consolidated Group includes \$nil (2020: \$1.5 million) of unspent funds relate to donations and bequests received by the Auckland University of Technology Foundation that are subject to restrictions.

EQUITY INVESTMENTS

Equity investments are designated at fair value through other comprehensive revenue and expense.

After initial recognition, the shares are measured at their fair value, with gains and losses recognised in other comprehensive revenue and expense, except for impairment losses, which are recognised in the surplus or deficit. When sold, the cumulative gain or loss previously recognised in other comprehensive revenue and expense is transferred to the surplus or deficit.

A significant or prolonged decline in the fair value of the investment below its cost is considered objective evidence of impairment. If impairment evidence exists, the cumulative loss recognised in other comprehensive revenue and expense is transferred from equity to the surplus or deficit.

Impairment losses on equity investments recognised in the surplus or deficit are not reversed through the surplus or deficit.

Equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably determined using a standardised valuation technique are carried at cost less impairment.

CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

Unlisted equity investments are generally not publicly traded. As there may be no open market to establish an independent value for certain unlisted equity, there can be no assurance that a determination of fair value for an unlisted equity will be obtainable in the market, or that there will be a market for the unlisted equity

NOTE 9
INVESTMENT IN SUBSIDIARIES

Name of entity	Country of incorporation/ operation	Nature of business	Ownership interest	
			2021	2020
Auckland University of Technology Foundation	New Zealand	To receive donations and endowments that are used to promote and support academic excellence at the University	100%	100%
AUT Ventures Limited	New Zealand	Commercialisation of research and provision of consulting services	100%	100%

	University	
	2021 Actual \$000s	2020 Actual \$000s
INVESTMENT IN SUBSIDIARIES		
Auckland University of Technology Foundation	-	-
AUT Ventures Limited	1,675	1,675
TOTAL INVESTMENT IN SUBSIDIARIES	1,675	1,675

All subsidiaries have a balance date of 31 December

ACCOUNTING POLICY

The University consolidates in the consolidated financial statements those entities it controls. Control exists where the University is exposed, or has rights, to variable benefits (either financial or non-financial) and has the ability to affect the nature and amount of those benefits from its power over the entity.

Power can exist over an entity if, by virtue of its purpose and design, the relevant activities and the way in which the relevant activities of the entity can be directed has been predetermined by the University. Investments in subsidiaries are measured at cost in the University's financial statements.

NOTE 10**INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD**

	University		Consolidated	
	2021 Actual \$000s	2020 Actual \$000s	2021 Actual \$000s	2020 Actual \$000s
Investment in associates	5,000	5,000	8,768	8,975
Investment in joint venture	18,528	18,528	49,987	42,636
TOTAL INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD	23,528	23,528	58,755	51,611

INVESTMENT IN ASSOCIATES

The University has a 15% (2020: 15%) interest in an associate, Waterfront Theatre Limited, which develops, owns and manages the ASB Waterfront Theatre. Waterfront Theatre Limited is domiciled and operates in New Zealand. The consolidated group's interest in Waterfront Theatre Limited is measured using the equity method of accounting in the consolidated financial statements, reflecting the significant influence the University has with a representative on the Board of Directors of Waterfront Theatre Limited.

Summarised financial information of the Consolidated Group's investment in Waterfront Theatre Limited:

	Consolidated	
	2021 Actual \$000s	2020 Actual \$000s
Current assets	1,066	951
Non-current assets	28,982	29,883
Current liabilities	(530)	(476)
Non-current liabilities	-	-
Net assets	29,518	30,358
Share of associate's net assets	4,428	4,554

Revenue	377	341
Net surplus/(deficit)	(842)	(1,174)
Other comprehensive revenue and expense	-	-
Total comprehensive revenue and expense	(842)	(1,174)
Share of associate's net surplus/(deficit)	(126)	(176)

RECONCILIATION OF CARRYING AMOUNT OF INVESTMENT IN ASSOCIATE:

Balance at the beginning of the year	8,810	8,986
Share of associate's net surplus/(deficit)	(126)	(176)
CARRYING AMOUNT AT THE END OF THE YEAR	8,684	8,810

The associate had no contingent liabilities or capital commitments as at 31 December 2021 (2020: Nil).

NOTE 10**INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (continued)**

In addition to the interest in associate disclosed above, the Consolidated Group also has interests in other associates through ordinary shares held by AUT Ventures Limited, that are accounted for using the equity method.

	Consolidated	
	2021 Actual \$000s	2020 Actual \$000s
Summarised aggregated financial information of the Consolidated Group's investment in other associates:		

AGGREGATE AMOUNTS OF THE CONSOLIDATED GROUP'S SHARE OF:

Net surplus/(deficit)	(32)	(18)
Other comprehensive revenue and expense	-	-
Total comprehensive revenue and expense	(32)	(18)

AGGREGATE CARRYING AMOUNT AT THE END OF THE YEAR

	84	165
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INVESTMENT IN JOINT VENTURE

The University has a 50% (2020: 50%) interest in AUT/Millennium Ownership Trust, a joint venture established by the University and the North Shore Bays Community Fitness Centre Trust to promote community fitness and well-being and to support elite sport.

AUT/Millennium Ownership Trust is domiciled and operates in New Zealand.

	Consolidated	
	2021 Actual \$000s	2020 Actual \$000s
Summarised financial information of the Consolidated Group's investment in AUT/Millennium Ownership Trust:		

Current assets	1,792	2,460
Non-current assets	99,788	84,502
Current liabilities	(899)	(982)
Non-current liabilities	(372)	(372)
Net assets	100,309	85,608
Share of joint venture's net assets	50,155	42,804

Revenue	7,735	8,283
Net surplus/(deficit)	(2,390)	(1,953)
Other comprehensive revenue and expense	17,092	-
Total comprehensive revenue and expense	14,702	(1,953)
Share of joint venture's net surplus/(deficit)	(1,195)	(977)
Share of joint venture's other comprehensive revenue/(expense)	8,546	-

RECONCILIATION OF CARRYING AMOUNT OF INVESTMENT IN JOINT VENTURE:

Balance at the beginning of the year	42,636	43,613
Share of joint venture's net surplus/(deficit)	(1,195)	(977)
Share of joint venture's other comprehensive revenue/(expense)	8,546	-
CARRYING AMOUNT AT THE END OF THE YEAR	49,987	42,636

The joint venture had no contingent liabilities or capital commitments as at 31 December 2021 (2020: Nil).

NOTE 10
INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (continued)

ACCOUNTING POLICY

Associate

An associate is an entity over which the University has significant influence and that is neither a subsidiary nor an interest in a joint venture. Investment in associate is measured at cost in the University's financial statements. Investment in associate is accounted for in the consolidated financial statements using the equity method of accounting.

Joint venture

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Joint control is the agreed sharing of control of an arrangement by way of a binding arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. Investment in joint ventures is measured at cost in the University's financial statements. Investment in joint venture is accounted for in the consolidated financial statements using the equity method of accounting.

Equity method of accounting in consolidated financial statements

Under the equity method of accounting, the investment is initially recognised at cost and the carrying amount is increased or decreased to recognise the consolidated group's share of the change in net assets of the entity after the date of acquisition. The consolidated group's share of the surplus or deficit is recognised in the consolidated group surplus or deficit. Distributions received from the investee reduce the carrying amount of the investment in the consolidated financial statements.

If the share of deficits of the entity equals or exceeds the interest in the entity, the consolidated group discontinues recognising its share of further deficits. After the consolidated group's interest is reduced to zero, additional deficits are provided for, and a liability is recognised, only to the extent that the consolidated group has incurred legal or constructive obligations or made payments on behalf of the entity. If the entity subsequently reports surpluses, the consolidated group will resume recognising its share of those surpluses only after its share of the surpluses equals the share of deficits not recognised.

Critical judgements in applying accounting policies

Interest in joint venture

The University applies its judgement in equity accounting for a 50% interest in the AUT/Millennium Ownership Trust. This is based on the University's 50% contribution to the Trust Fund, and the right to appoint or remove 50% of the board of trustees.

NOTE 11
PROPERTY, PLANT & EQUIPMENT

2021– University / Consolidated

	Cost / Revaluation				Accumulated Depreciation and Impairment Losses				Net Book Value	
	Balance at 1 Jan 2021	Additions / reclassifications	Revaluation movements	Disposals	Balance at 31 Dec 2021	Balance at 1 Jan 2021	Depreciation	Disposals/ eliminated on revaluation	Impairment losses / reclassifications	Balance at 31 Dec 2021
AUT-OWNED ASSETS										
Land	184,620	-	15,580	-	200,200	-	-	-	-	184,620
Buildings	609,190	5,275	34,784	(338)	648,911	18,772	18,666	(37,438)	-	590,418
Library collection	78,328	4,944	-	(2)	83,270	72,798	4,360	(2)	77,156	5,530
Computers and electronic equipment	25,826	562	-	(11,321)	15,067	23,830	1,327	(11,321)	-	1,996
Furniture and fittings	19,354	300	-	(1,695)	17,959	16,821	1,365	(1,693)	-	2,533
Leasehold improvements	11,534	849	-	(184)	12,199	9,451	1,582	(174)	-	2,083
Motor vehicles	946	4	-	-	950	724	45	-	769	222
Office equipment	2,410	3	-	(1,045)	1,368	2,398	3	(1,045)	-	12
Plant and equipment	60,706	2,330	-	(6,544)	56,492	41,634	5,757	(6,521)	-	19,072
Specialty electronics	2,512	471	-	(845)	2,138	2,354	252	(845)	-	158
Works of art	427	-	-	-	427	-	-	-	-	427
WIP – buildings	35,794	22,166	-	-	57,960	-	-	-	-	35,794
WIP – others	5,180	218	-	-	5,398	-	-	-	-	5,180
TOTAL AUT-OWNED ASSETS	1,036,827	37,122	50,364	(21,974)	1,102,339	188,782	33,357	(59,039)	-	848,045

CROWN-OWNED LAND AND BUILDINGS

Land	82,908	-	7,699	-	90,607	-	-	-	-	82,908
Buildings	20,897	-	433	-	21,330	477	948	(1,425)	-	20,420
TOTAL CROWN-OWNED LAND & BUILDINGS	103,805	-	8,132	-	111,937	477	948	(1,425)	-	103,328

ASSETS UNDER FINANCE LEASES										
Computers and electronic equipment	15,560	2,415	-	(3,243)	14,732	6,729	5,240	(3,243)	-	8,831
Buildings	32,505	-	-	-	32,505	26,085	1,572	-	-	6,420
TOTAL ASSETS UNDER FINANCE LEASES	48,065	2,415	-	(3,243)	47,237	32,814	6,812	(3,243)	-	15,251

TOTAL PROPERTY, PLANT AND EQUIPMENT										
	1,188,697	39,537	58,496	(25,217)	1,261,513	222,073	41,117	(63,707)	-	966,624

NOTE 11
PROPERTY, PLANT & EQUIPMENT (continued)

2020 – University / Consolidated		Cost / Revaluation			Accumulated Depreciation and Impairment Losses			Net Book Value	
Balance at 1 Jan 2020	Additions / reclassifications	Revaluation movements	Disposals	Balance at 31 Dec 2020	Balance at 1 Jan 2020	Depreciation	Disposals/ eliminated on revaluation	Impairment losses / reclassifications	Balance at 31 Dec 2020
\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s
AUT-OWNED ASSETS									
Land	184,620	-	-	184,620	-	-	-	-	184,620
Buildings	609,190	-	-	609,190	-	18,772	-	-	609,190
Library collection	73,610	4,718	-	78,328	65,637	7,161	-	-	7,973
Computers and electronic equipment	27,064	1,647	(2,885)	25,826	25,429	1,286	(2,885)	-	1,635
Furniture and fittings	20,076	964	(1,686)	19,354	17,208	1,299	(1,686)	-	1,996
Leasehold improvements	26,156	-	(14,622)	11,534	22,043	1,835	(14,504)	77	2,533
Motor vehicles	978	-	(32)	946	695	56	(27)	-	2,083
Office equipment	2,488	14	(92)	2,410	2,482	8	(92)	-	222
Plant and equipment	58,746	4,994	(3,034)	60,706	38,070	6,211	(2,651)	4	12
Specialty electronics	2,544	15	(47)	2,512	2,269	131	(46)	-	6
Works of art	427	-	-	427	-	-	-	-	20,676
WIP – buildings	16,791	20,755	(1,752)	35,794	-	-	-	-	275
WIP – others	8,048	(2,727)	(141)	5,180	-	-	-	-	427
TOTAL AUT-OWNED ASSETS	1,030,738	30,380	(24,291)	1,036,827	173,833	36,759	(21,891)	81	35,794
									8,048
									856,905
									848,045
CROWN-OWNED LAND AND BUILDINGS									
Land	82,908	-	-	82,908	-	-	-	-	82,908
Buildings	20,897	-	-	20,897	-	477	-	-	20,897
TOTAL CROWN-OWNED LAND & BUILDINGS	103,805	-	-	103,805	-	477	-	-	103,328
ASSETS UNDER FINANCE LEASES									
Computers and electronic equipment	14,059	6,694	(5,193)	15,560	6,853	5,069	(5,193)	-	7,206
Buildings	32,505	-	-	32,505	24,513	1,572	-	-	7,992
TOTAL ASSETS UNDER FINANCE LEASES	46,564	6,694	(5,193)	48,065	31,366	6,641	(5,193)	-	15,198
TOTAL PROPERTY, PLANT AND EQUIPMENT	1,181,107	37,074	(29,484)	1,188,697	205,199	43,877	(27,084)	81	975,908

NOTE 11
PROPERTY, PLANT & EQUIPMENT (continued)

Assets under Finance leases

Note 17 provides further information about assets under finance leases.

Non-cash transactions

During the year the University acquired \$2.4 million of computers and electronic equipment under finance leases (2020: \$6.7 million).

Crown-owned land and buildings

On 23 July 2019, the Crown transferred legal ownership of the land and buildings on AUT North Campus to the University. A condition has been attached to the title of the land stating that

if the land is sold within five years from the date of transfer, the University shall pay 20% of the net proceeds to the Crown.

Restrictions on title

Under the Education and Training Act 2020, the University is required to obtain consent from the Ministry of Education to dispose of land and buildings. For plant and equipment, there is an asset disposal limit formula, which provides a limit up to which a Tertiary Education Institution may dispose of plant and equipment without seeking the approval from the Ministry of Education. Detailed information on the asset disposal rules can be found on the Tertiary Education Commission website.

CAPITAL COMMITMENTS

The amount of contractual commitments for the acquisition of property, plant and equipment are as follows:

	University		Consolidated	
	2021 Actual \$000s	2020 Actual \$000s	2021 Actual \$000s	2020 Actual \$000s
Buildings	5,314	10,391	5,314	10,391
Plant and equipment	803	619	803	619
TOTAL CAPITAL COMMITMENTS	6,117	11,010	6,117	11,010

ACCOUNTING POLICY

Property, plant, and equipment consists of eleven asset classes: land, buildings, library collection, computers and electronic equipment, furniture and fittings, leasehold improvements, motor vehicles, office equipment, plant and equipment, speciality electronics and works of art.

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

Revaluations

Following initial recognition at cost, all land and buildings, whether owned by the Crown or purchased and built out of the University's reserves, are shown at fair value. Revaluation of land and buildings is carried out at least every three years by an independent Registered Valuer to ensure that their carrying amounts do not differ materially from fair values. The carrying values of revalued assets are assessed annually to ensure that they do not differ materially from the assets' fair values at the balance date. If there is evidence supporting a material difference, then the off-cycle asset classes are revalued.

Revaluation movements are accounted for on a class of asset basis. The net revaluation results are credited or debited to other comprehensive revenue and expense 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 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 revenue and expense.

NOTE 11
PROPERTY, PLANT & EQUIPMENT (continued)

Depreciation

Property, plant and equipment is depreciated using the straight-line method (except for motor vehicles, which uses the diminishing value method) to allocate cost or revalued amount to residual value over their estimated useful lives, as follows:

Buildings	20 – 50 years straight-line
Library collection	3 years straight-line
Plant and equipment	5 – 20 years straight-line
Specialty electronics	6 years straight-line
Furniture and fittings	5 years straight-line
Leasehold improvements	5 years straight-line
Office equipment	5 years straight-line
Computers and electronic equipment	3 years straight-line
Motor vehicles	20% diminishing value

Land, works of art, and work in progress are not depreciated.

Disposals

Gains and losses on disposals are determined by comparing the 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 revaluation reserves in respect of those assets are transferred to general equity.

Work in progress

Work in progress is valued on the basis of expenditure incurred up to balance date. Financing costs have not been capitalised during the construction of assets. The total cost of a project is transferred to the relevant asset class on completion and is then depreciated.

Impairment of property, plant, and equipment

Property, plant, and equipment assets held at cost that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

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

If an asset’s carrying amount exceeds its recoverable amount, the asset is regarded as impaired and the carrying amount is written down to the recoverable amount. The total impairment loss is recognised in the surplus or deficit. The reversal of an impairment loss is recognised in the surplus or deficit.

Value in use for non-cash-generating assets

Non-cash-generating assets are those assets that are not held with the primary objective of generating a commercial return. For non-cash generating assets, value in use is determined using an approach based on either a depreciated replacement

cost approach, restoration cost approach, or a service units approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

Estimating the fair value of land and buildings

The University relies on the services of an independent Registered Valuer to assess the carrying values of land and buildings. In 2021, a full revaluation of land and buildings was performed by Seagar & Partners (Auckland) Limited, an independent Registered Valuer, at 31 December 2021, to a fair value of \$961 million.

Land is valued at fair value using market-based evidence based on its highest and best use with reference to comparable land values. In 2021, a 5.99% adjustment has been made to unencumbered value for City Campus land where there is a designation against the land or its use is restricted because of reserve or endowment status. This adjustment is intended to reflect the negative effect on the value of the land where an owner is unable to use the land more intensively.

Specialised buildings are specifically designed for educational purposes. They are valued at fair value using depreciated replacement cost because no reliable market data is available for such buildings. Significant assumptions used in the 31 December 2021 valuation include:

- The replacement cost is derived from recent construction contracts of modern equivalent assets and cost information from the Property Institute of New Zealand. Construction costs range from \$1,346 to \$8,796 per square metre, depending on the nature of the specific asset valued.
- Where appropriate, the replacement costs of the specific assets are adjusted for optimisation due to over-design or surplus capacity. There were no optimisation adjustments for the most recent valuations.
- The remaining useful life of assets is estimated after considering factors such as the condition of the asset, future maintenance and replacement plans, and experience with similar buildings.
- Straight-line depreciation has been applied in determining the depreciated replacement cost value of the asset.

Non-specialised buildings, such as office buildings, are valued at fair value using the market-based valuation technique of a discounted cash-flow analysis, with reference to market through the use of contestable cash flows. Significant assumptions in the 31 December 2021 valuation include market rent and capitalisation rate.

Details of the land and buildings revaluation movements are as follows:

NOTE 11
PROPERTY, PLANT & EQUIPMENT (continued)

University/Consolidated	Net book value (before revaluation) \$000s	Revaluation movements \$000s	Accumulated depreciation eliminated \$000s	Net revaluation movements \$000s	Net book value (after revaluation) \$000s
AUT-owned land	184,620	15,580	–	15,580	200,200
AUT-owned buildings	577,027	34,784	37,100	71,884	648,911
Crown-owned land	82,908	7,699	–	7,699	90,607
Crown-owned buildings	19,472	433	1,425	1,858	21,330
TOTAL	864,027	58,496	38,525	97,021	961,048

Depreciation and amortisation

At each balance date, the University reviews the useful lives and residual values of its property, plant and equipment. Assessing the appropriateness of useful life and residual value estimates of property, plant and equipment requires the University to consider a number of factors such as the physical condition of the asset, expected period of use of the asset by the University, and expected disposal proceeds from the future sale of the asset. An incorrect estimate of the useful life or residual value will impact on the depreciable amount of an asset, therefore impacting on the depreciation recognised in the surplus or deficit, and on the carrying amount of the asset in the Statement of Financial Position.

CRITICAL JUDGEMENTS IN APPLYING ACCOUNTING POLICIES

Crown-owned land and buildings

Property in the legal name of the Crown that is occupied by the University is recognised as an asset in the Statement of Financial Position. The University considers that it has assumed all the normal risks and rewards of ownership of this property despite legal ownership not being transferred. Accordingly, it would be misleading to exclude these assets from the Financial Statements.

The University has secured the use of the property by means of a lease from the Ministry of Education for a period of thirty -three years from 1 November 1994 at nil rent, with rights of renewal for two further periods of thirty-three years each.

NOTE 12 INTANGIBLE ASSETS

2021 – University / Consolidated

INTANGIBLE ASSETS

Software
Programme development
WIP – software

	Cost			Accumulated Amortisation and Impairment Losses			Net Book Value	
	Balance at 1 Jan 2021 \$000s	Additions / reclassifications \$000s	Disposals \$000s	Balance at 1 Jan 2021 \$000s	Amortisation \$000s	Disposals \$000s	Balance at 1 Jan 2021 \$000s	Balance at 31 Dec 2021 \$000s
Software	48,278	2,920	(14,856)	45,192	2,970	(14,856)	3,086	3,036
Programme development	1,176	(41)	(207)	735	236	(207)	441	164
WIP – software	2,381	4,374	–	–	–	–	2,381	6,755
TOTAL INTANGIBLE ASSETS	51,835	7,253	(15,063)	45,927	3,206	(15,063)	5,908	9,955

2020 – University / Consolidated

INTANGIBLE ASSETS

Software
Programme development
WIP – software

	Cost			Accumulated Amortisation and Impairment Losses			Net Book Value	
	Balance at 1 Jan 2020 \$000s	Additions / reclassifications \$000s	Disposals \$000s	Balance at 1 Jan 2020 \$000s	Amortisation \$000s	Disposals \$000s	Balance at 1 Jan 2020 \$000s	Balance at 31 Dec 2020 \$000s
Software	45,824	2,620	(166)	40,365	4,971	(166)	5,459	3,086
Programme development	935	562	(321)	522	347	(134)	413	441
WIP – software	3,099	(718)	–	–	–	–	3,099	2,381
TOTAL INTANGIBLE ASSETS	49,858	2,464	(487)	40,887	5,318	(300)	8,971	5,908

NOTE 12 INTANGIBLE ASSETS (continued)

ACCOUNTING POLICY

Computer software

Computer software licences are capitalised on the basis of the costs incurred to acquire and to bring the software to use. These costs are amortised on a straight-line basis over their estimated useful lives, being three years.

Costs associated with maintaining computer software are recognised as an expense when incurred. Costs that are directly associated with the development of identifiable and unique software controlled by the University, and that will probably generate economic benefits exceeding costs beyond one year, are recognised as intangible assets. Direct costs include software development, employee costs and an appropriate portion of relevant overheads. Computer software development costs recognised as assets are amortised on a straight-line basis over their estimated useful lives, being three years to seven years.

Programme development

Costs incurred on development of new academic programmes are capitalised to the extent that such costs are expected to be recovered. Capital costs are amortised from the commencement of a particular programme on a straight-line basis over the period of their expected benefits, being three years.

Impairment of intangible assets

Intangible assets subsequently measured at cost that have an indefinite useful life, or are not yet available for use, are not subject to amortisation and are tested annually for impairment.

For further details refer to the policy for impairment of property, plant, and equipment in Note 11. The same approach applies to the impairment of intangible assets

NOTE 13 PAYABLES

PAYABLES UNDER EXCHANGE TRANSACTIONS

	University		Consolidated	
	2021 Actual \$000s	2020 Actual \$000s	2021 Actual \$000s	2020 Actual \$000s
Trade payables	5,357	3,477	5,366	3,468
Creditors accruals	50,855	31,526	52,156	32,878
Sundry creditors	5,540	4,643	5,540	4,643

PAYABLES UNDER NON-EXCHANGE TRANSACTIONS

GST payable	12,325	12,060	12,342	12,052
Withholding tax payable	3,143	4,807	3,143	4,807
Tertiary Education Commission	–	2,388	–	2,388

TOTAL PAYABLES	77,220	58,901	78,547	60,236
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ACCOUNTING POLICY

Payables are recorded at their face value.

NOTE 14
DEFERRED REVENUE

	University		Consolidated	
	2021 Actual \$000s	2020 Actual \$000s	2021 Actual \$000s	2020 Actual \$000s
Tuition fees received in advance	87,301	92,814	87,301	92,814
Research revenue received in advance	13,916	10,719	13,916	10,719
Other revenue received in advance	4,139	3,018	4,245	3,161
TOTAL DEFERRED REVENUE	105,356	106,551	105,462	106,694

ACCOUNTING POLICY

Deferred revenue from tuition fees includes both liabilities recognised for domestic student fees received for which the course withdrawal date has not yet passed and for international student fees, which is based on the percentage completion of the course.

Deferred revenue from research contracts includes both liabilities recognised for research funding with unsatisfied conditions (non-exchange contracts) and liabilities for exchange research funding received in excess of costs incurred to date on the required research.

NOTE 15
EMPLOYEE ENTITLEMENTS

	University		Consolidated	
	2021 Actual \$000s	2020 Actual \$000s	2021 Actual \$000s	2020 Actual \$000s
Annual leave	21,168	17,961	21,234	17,961
Accrued salary payments	2,057	1,381	2,057	1,381
Sick leave	582	616	582	616
Other employee entitlements	857	1,173	857	1,173
Total employee entitlements – current	24,664	21,131	24,730	21,131
Long service leave	1,855	1,842	1,855	1,842
Retirement leave	1,233	1,401	1,233	1,401
Research and study leave	5,906	6,926	5,906	6,926
Total employee entitlements – non-current	8,994	10,169	8,994	10,169
TOTAL EMPLOYEE ENTITLEMENTS	33,658	31,300	33,724	31,300

NOTE 15
EMPLOYEE ENTITLEMENTS (continued)

ACCOUNTING POLICY

Short-term employee entitlements

Employee benefits that are expected to be settled wholly before twelve months after the end of the reporting period in which the employees render the related service are measured based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, annual leave earned to but not yet taken at balance date, sick leave and other employee entitlements.

Long-term employee entitlements

Employee benefits that are not expected to be settled wholly before twelve months after the end of the reporting period in which the employees render the related service, such as long service leave, retirement leave, and Research and Study leave, have been calculated on an actuarial basis. The calculations are based on

- likely future entitlements accruing to employees, based on years of service, years to entitlement, the likelihood that employees will reach the point of entitlement, and contractual entitlement information; and
- the present value of the estimated future cash flows.

CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

Long service leave and retirement leave

The present values of the long service leave and retirement leave obligations depend on a number of factors that are determined on an actuarial basis using a number of assumptions. Two key assumptions used in calculating this liability include the discount rate of 2.37% (2020: 0.99%) and the salary inflation factor of 3.0 % (2020: 3.0%). Any changes in these assumptions will impact on the carrying amount of the liability.

In determining the appropriate discount rate, the University considered the interest rates on New Zealand government bonds with terms to maturity similar to those of the estimated future cash outflows. The inflation factor has been based on the expected long-term increase in remuneration for employees.

Research and study leave

The University accrues the liability for research and study leave based on the following estimates and assumptions:

- Probability of eligible academic staff entitled to research and study leave in future period.
- Historical experience on the uptake of research and study leave by eligible academic staff.

Any changes in these estimates and assumptions will affect the carrying amount of the liability.

CRITICAL JUDGEMENTS IN APPLYING ACCOUNTING POLICIES

Research and study leave

Some academic staff are entitled to guaranteed research and study leave in certain circumstances. The substance of this leave is to enable staff to take leave from teaching duties in order to undertake research activity, whilst continuing to earn their salary and other employee entitlements. The University is of the view that guaranteed research and study leave is the value of the future benefit that academic staff have earned in return for their service in the current and prior periods. Accordingly, a liability has been recognised for such leave.

NOTE 16
PROVISIONS

	University		Consolidated	
	2021 Actual \$000s	2020 Actual \$000s	2021 Actual \$000s	2020 Actual \$000s
REINSTATEMENT PROVISION FOR LEASED BUILDINGS				
Opening balance	2,821	3,639	2,821	3,639
Provision made/(reversed) during the year	165	(818)	165	(818)
CLOSING BALANCE	2,986	2,821	2,986	2,821
COMPRISING				
Current	308	196	308	196
Non-current	2,678	2,625	2,678	2,625
TOTAL PROVISIONS	2,986	2,821	2,986	2,821

The reinstatement provision represents the University’s estimated liability to reinstate leased buildings to their original state at the expiry of the lease terms.

ACCOUNTING POLICY

Provisions are recognised when the University has a present legal or constructive obligation as a result of past events, when it is more likely than not that an outflow of resources will be required to settle the obligation, and when the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised in the surplus or deficit.

CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

The reinstatement provision is calculated on the net present value of the estimated liability at lease expiry using a discount rate of 2.37% (2020: 0.99%).

NOTE 17
FINANCE LEASE BORROWINGS

	University		Consolidated	
	2021 Actual \$000s	2020 Actual \$000s	2021 Actual \$000s	2020 Actual \$000s
Not later than one year	6,609	7,756	6,609	7,756
Later than one year and not later than five years	8,256	12,862	8,256	12,862
Later than five years	-	-	-	-
Total minimum lease payments:	14,865	20,618	14,865	20,618
Future finance charges	(900)	(1,563)	(900)	(1,563)
PRESENT VALUE OF MINIMUM FINANCE LEASE PAYMENTS	13,965	19,055	13,965	19,055
PRESENT VALUE OF MINIMUM FINANCE LEASE PAYMENTS PAYABLE				
Not later than one year	6,115	7,058	6,115	7,058
Later than one year and not later than five years	7,850	11,997	7,850	11,997
Later than five years	-	-	-	-
TOTAL PRESENT VALUE OF MINIMUM LEASE PAYMENTS	13,965	19,055	13,965	19,055
COMPRISING				
Current	6,115	7,058	6,115	7,058
Non-current	7,850	11,997	7,850	11,997
TOTAL PRESENT VALUE OF MINIMUM FINANCE LEASE PAYMENTS	13,965	19,055	13,965	19,055

Auckland University of Technology has entered into finance leases for various properties, computers and electronic equipment. The net carrying amount of the leased items within each class of property, plant and equipment is shown in Note 11.

The finance leases can be renewed at the University’s option, with rents set by reference to current market rates for items of equivalent age and condition. The University has the option to purchase assets at the end of the lease terms. There are no restrictions placed on the University by any of the finance leasing arrangements.

The University leases approximately 14,082 square metres (2020: 14,082 square metres) of accommodation space in Auckland to provide residential accommodation for students.

The University leases 14,301 computers and items of electronic equipment for teaching, research and administrative purposes (2020: 14,928).

ACCOUNTING POLICY

Leases where the University assumes substantially all the risks and rewards of ownership are classified as finance leases, whether or not title is eventually transferred.

Finance leases are capitalised at the lower of the fair value of the leased asset or the present value of the minimum lease payments, at inception of the lease, less accumulated depreciation and impairment losses. The corresponding liability to the lessor, net of finance charges, is included in the Statement of Financial Position as a finance lease obligation.

Lease payments are apportioned between finance charges and reduction of the finance lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are included in the surplus or deficit as finance costs.

Capitalised leased assets are depreciated over the estimated useful life of the asset or the lease term, whichever is shorter.

For a lease of land and buildings in which the minimum lease payments cannot be allocated reliably between the land and the building elements in proportion to the relative fair values of the leasehold interests in the land element and buildings element of the lease at the inception of the lease, the entire lease is classified as a finance lease, unless it is clear that both elements are operating leases, in which case the entire lease is classified as an operating lease.

NOTE 18
DERIVATIVE FINANCIAL INSTRUMENTS

	University		Consolidated	
	2021 Actual \$000s	2020 Actual \$000s	2021 Actual \$000s	2020 Actual \$000s
CURRENT ASSET PORTION				
Forward foreign exchange contract – Non-hedges	100	–	100	–
NON-CURRENT ASSET PORTION				
Forward foreign exchange contract – Non-hedges	778	–	778	–
TOTAL DERIVATIVE FINANCIAL INSTRUMENT ASSETS				
	878	–	878	–
CURRENT LIABILITY PORTION				
Forward foreign exchange contract – Non-hedges	–	287	–	287
Interest rate swap – cash flow hedges	312	181	312	181
Total current liability portion	312	468	312	468
NON-CURRENT LIABILITY PORTION				
Interest rate swap – Cash flow hedges	275	2,696	275	2,696
TOTAL DERIVATIVE FINANCIAL INSTRUMENT LIABILITIES				
	587	3,164	587	3,164

FAIR VALUE

Interest rate swaps

The fair values of interest rate swaps have been determined by calculating the expected cash flows under the terms of the swaps and discounting these values to present value. The inputs into the valuation model are from independently sourced market parameters such as interest rate yield curves. Most market parameters are implied from instrument prices.

Forward foreign exchange contracts

The fair values of forward foreign exchange contracts have been determined using a discounted cash flows valuation technique based on quoted market prices. The inputs into the valuation model are from independently sourced market parameters such as currency rates. Most market parameters are implied from instrument prices.

The fair values of interest rate swaps have been determined using a discounted cash flows valuation technique based on quoted market prices.

NOTIONAL PRINCIPAL AMOUNT

Interest rate swaps

The notional principal amounts of the outstanding interest rate swap contracts totalled \$72.5 million (2020: \$80 million). The fixed interest rates of interest rate swaps vary from 1.16% to 3.20%.

Forward foreign exchange contracts

The notional principal amounts of outstanding forward foreign exchange contracts in NZ\$ were \$1.4 million (2020: \$3.6 million). The foreign currency principal amounts were US\$1.0 million (2020: US\$2.4 million).

ACCOUNTING POLICY

The University uses derivative financial instruments, such as interest rate swaps and forward foreign exchange contracts, to hedge its interest rate risks and foreign currency risks respectively. In accordance with its treasury policy, the University does not hold or issue derivative financial instruments for trading purposes. However, derivatives that do not qualify for hedge accounting are accounted for as trading instruments. Derivative financial instruments are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value. The fair value of interest rate swaps and forward foreign exchange contracts are determined by reference to market values for similar instruments.

For the purposes of hedge accounting, all the University's hedging instruments are designated as cash flow hedges. A cash flow hedge is defined as that which mitigates the exposure to variability in cash flows attributable to a particular risk associated with a recognised asset or liability, firm commitment, or highly probable forecast transaction, which could affect surplus or deficit. A cash flow hedge protects against the risk caused by variable prices, costs, rates or terms which cause uncertainty in the future.

NOTE 18
DERIVATIVE FINANCIAL INSTRUMENTS (continued)

The University documents, at the inception of the transaction, the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. The University also documents its assessment, both at hedge inception and on an on-going basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair value or cash flows of hedged items.

The portion of the gain or loss on the hedging instrument that is determined to be an effective hedge is recognised directly

in Other Comprehensive Revenue and Expense, within the Statement of Other Comprehensive Revenue and Expense and the ineffective portion is recognised immediately in the surplus or deficit as part of the finance costs.

The gain or loss accumulated in equity is recognised in the surplus or deficit when the hedged cash flows are settled.

Changes in the fair value of any derivative instrument that do not qualify for hedge accounting are recognised immediately in the surplus or deficit.

NOTE 19
BORROWINGS

On 4 December 2019, the University entered into three separate revolving advances facility agreements (and the accompanying negative pledge deeds) with the following banks.

Name of Bank	Facility Limit	Final Maturity Date
ANZ Bank New Zealand Limited	\$55 million	31 January 2025
Industrial and Commercial Bank of China (New Zealand) Limited	\$55 million	31 January 2027
Westpac New Zealand Limited	\$110 million	31 January 2025

These facilities have been established in accordance with the conditions of the Consent to Borrow granted by the Secretary for Education, under section 282 (4) (d) and (7) of the Education and Training Act 2020. These are unsecured facilities with a negative pledge arrangement that imposes certain covenants on the University.

As at 31 December 2021, the University has revolving advances facilities for a total amount of \$220 million (2020: \$220 million), and \$50 million (2020: \$65 million) had been drawn down on these facilities. The University has complied with all the covenants under these facilities during the financial year.

	University		Consolidated	
	2021 Actual \$000s	2020 Actual \$000s	2021 Actual \$000s	2020 Actual \$000s
Opening balance	64,850	96,900	64,850	96,900
Net borrowings / (repayments)	(14,850)	(32,050)	(14,850)	(32,050)
CLOSING BALANCE	50,000	64,850	50,000	64,850
COMPRISING				
Current	–	–	–	–
Non-current	50,000	64,850	50,000	64,850
TOTAL BORROWINGS	50,000	64,850	50,000	64,850

The University uses the facility as a flexible finance facility, seeking to minimise debt as cash flows permit. The weighted average interest rate on the outstanding loan for the year was 3.84% (2020: 3.56%).

NOTE 19 BORROWINGS (continued)

FAIR VALUE

The carrying amounts of borrowings approximate their fair value as interest rates on floating rate debt resetting to the market rate every three months and the impact of discounting is not significant.

ACCOUNTING POLICY

Borrowings are initially recognised at cost, being the fair value of the consideration received net of transaction costs associated with the borrowings.

Subsequent to initial recognition, borrowings are measured at amortised cost using the effective interest method. Amortised cost is calculated by taking into account any transaction costs, and any discount or premium on settlement.

Gains or losses are recognised in the surplus or deficit when the liabilities are derecognised and through the amortisation process.

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

NOTE 20 EQUITY

GENERAL EQUITY

	University		Consolidated	
	2021 Actual \$000s	2020 Actual \$000s	2021 Actual \$000s	2020 Actual \$000s
GENERAL RESERVE				
Balance at the beginning of the year	381,483	372,146	404,759	396,417
Net surplus for the year	12,866	12,293	12,173	11,298
Transfer from/ (to) research reinvestment and RGA carry-forward reserves	(3,497)	(2,956)	(3,497)	(2,956)
Balance at the end of the year	390,852	381,483	413,435	404,759
RESEARCH REINVESTMENT RESERVE				
Balance at the beginning of the year	9,911	6,955	9,911	6,955
Transfer (to)/ from general equity	2,773	2,956	2,773	2,956
Balance at the end of the year	12,684	9,911	12,684	9,911
RGA CARRY-FORWARD RESERVE				
Balance at the beginning of the year	-	-	-	-
Transfer (to)/ from general equity	724	-	724	-
Balance at the end of the year	724	-	724	-
TOTAL GENERAL EQUITY	404,260	391,394	426,843	414,670

NOTE 20 EQUITY (continued)

REVALUATION RESERVES

	University		Consolidated	
	2021 Actual \$000s	2020 Actual \$000s	2021 Actual \$000s	2020 Actual \$000s
ASSET REVALUATION RESERVE				
Land revaluation reserve				
Balance at the beginning of the year	167,476	167,476	167,476	167,476
Net revaluation movement in the year				
Crown-owned land	7,699	-	7,699	-
AUT-owned land	15,580	-	15,580	-
Balance at the end of the year	190,755	167,476	190,755	167,476
BUILDINGS REVALUATION RESERVE				
Balance at the beginning of the year	226,683	226,683	226,683	226,683
Net revaluation movement in the year				
Crown-owned buildings	1,857	-	1,857	-
AUT-owned buildings	71,885	-	71,885	-
Balance at the end of the year	300,425	226,683	300,425	226,683
Balance at the end of the year	491,180	394,159	491,180	394,159
FAIR VALUE THROUGH OTHER COMPREHENSIVE REVENUE AND EXPENSE RESERVE				
Balance at the beginning of the year	-	-	307	623
Net fair value gains/(losses) in the year	-	-	(120)	(316)
Balance at the end of the year	-	-	187	307
CASH FLOW HEDGE RESERVE				
Balance at the beginning of the year	(2,878)	(1,904)	(2,878)	(1,904)
Net fair value gains/(losses) in the year	3,070	(974)	3,070	(974)
Balance at the end of the year	192	(2,878)	192	(2,878)
SHARE OF JOINT VENTURE'S ASSET REVALUATION RESERVE				
Balance at the beginning of the year	-	-	8,147	8,147
Net revaluation movement in the year	-	-	8,546	-
Balance at the end of the year	-	-	16,693	8,147
TOTAL REVALUATION RESERVES	491,372	391,281	508,252	399,735
TOTAL EQUITY	895,632	782,675	935,095	814,405

NOTE 20
EQUITY (continued)

ACCOUNTING POLICY

Equity is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into the following components:

General equity

- General reserve
- Research reinvestment reserve
- RGA carry-forward reserve

Revaluation reserve

- Asset revaluation reserve
- Fair value through other comprehensive revenue and expense reserve
- Cash flow hedge reserve

Research reinvestment reserve

Research reinvestment reserve is a component of general equity which has been created by the University. The use of these funds is restricted to research activities.

RGA Carry-Forward reserve

RGA carry-forward reserve is a component of general equity which has been created from Revenue Generating Activities in the University. These funds can be used to achieve operational financial targets in the next two financial years.

Asset revaluation reserve

This reserve relates to the revaluation of land and buildings to fair value.

Fair value through other comprehensive revenue and expense reserve

This reserve comprises the cumulative net change of other financial assets classified as fair value through other comprehensive revenue and expense.

Cash flow hedge reserve

This reserve comprises the effective portion of the cumulative net change in the fair value of derivatives designated as cash flows hedges.

NOTE 21
RELATED PARTY TRANSACTIONS

Related party disclosures have not been made for transactions with related parties that are:

- within a normal supplier or client/recipient relationship; and
- on terms and conditions no more or less favourable than those that are reasonable to expect that the University would have adopted in dealing with the party at arm’s length in the same circumstances.

Further, transactions with government agencies (for example, government departments and Crown entities) are not disclosed as related party transactions when they are consistent with the normal operating arrangements with tertiary education institutions and undertaken on the normal terms and conditions for such transactions.

KEY MANAGEMENT PERSONNEL COMPENSATION

	University		Consolidated	
	2021 Actual	2020 Actual	2021 Actual	2020 Actual
COUNCILLORS				
Remuneration (\$000s)	245	241	245	241
Full-time equivalent members	12	12	12	12
STRATEGIC LEADERSHIP TEAM, INCLUDING THE VICE-CHANCELLOR				
Remuneration (\$000s)	4,622	4,781	4,622	4,781
Full-time equivalent members	13	14	13	14
TOTAL KEY MANAGEMENT PERSONNEL REMUNERATION (\$000s)	4,867	5,022	4,867	5,022
TOTAL FULL-TIME EQUIVALENT MEMBERS	25	26	25	26

Due to the difficulty in determining the full-time equivalent for Councillors, the full-time equivalent figure expressed above is the number of Councillors.

NOTE 22
COUNCILLORS' FEES

The following fees were paid to members of the Council of Auckland University of Technology:

	University	
	2021 Actual \$000s	2020 Actual \$000s
COUNCIL MEMBER		
P Alley	20	20
R Blair	20	20
R Campbell (Chancellor, Appointed 22 February 2021)	40	-
C Cook	20	20
L Foliaki (Appointed 27 September 2021)	5	-
L Lim (Term expired 17 March 2020)	-	5
S Lui	20	20
J Maasland (Chancellor, Term expired 22 February 2021)	-	36
D McCormack (Vice-Chancellor)	-	-
E Pio	20	20
J Schofield (Term expired 27 September 2021)	15	20
J Smith	20	20
P Treacy (Appointed 18 March 2020)	20	15
J Thompson (Term expired 1 March 2020)	-	5
S Turner (Pro-Chancellor)	25	25
S Wendt (Appointed 18 March 2020)	20	15
TOTAL COUNCILLORS' FEES	245	241

The Vice-Chancellor is not entitled to the Council fees.

No Council members received compensation or other benefits in relation to cessation (2020: nil).

NOTE 23 FINANCIAL INSTRUMENTS

FINANCIAL INSTRUMENTS CATEGORIES

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

FINANCIAL ASSETS

DERIVATIVES NOT DESIGNATED AS HEDGES

	University		Consolidated	
	2021 Actual \$000s	2020 Actual \$000s	2021 Actual \$000s	2020 Actual \$000s
Forward foreign exchange contracts	100	-	100	-
TOTAL DERIVATIVES NOT DESIGNATED AS HEDGES	100	-	100	-

DERIVATIVES DESIGNATED AS CASH FLOW HEDGES

Interest rate swap	778	-	778	-
TOTAL DERIVATIVES DESIGNATED AS CASH FLOW HEDGES	778	-	778	-

LOANS AND RECEIVABLES

Cash and cash equivalents	10,796	329	13,366	1,728
Receivables	64,778	61,032	65,445	61,304
Other financial assets – term deposits	-	4,500	1,150	7,000
TOTAL LOANS AND RECEIVABLES	75,574	65,861	79,961	70,032

FAIR VALUE THROUGH OTHER COMPREHENSIVE REVENUE AND EXPENSE

Other financial assets				
Unlisted shares held by subsidiaries	-	-	3,023	2,628
TOTAL FAIR VALUE THROUGH OTHER COMPREHENSIVE REVENUE AND EXPENSE	-	-	3,023	2,628

FINANCIAL ASSETS CARRIED AT COST

Other financial assets				
Unlisted shares	91	91	91	91
TOTAL FINANCIAL ASSETS CARRIED AT COST	91	91	91	91

FINANCIAL LIABILITIES

DERIVATIVES NOT DESIGNATED AS HEDGES

Forward foreign exchange contracts	-	287	-	287
TOTAL DERIVATIVES NOT DESIGNATED AS HEDGES	-	287	-	287

DERIVATIVES DESIGNATED AS CASH FLOW HEDGES

Interest rate swap	587	2,877	587	2,877
TOTAL DERIVATIVES DESIGNATED AS CASH FLOW HEDGES	587	2,877	587	2,877

FINANCIAL LIABILITIES MEASURED AT AMORTISED COST

Payables	61,752	39,646	63,062	40,989
Borrowings	50,000	64,850	50,000	64,850
TOTAL FINANCIAL LIABILITIES MEASURED AT AMORTISED COST	111,752	104,496	113,062	105,839

NOTE 23 FINANCIAL INSTRUMENTS (continued)

FAIR VALUE HIERARCHY DISCLOSURES

For those instruments recognised at fair value in the Statement of Financial Position, fair values are determined according to the following hierarchy:

- Quoted market price – financial instruments with quoted prices for identical instruments in active markets.
- Valuation technique using observable inputs – financial instruments with quoted prices for similar instruments

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

The following table analyses the basis of the valuation of classes of financial instruments measured at fair value in the Statement of Financial Position:

	Valuation Technique			
	Total \$000s	Quoted market price \$000s	Observable inputs \$000s	Significant non- observable input \$000s
UNIVERSITY 2021				
Financial assets				
Forward foreign exchange contracts – Non-hedges	100	-	100	-
Interest rate swap – Cash flow hedges	778	-	778	-
Financial liabilities				
Forward foreign exchange contracts – Non-hedges	-	-	-	-
Interest rate swap – Cash flow hedges	587	-	587	-
CONSOLIDATED 2021				
Financial assets				
Forward foreign exchange contracts – Non-hedges	100	-	100	-
Interest rate swap – Cash flow hedges	778	-	778	-
Unlisted shares held by Subsidiaries	3,023	-	3,023	-
Financial liabilities				
Forward foreign exchange contracts – Non-hedges	-	-	-	-
Interest rate swap – Cash flow hedges	587	-	587	-
UNIVERSITY 2020				
Financial assets				
Forward foreign exchange contracts – Non-hedges	-	-	-	-
Interest rate swap – Cash flow hedges	-	-	-	-
Financial liabilities				
Forward foreign exchange contracts – Non-hedges	287	-	287	-
Interest rate swap – Cash flow hedges	2,877	-	2,877	-
CONSOLIDATED 2020				
Financial assets				
Forward foreign exchange contracts – Non-hedges	-	-	-	-
Interest rate swap – Cash flow hedges	-	-	-	-
Unlisted shares held by Subsidiaries	2,628	-	2,628	-
Financial liabilities				
Forward foreign exchange contracts – Non-hedges	287	-	287	-
Interest rate swap – Cash flow hedges	2,877	-	2,877	-

NOTE 24
FINANCIAL INSTRUMENT RISKS

Auckland University of Technology’s activities expose it to a variety of financial risks including market risk (interest rate risk, currency risk and price risk), credit risk and liquidity risk. The University’s Treasury Management Policy and overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the University. The University uses derivative financial instruments such as interest rate swaps and forward foreign exchange contracts to hedge certain risk exposures.

Financial risk management is carried out under the Treasury Management Policy approved by the Council of the University. The Council provides written principles for overall risk management, as well as policies covering specific areas such as interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

Treasury Management Policy does not allow any transactions that are speculative in nature to be entered into.

MARKET RISK

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the University’s financial instruments will fluctuate due to changes in market interest rates. Auckland University of Technology is exposed to interest rate risk from its interest-earning financial assets and interest-bearing liabilities.

The University is risk averse and seeks to minimise exposure arising from its treasury activities. It does not undertake unnecessary investment or borrowing activity, nor is it speculative in the activity it undertakes.

The University manages its interest rate risk on borrowings by using floating-to-fixed interest rate swaps. Such interest rate swaps have the economic effect of converting borrowings at floating rates and swapping them into fixed rates that are generally lower than those available if the University borrowed at fixed rates directly. Under the interest rate swaps, the University agrees with other parties to exchange, at specified intervals, the difference between fixed contract rates and floating-rate interest amounts calculated by reference to the agreed notional principal amounts.

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. Auckland University of Technology has transactional currency exposure. Such exposure arises from the purchase of goods and services in currencies other than the local currency.

It is the University’s Treasury Management Policy to manage foreign currency risks arising from contractual commitments and liabilities that are above specified amounts by entering into forward foreign exchange contracts, or supplier guaranteed New Zealand Dollar purchase price contracts, to hedge the foreign currency risk exposure.

Price risk

Auckland University of Technology is exposed to equity securities price risk. This arises from investments held by the University and classified in the Statement of Financial Position either as financial assets at fair value through other comprehensive revenue and expense, or financial assets at fair value through surplus or deficit.

The University does not manage the price risk arising from investments in equity securities. The price risk for the equity securities is immaterial in terms of the possible impact on surplus or deficit or total equity. It has therefore not been included in the sensitivity analysis.

Credit risk

Credit risk is the risk that a third party will default on its obligations to the University, thereby causing the University to incur a loss. The University’s Treasury Management Policy limits the amount of credit exposure to any one financial institution or organisation. The University only invests funds with entities that have a Standard and Poor’s or Moody’s long term credit rating of A or above.

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

NOTE 24
FINANCIAL INSTRUMENT RISKS (continued)

The maximum credit exposure for each class of financial instrument is as follows:

	University		Consolidated	
	2021 Actual \$000s	2020 Actual \$000s	2021 Actual \$000s	2020 Actual \$000s
Cash and cash equivalents	10,796	329	13,366	1,728
Other financial asset – term deposits	-	4,500	1,150	7,000
Receivables	64,778	61,032	65,445	61,304
TOTAL CREDIT RISK	75,574	65,861	79,961	70,032

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to Standard and Poor’s credit ratings (if available) or to historical information about counterparty default rates:

	University		Consolidated	
	2021 Actual \$000s	2020 Actual \$000s	2021 Actual \$000s	2020 Actual \$000s
COUNTERPARTIES WITH CREDIT RATINGS				
Cash and cash equivalents				
AA-	10,796	329	13,366	1,728
TOTAL CASH AND CASH EQUIVALENTS	10,796	329	13,366	1,728
Other financial asset – term deposits				
AA-	-	4,500	1,150	7,000
TOTAL SHORT-TERM INVESTMENTS	-	4,500	1,150	7,000

Receivables arise mainly from the University’s operating activities, therefore there are no procedures in place to monitor or report the credit quality of receivables with reference to internal or external credit ratings. The University is not exposed to any material concentrations of credit risk. Receivable balances are monitored on an on-going basis to ensure that the exposure to bad debts is not significant.

NOTE 24
FINANCIAL INSTRUMENT RISKS (continued)

Liquidity risk

Management of liquidity risk

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

The University manages liquidity risk by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. To provide flexibility in the management of the University's liquidity, the University has established revolving advance facility agreements

(and the accompanying negative pledge deed) with the banks as disclosed in Note 19.

Contractual maturity analysis of financial liabilities

The table below analyses the University's financial liabilities into relevant maturity groupings based on the remaining period at balance date to the contractual maturity date. Future interest payments on floating rate debt are based on the floating rate on the instrument at balance date. The amounts disclosed are the contractual undiscounted cash flows.

	Carrying amount \$000s	Contractual Cash flows \$000s	Less than 1 year \$000s	1-5 years \$000s	More than 5 years \$000s
UNIVERSITY 2021					
Payables	61,752	61,752	61,752	-	-
Net settled derivative liabilities	587	587	312	275	-
Finance leases	13,965	14,865	6,609	8,256	-
Borrowings	50,000	56,394	1,782	4,522	50,090
TOTAL	126,304	133,598	70,455	13,053	50,090

CONSOLIDATED 2021

Payables	63,062	63,062	63,062	-	-
Net settled derivative liabilities	587	587	312	275	-
Finance leases	13,965	14,865	6,609	8,256	-
Borrowings	50,000	56,394	1,782	4,522	50,090
TOTAL	127,614	134,908	71,765	13,053	50,090

UNIVERSITY 2020

Payables	39,646	39,646	39,646	-	-
Net settled derivative liabilities	3,164	3,164	468	2,696	-
Finance leases	19,055	20,618	7,756	12,862	-
Borrowings	64,850	73,749	2,215	15,554	55,980
TOTAL	126,715	137,177	50,085	31,112	55,980

CONSOLIDATED 2020

Payables	40,989	40,989	40,989	-	-
Net settled derivative liabilities	3,164	3,164	468	2,696	-
Finance leases	19,055	20,618	7,756	12,862	-
Borrowings	64,850	73,749	2,215	15,554	55,980
TOTAL	128,058	138,520	51,428	31,112	55,980

NOTE 24
FINANCIAL INSTRUMENT RISKS (continued)

Contractual maturity analysis of financial assets

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

	Carrying amount \$000s	Contractual Cash flows \$000s	Less than 1 year \$000s	1-5 years \$000s	More than 5 years \$000s
UNIVERSITY 2021					
Cash and cash equivalents	10,796	10,796	10,796	-	-
Receivables	64,778	64,778	64,778	-	-
Other financial assets	-	-	-	-	-
Net settled derivative assets	878	878	100	778	-
TOTAL	76,452	76,452	75,674	778	-

CONSOLIDATED 2021

Cash and cash equivalents	13,366	13,366	13,366	-	-
Receivables	65,445	65,445	65,445	-	-
Other financial assets	1,150	1,150	1,150	-	-
Net settled derivative assets	878	878	100	778	-
TOTAL	80,839	80,839	80,061	778	-

UNIVERSITY 2020

Cash and cash equivalents	329	329	329	-	-
Receivables	61,032	61,032	61,032	-	-
Other financial assets	4,500	4,500	4,500	-	-
Net settled derivative assets	-	-	-	-	-
TOTAL	65,861	65,861	65,861	-	-

CONSOLIDATED 2020

Cash and cash equivalents	1,728	1,728	1,728	-	-
Receivables	61,304	61,304	61,304	-	-
Other financial assets	7,000	7,000	7,000	-	-
Net settled derivative assets	-	-	-	-	-
TOTAL	70,032	70,032	70,032	-	-

NOTE 24
FINANCIAL INSTRUMENT RISKS (continued)

SENSITIVITY ANALYSIS

The tables below illustrate the potential effect on the surplus or deficit and equity (excluding general reserve) for reasonably possible market movements, with all other variables held constant, based on the financial instrument exposures at balance date.

2021	University				Consolidated			
	+100 bps		-100 bps		+100bps		-100 bps	
	Surplus \$000s	Other equity \$000s	Surplus \$000s	Other equity \$000s	Surplus \$000s	Other equity \$000s	Surplus \$000s	Other equity \$000s
INTEREST RATE RISK								
Financial assets								
Cash and cash equivalents	108	-	(108)	-	134	-	(134)	-
Other financial assets	-	-	-	-	12	-	(12)	-
Interest rate swaps	-	67	-	(67)	-	67	-	(67)
Financial liabilities								
Interest rate swaps	-	99	-	(99)	-	99	-	(99)
Borrowings	-	-	-	-	-	-	-	-
TOTAL SENSITIVITY TO INTEREST RATE RISK	108	166	(108)	(166)	146	166	(146)	(166)

2021	University				Consolidated			
	+10%		-10%		+10%		-10%	
	Surplus \$000s	Other equity \$000s	Surplus \$000s	Other equity \$000s	Surplus \$000s	Other equity \$000s	Surplus \$000s	Other equity \$000s
CURRENCY RISK								
Financial assets								
Cash and cash equivalents	(35)	-	43	-	(35)	-	43	-
Receivables	(1)	-	1	-	(1)	-	1	-
Financial liabilities								
Payables	146	-	(178)	-	146	-	(178)	-
Forward foreign exchange contracts	(33)	-	263	-	(33)	-	263	-
TOTAL SENSITIVITY TO CURRENCY RISK	77	-	129	-	77	-	129	-

NOTE 24
FINANCIAL INSTRUMENT RISKS (continued)

2020	University				Consolidated			
	+100 bps		-100 bps		+100bps		-100 bps	
	Surplus \$000s	Other equity \$000s	Surplus \$000s	Other equity \$000s	Surplus \$000s	Other equity \$000s	Surplus \$000s	Other equity \$000s
INTEREST RATE RISK								
Financial assets								
Cash and cash equivalents	3	-	(3)	-	17	-	(17)	-
Other financial assets	45	-	(45)	-	70	-	(70)	-
Interest rate swaps	-	-	-	-	-	-	-	-
Financial liabilities								
Interest rate swaps	-	186	-	(186)	-	186	-	(186)
Borrowings	(49)	-	49	-	(49)	-	49	-
TOTAL SENSITIVITY TO INTEREST RATE RISK	(1)	186	1	(186)	38	186	(38)	(186)

2020	University				Consolidated			
	+10%		-10%		+10%		-10%	
	Surplus \$000s	Other equity \$000s	Surplus \$000s	Other equity \$000s	Surplus \$000s	Other equity \$000s	Surplus \$000s	Other equity \$000s
CURRENCY RISK								
Financial assets								
Cash and cash equivalents	(24)	-	30	-	(24)	-	30	-
Receivables	-	-	-	-	-	-	-	-
Financial liabilities								
Payables	101	-	(124)	-	101	-	(124)	-
Forward foreign exchange contracts	(371)	-	299	-	(371)	-	299	-
TOTAL SENSITIVITY TO CURRENCY RISK	(294)	-	205	-	(294)	-	205	-

EXPLANATION OF INTEREST RATE RISK SENSITIVITY

The interest rate sensitivity is based on a reasonable possible movement in interest rates, with all other variables held constant, measured as a basis points (bps) movement. For example, a decrease in 100 bps is equivalent to a decrease in interest rates of 1.0%. The sensitivity for interest rate swaps has been calculated using a derivative valuation model based on a parallel shift in interest rates of -100bps/+100bps (2020: -100bps/+100bps).

EXPLANATION OF CURRENCY RISK SENSITIVITY

The currency sensitivity is based on a reasonable possible movement in foreign exchange rates, with all other variables held constant, measured as a percentage movement in the foreign exchange rate. The sensitivity for foreign exchange derivatives has been calculated using a derivative valuation model based on movement in foreign exchange rates of -10%/+10% (2020: -10%/+10%)..

EXPLANATION OF EQUITY PRICE RISK SENSITIVITY

The sensitivity for listed shares has been calculated based on a -10%/+10% (2020: -10%/+10%) movement in the quoted bid share price at year end for the listed shares.

NOTE 25
CAPITAL MANAGEMENT

The University’s capital is its equity, which comprises retained surpluses and reserves. Equity is represented by net assets. The University manages its revenue, expenses, assets, liabilities, and general financial dealings prudently. The University’s equity is largely managed as a result of managing revenue, expenses, assets and liabilities.

The objective of managing the University’s equity is to ensure the University effectively achieves the goals and objectives for which it has been established, whilst remaining a going concern.

NOTE 26
SEGMENTAL INFORMATION

Auckland University of Technology operates predominantly in one industry, tertiary education, and in one geographical area, Auckland, New Zealand.

NOTE 27
EXCEPTIONAL RISKS OF OPERATING

There are a number of factors that could adversely affect Auckland University of Technology’s operating surplus. Most notably, international student revenue could be affected by a

significant change to New Zealand’s, or foreign governments’, immigration or visitors’ permits policies. 15% (2020: 21%) of total revenue is derived from International student fees.

NOTE 28
CONTINGENCIES

CONTINGENT ASSETS

There are no contingent assets as at 31 December 2021 (2020: Nil).

CONTINGENT LIABILITIES

There are no contingent liabilities as at 31 December 2021 (2020: Nil).

NOTE 29
EVENTS AFTER THE REPORTING PERIOD

There are no material non-adjusting events after the reporting date.

NOTE 30
COMPARATIVE YEAR FINANCIAL STATEMENTS

Certain comparative figures in the prior year have been reclassified to conform with this year’s presentation.

NOTE 31
EXPLANATION OF VARIANCES AGAINST BUDGET

Explanations for major variances against the consolidated group budget are as follows

STATEMENT OF FINANCIAL PERFORMANCE

Government grants

Government grants were \$6.6 million above budget. This was mainly due to the \$4.1 million of Student Achievement Component (SAC) funding added to AUT’s baseline funding in 2021, and a further \$1.8 million in Hardship Funding for Learners (HAFL) received to support students affected by Covid-19.

Student-derived revenue

Student-derived revenue was \$13.9 million above budget. This was mainly due to higher-than-projected International student enrolment. There were 337 more International EFTS than budgeted during 2021.

Research revenue

Research grants recognised in 2021 were \$5.1 million above budget, driven by higher-than-expected external research revenue being generated.

Other revenue

Other revenue was \$6.2 million below budget. This was mostly a consequence of Covid-19 and the limits it placed on revenue-generating activities. The campuses remained closed during the Auckland lockdown, reducing the income from on-site commercial activities such as student accommodation, cafeterias, and gymnasiums.

Personnel costs

Personnel costs were \$10.0 million above budget. This reflects the staffing mix needed to manage dual-mode teaching and the increased level of research activity. In addition, the annual leave liability increased as the pandemic meant some staff postponed holidays.

Supplies and other costs

Supplies and other costs were \$5.8 million above budget with the major driver being the additional support costs for the newly opened Te Āhuru accommodation facility.

Depreciation, amortisation and impairment

Depreciation, amortisation and impairment were \$1.7 million below budget. This was due to delayed purchasing of plant and equipment, and delayed delivery of software projects.

Finance costs

Finance costs were \$1.3 million below budget. This was largely a result of a delayed major capital project (A1 Building at North Campus), which in turn reduced financing costs.

STATEMENT OF FINANCIAL POSITION

Cash and cash equivalents

Cash and cash equivalents were \$11.5 million above budget mainly due to the delayed A1 Building capital project.

Receivables

Receivables were \$26.6 million above budget. This was mainly due to early invoicing of student enrolments for 2022.

Other financial assets

Other financial assets were \$5.1 million below budget. This was largely a result of the maturity of short-term bank deposits during the year.

Investments accounted for using the equity method

Investments accounted for using the equity method were \$7.4 million above budget. This was mainly due to our share of the joint venture’s asset revaluation reserve in 2021.

Property, plant and equipment

Property, plant and equipment were \$34.6 million above budget. This was mainly due to the increased value of land and buildings (+\$97 million), and offset by reduced capital expenditure, including that resulting from the delayed construction of A1 Building.

Intangible assets

Intangible assets were \$3.7 million above budget. This was mainly due to software-related capital expenditure projects capitalised during the year.

Payables

Payables were \$27.9 million above budget. This was a combination of additional invoices and accruals at the end of 2021.

Deferred revenue

Deferred revenue was \$15.6 million above budget, mainly due to the timing of invoicing 2022 student fees compared to budget

Employee entitlements

Total employee entitlements were \$33.7 million. This was \$4.9 million above budget, mainly due to higher-than-projected annual leave liability.

Finance lease borrowings

Total finance lease borrowings were \$13.9 million. This was \$1.6 million below budget, mainly due to lower finance lease borrowings for computers and electronic equipment.

Bank borrowings

Bank borrowings were \$76.6 million below budget at year-end. This was mainly due to lower-than-budgeted capital expenditure during the year.

Derivative financial instrument liabilities

Total derivative financial instrument liabilities were \$0.6 million. This was \$2.7 million below budget, mainly due to unbudgeted movement in the fair value of interest rate swaps.

Revaluation reserves

Revaluation reserves were \$107.5 million above budget. This was mainly due to the unbudgeted \$97 million increase in the revaluation of land and buildings, and AUT’s share of a joint venture’s asset revaluation reserve (\$8.5 million, also unbudgeted).

STATEMENT OF CASH FLOWS

Operating activities

Cash flows from operating activities were higher than budget. This was driven by unbudgeted additional government grants, higher international fees and reduced operating expenditure compared to budget.

Investing activities

Cash flows from investing activities were lower than budget, reflecting the deferred capital expenditure on the A1 Building development.

Financing activities

Cash flows from financing activities were lower than budget due to higher-than-expected operating cash inflows and lower-than-budgeted capital expenditure.

NOTE 32
THE EFFECTS OF COVID-19 ON THE UNIVERSITY

The resurgence of Covid-19 and its variants continued to disrupt normal operations of the University in 2021. The campus was closed for a few weeks after the start of Semester 1 in February, and again from mid-August to the end of the year. Border restrictions have been in place since March 2020 and have significantly curtailed international recruitment. In December 2021, New Zealand moved to the new Covid-19 Protection Framework which takes advantage of the country’s high vaccination rates, and effectively ends the use of national lockdowns.

Due to the unprecedented impact of Covid-19 in 2020, the University planned and budgeted for a continuation of the pandemic disruption in 2021. The University delivered teaching outcomes using blended methods – face-to-face where possible, and online during enforced campus closures. Domestic enrolments tracked to the previous year’s level. International enrolments continued to decline from 2020 to 2021, although at a slower rate than was anticipated.

Consequently, the overall result was in line with 2020 but \$6 million ahead of budget.

Government funding

The University received \$1.8 million Hardship Fund for Learners, which was the government’s response to supporting students who experienced Covid-related hardship.

Operating expenses

Covid-19 caused several unplanned effects on operations, including reduced annual leave demand, unfilled student accommodation, and reduced student recruitment. The University achieved some savings as a result of the campus closures, including lower costs for utilities, printing and stationery, and travel.

Capital works

As described in Note 31, the University’s Covid management plan included delaying construction of A1 Building at North Campus for more than 18 months. In November 2021, Council approved the project to recommence, but with an amended cost due to escalation of construction prices.

Valuation of land and buildings

The University engaged an independent valuer to perform a full revaluation to determine whether there had been a material movement in the fair value of land and buildings as at 31 December 2021. Their assessment considered market evidence and information on the effects of Covid-19. The valuer concluded that the fair value of land and buildings increased 11% from the carrying value. The University concurs with this assessment.





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