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Auditor

Auditor-General

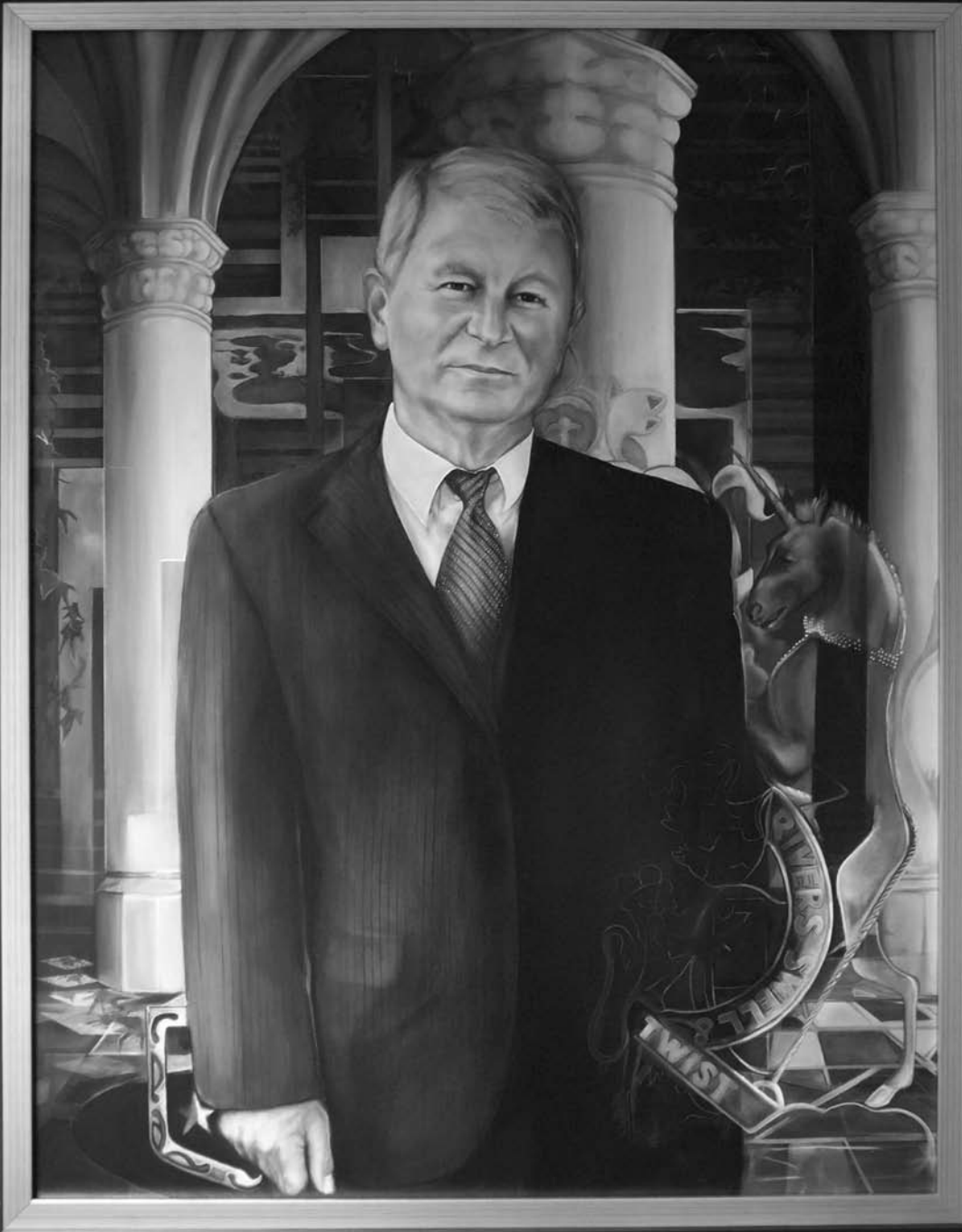
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Portrait of Professor Bryan Gould, Vice Chancellor (1994 – 2004).

By John Appleton

This standing portrait is a conceptual representation of Bryan Gould indicating his journey from British politics to academic leadership.

It hangs outside the University of Waikato Council Rooms.



MANAGEMENT STRUCTURE OF THE UNIVERSITY OF WAIKATO

Senior Management

Vice-Chancellor

Professor Bryan Gould

Deputy Vice-Chancellor (Academic)

Professor Peggy Koopman-Boyden

Deputy Vice-Chancellor (Research)

Professor Richard Bedford

Assistant to the Vice-Chancellor

Ms Helen Pridmore

Pro Vice-Chancellor (International)

Professor Peter Oetli (retired July 2004)

Pro Vice-Chancellor (Māori)

Professor Tamati Reedy

Pro Vice-Chancellor (Public Affairs)

Professor Shirley Leitch

Pro Vice-Chancellor (Resources) and

Pro Vice-Chancellor (University of Waikato at Tauranga)

Associate Professor Alan Neilson

Pro Vice-Chancellor (Staff and Students)

Associate Professor David Swain

Dean, Faculty of Arts and Social Sciences

Dr Alan Simpson (Acting Dean, January – February 2004)

Professor Dan Zirker

Dean, School of Computing and Mathematical Sciences

Dr Ray Littler (Acting Dean, January – June 2004)

Professor Mark Apperley

Dean, School of Education

Professor Noeline Alcorn

Dean, School of Law

Professor Peter Spiller (Acting Dean, January -

September 2004)

Professor John Farrar

Dean, School of Māori and Pacific Development

Professor Aroha Yates-Smith

Dean, School of Science and Engineering

Professor Richard Price

Dean, Waikato Management School

Professor Mike Pratt

Chief Operating Officer

Mr Geoff Balme

Director, Facilities Management Division

Mr John Cameron

Director, University of Waikato Foundation

Dr Gerald Bailey

Director, Human Resource Management Division

Ms Carole Gunn

Director, Information Technology Services Division

Mr Derek Postlewaight

Manager, Language Institute and

Director, Foundation Studies Centre

Mr Lester Finch

University Librarian

Ms Sue Pharo

Director, Research Office

Dr Gary Betteridge

Director, Student and Academic Services Division

Dr Wendy Craig

Director, Teaching and Learning Development Unit

Dr Neil Haigh



Governance Body

The University of Waikato Council 2004 Membership

Chancellor

Mr John Gallagher

Pro-Chancellor

Mrs Alison Annan (to 12.10.04)

Mr John Jackman (13.10.04 – 31.12.04)

Vice-Chancellor

Professor Bryan Gould

Four members appointed by the Minister of Education

Mr John Jackman (to 31.12.04)

Dr Brian Linehan (to 31.10.06)

Dr Rob Pringle (to 31.7.07)

Mr Graeme Weld (to 31.1.05)

One member elected by the academic staff

Professor Alexandra Barratt (to 31.12.06)

One member elected by the general staff

Ms Sally Sleigh (to 31.12.06)

One member appointed by the Council after consultation with

Business New Zealand

Mr John Gallagher (to 31.12.04)

One member appointed by the Council after consultation with the

New Zealand Council of Trade Unions

Mr Robb Parton (to 31.12.06)

One student member appointed

(a) if membership of the Waikato Students' Union is compulsory, in the capacity as President of the Waikato Students' Union

(b) in any other case, following an election conducted in accordance with the University of Waikato Election of Members of the Council Statute

Mr Sandy Pushpamangalam (2005)

One member elected by the Academic Board

Professor Terry Healy (to 31.12.06)

One member appointed by the Council in the capacity

as Mayor of Hamilton

Mr David Braithwaite (to 09.11.04)

Mr Michael Redman (10.11.04 – 31.12.04)

One person appointed by the Council after consultation with the chief executives of the member institutions of The Tertiary Alliance

Dr Alan Hampton (to 31.12.06)

One member appointed by the Council after consultation with

Te Rōpū Manukura

Ms Materoa Dodd (to 31.12.06)

One member appointed by the Council on the nomination of

Dame Te Arikiniui

Ms Eleanor Barton (31.12.06)

Up to three members who may be co-opted by Council

Mrs Alison Annan (to 12.10.04)

Mr Leo Bourke (to 31.12.05)

Mr Shane Solomon (to 31.12.06)

Secretary to Council

Ms Helen Pridmore, Vice-Chancellor's Office

CHANCELLOR'S REPORT 2004

As 2004 drew to an end, Council hosted a function in the WEL Energy Trust Academy of Performing Arts, enjoyed by a wide range of friends and stakeholders of the University of Waikato, to acknowledge and farewell Bryan Gould, who has come to the end of his term as Vice-Chancellor. Council is grateful to Bryan for his immense contribution over the last 10 1/2 years, and very much hopes that he will remain an active member of our university community, and advocate, for many years to come.

At this time last year we were just beginning to plan for the appointment of a new Vice-Chancellor. A significant portion of Council's time over the ensuing months was devoted to the development of the person specification and the search process. The exercise concluded successfully, with the appointment in April of Professor Roy Crawford, from Queen's University of Belfast. A confirmed appointment well in advance of the expiry of Bryan Gould's term has allowed for a well-planned and timely transition into 2005. Council looks forward to working with Roy Crawford over the next several years, and one of our first major tasks together in 2005 will be the development of a more focused and compelling strategic vision, based on the University's demonstrated points of difference.

Apart from the appointment of a new Vice-Chancellor, the other key area of focus for Council in 2004 was the University budget. The Council continues, primarily through the Finance Committee, to work very closely with management on the revision of the University's budget model and financial management processes. Financial targets have been set for the next three years with a view to ensuring that the University continues to provide a stable financial platform. By exercising prudence and appropriate levels of financial constraint in the short-term, the University will be in a much stronger position to make essential capital and strategic investments over the longer-term.

The large majority of our current members were new to Council in 2003. We have engaged in many workshops in the intervening two years, focusing on broad governance matters as well as specific strategic issues. As a consequence, our members feel better informed and more confident and competent in fulfilling their governance roles.

The University's Profile for 2004 – 2006 sets out the University's strategic directions, activities and various outputs. As evident from our Profile, the University of Waikato is committed to meeting the needs of its students, its region and the country generally. We intend to strengthen our special character and our contribution to government's Tertiary Education Strategy, in the terms set down in our Charter, by adopting an integrated strategic planning model from next year. This will be the foundation for the enhancement of Council's monitoring and reporting relationship with the Academic Board, the Finance Committee and the Vice-Chancellor.

I look forward in 2005 to working with our new Vice-Chancellor, our excellent staff and our stakeholders as we continue to enhance our performance and increase our effectiveness in the terms set down in our Charter.



John A Gallagher
Chancellor

John A Gallagher – Chancellor

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VICE-CHANCELLOR'S REPORT 2004

The University's fortieth anniversary was celebrated in a variety of ways throughout 2004. The celebrations culminated in a major concert held on campus in March 2005. Our fortieth birthday gave us the opportunity to pause and reflect on the University's proud record of achievement.

A major sadness in our fortieth anniversary was the untimely death of Michael King and his wife Maria Jungowska. Michael was not only a graduate but also a good friend of the University. At the time of his death, he was a Senior Research Fellow and had undertaken the writing of the forty-year history of the University. His death was an enormous loss in so many ways and not least in the fact that the history will not now appear in its planned form.

The year also saw the passing of one of the University's greatest figures. Sir Don Llewellyn, the University's founding Vice-Chancellor, died just a few weeks after captaining his team to victory in a one-day cricket match, played as part of the fortieth anniversary celebrations. Don's life and unique contribution to the University he loved were fittingly acknowledged in a moving commemoration held in the Gallagher Concert Chamber.

While 2004 was in these and other respects a special year, there was a certain familiarity about many of the issues we faced. There were again budgetary pressures, due largely to uncertainties in international enrolments (particularly at the Language Institute). The Tertiary Education Alliance continued to develop its role to the advantage of member institutions and students throughout the region. The University continued to play an important role in the successful development of the Innovation Park and of its own commercialisation potential.

Perhaps the most significant development of the year was the University's success in the Performance Based Research Funding exercise. That success lay, not so much in the excellent ranking achieved by the University as a whole, as in the much more informative ranking achieved in individual subject areas. The point of the PBRF is, after all, to identify excellence wherever it is to be found. It identified that the best research in New Zealand in seven subject areas – chemistry; management, industrial relations, international and other business; molecular, cellular and whole organism biology; accounting and finance; communications, journalism and media studies; computer science, information technology and information sciences; pure and applied mathematics – is undertaken at the University of Waikato. We scored a higher proportion of New Zealand first rankings than any other university bar one, and that had the advantage of a medical school.

The University was therefore able to demonstrate, after forty years of its operations, that it achieves research-led academic excellence while at the same time providing the great benefits of university education to a much wider range of students than would ever have been thought possible a generation ago. This is a combined achievement which is of great value and significance to contemporary New Zealand.

The University continued to play a full and growing part in the life of the community. Much of that activity centred on the WEL Energy Trust Academy of Performing Arts which was again the venue for a range of activities – concerts, lectures, receptions, exhibitions, debates and ceremonies. Beyond the campus, the University again hosted the now annual rowing race against either Oxford or Cambridge University. In 2004, it was Cambridge's turn, and their victory (and our first loss) showed how truly competitive the event has become and what an important occasion it now is in our sporting calendar.

Some significant new appointments were made and taken up during the year. We were delighted to welcome Professor Dan Zirker to the post as Dean of Arts and Social Sciences. Professor John Farrar took up the Deanship of Law and Professor Aroha Yates-Smith was appointed as Dean of Māori and Pacific Development. We welcomed the return of Professor Mark Apperley from leave and appointed Professor Shayne Quick as Pro Vice-Chancellor (International) with effect from 2005.

One further, and very important, appointment was made during the year. With my own term as Vice-Chancellor approaching an end, Council conducted a successful process to find a successor and was fortunate in being able to appoint Professor Roy Crawford from Queen's University, Belfast. Professor Crawford was able to visit the campus on a couple of occasions following the news of his appointment and to meet many of his future colleagues. It is my great pleasure to welcome him to his new duties, to wish him every success, and to thank the University for the opportunity to serve it over the past ten and a half years.



Bryan Gould
Vice-Chancellor, 2004



A WELCOME FROM THE NEW VICE-CHANCELLOR

It gives me great pleasure, as the incoming Vice-Chancellor, to provide a brief statement for the University's 2004 Annual Report, as a supplement to the more substantive report provided by my recent predecessor, Bryan Gould.

The University of Waikato has come a long way in its first 40 years. I believe that one of the main reasons for Waikato's success so far is that there is a strong sense of loyalty, of pride, of belief in the University. This provides a strong foundation upon which we can build for the future. I believe that it has the potential to be a great university, and that the time has now come for us to write the next great chapter in its history.

I and the Senior Management Group have embarked on a process of developing and establishing an ambitious new Vision for the University. I value the support and commitment that the staff, Senior Management and Council have lent to this process and am confident that once agreed, the new Vision will provide a cogent and coherent framework to guide us towards a strong and exciting future.

Professor Roy Crawford
Vice-Chancellor, 2005

HIGHLIGHTS 2004

School of Education Te Kura Toi Tangata

- Won a major share of the research funding available in the National Contestable Fund for Teaching and Learning Research Initiatives.

Brave ✓ Fresh ✓

- A NZ first in introducing a compulsory paper in environmental education into its Bachelor of Teaching degree.

Brave ✓ Well Rounded ✓

- A substantial increase of postgraduate enrolments.

Well Rounded ✓

- Professor Clive McGee, Director of the Wilf Malcolm Institute of Educational Research received the McKenzie Award from the NZ Association for Research in Education (for lifetime research excellence).

Fresh ✓ Passionate ✓

- Nola Campbell, Director of the University's First Tertiary Education Commission contract, had one of only 15 projects selected for funding across NZ.

Brave ✓ Fresh ✓

- Brett Smith provided analytical assistance at the Olympic Games in Athens enabling NZ rowing coaches to refine the physical and technical development of their athletes.

Creative ✓ Well Rounded ✓ Collaborative ✓

School of Māori & Pacific Development Te Pua Wānanga Ki Te Ao

- Professor Aroha Yates-Smith appointed Dean and received Te Rangi Hiroa Medal.

Passionate ✓ Creative ✓

- New paper introduced – Te Reo me Ngā Tikanga Māori.

Fresh ✓

- Tui Adams and Hare Puke awarded Honorary Doctorates.

Passionate ✓

- Sandy Morrison, Pou Tikanga, elected President of ASABE (Asian South Pacific Bureau of Adult Education).

Passionate ✓

- Pou Reo oversaw the gifting of Dr Pei te Hurinui Jones' collection by the Jones family to Waikato University.

Passionate ✓





OPEN

Highlights for 2004

- Completed the extension of the Large Scale Laboratory to accommodate the growing engineering programme on campus.
- Completed design work to provide four more lecture theatres seating 420 additional students in state of the art teaching facilities.
- Completed eight additional student accommodation chalets in Orchard Park complex.
- Completed interim Information Commons providing integrated service for computer access, Library database support, IT and learning support.
- The Annual Vice-Chancellor's lecture "The Evolution of New Zealand's Constitution" treated a large audience to a challenging and insightful address by the Honourable Margaret Wilson.
- Web-based resources were produced to assist the professional development of managers in the Tertiary Education Alliance.
- An online question and answer service called AskMe was developed to provide information about University services.
- The Interfaces Repository was developed and implemented to transfer data from core information systems to other systems around campus in standard formats.
- The manuscript of *The Index of Māori Names* compiled by Henry James Fletcher was converted into web pages enabling improved access.
- Subscription to major new electronic resources provides access to archival issues of over 600 journals in the arts, humanities and social sciences.
- Te Puna Tautoko, a forum of student support specialists, in collaboration with School/ Faculty based Māori student mentors, co-coordinated Māori student support initiatives across the University.
- The University website was redesigned to incorporate the new branding. The result is a more user-friendly gateway that provides easier access to all aspects of the University.





BRAVE

Highlights for 2004

- External research income of the University continued to grow and the aggregate value of research projects funded by external contracts rose to over \$70 million compared with \$62.6 million in 2003.
- New scholarships provided for full time students completing a second year of study as part of the 40th Anniversary Investment.
- E-Education Consultative Committee created to govern the direction and strategies for e-learning.



The Waikato Management School

Te Raupapa

- Was confirmed New Zealand's leader in management research in Tertiary Education Commission's Performance Based Research Fund Report released this year. The School was the top performer in two of the four research categories, and was ranked in the top five in all four categories.

Fresh ✓ Passionate ✓

- Received accreditation from EQUIS, the European Quality Improvement System.

Passionate ✓ Fresh ✓

- Implemented of the Stakeholder Council and Business Advisory Board to assist the School in obtaining advice from corporate partners and other institutions on the way the School is moving forward.

Collaborative ✓ Open ✓ Fresh ✓

- Successfully launched the Sustainable Enterprise Accelerator Project in partnership with Kevin Roberts, CEO Worldwide of Saatchi & Saatchi, and Roger Downer, President of The University of Limerick.

Well Rounded ✓ Passionate ✓ Collaborative ✓

- Introduced the Accelerated Masters of Management Studies Programme, which comprises a Postgraduate Diploma and the Master of Management Studies.

Open ✓

- The Centre for Executive Education developed a Postgraduate Diploma in Management Studies taught through Waiariki Institute of Technology.

Open ✓ Collaborative ✓



FRESH

Highlights for 2004

- The University received excellent results from TEC's first assessment of staff research quality under the Performance Based Research Fund. The University's staff were ranked first or first equal in seven of the 28 subject areas that have more than two full time staff at the University of Waikato.
- Hosted successful two-day Tertiary Education Facilities Management Association workshop where 80 Australian and New Zealand Facilities Management personnel discussed sustainable design issues.
- SAS-e Jasper project continued successful implementation of the final aspects of the new student administration system, development of web-based functionality (SAS-e Web) for students to access, apply and update information.
- Waikato Print and services continued to evolve with the implementation of the new multi-channel publishing system.
- Hosted the 2004 National Māori Academic Excellence Awards, where 31 recipients of Te Amorangi – The Māori Academic Excellence Award were confirmed from across all New Zealand Universities.
- University Alumni shop was relocated to a more central position on campus.
- The Pei te Hurinui Collection room Mahi Māreikura was opened in the NZ Collection in the Library.
- Research and Innovation Overview was published to profile the range of research conducted by The University of Waikato staff and postgraduate students.
- A University-wide Professional Goal Setting policy was developed, adopted and implemented. Also, a Career and Professional Development policy, covering all staff, was developed and adopted.





PASSIONATE

The University was deeply saddened by the loss of The Inaugural Vice-Chancellor, Sir Don Llewellyn.

Highlights for 2004

- Trust Waikato made a substantial grant of \$45,000 towards further funding of student research in community not-for profit organisations in the Waikato region.
- Family of the late Michael Baldwin (a former staff member), donated \$85,000 for an endowed scholarship to be established in his name.
- Developed new University data management system providing accurate and comprehensive data relating to Māori student profile of the University.
- Appointed new Pro Vice-Chancellor (International) – Shayne Quick; and three new Deans – Dan Zirker, John Farrar and Aroha Yates-Smith.
- Appointed 19 new professors – Douglas Booth, Craig Cary, Jim Corner, Howard Davey, Al Gillespie, Mark Harcourt, Mark Holmes, Alister Jones, Alan Lowe, Philip McCann, Jacques Poot, Steve Reeves, Ric Scarpa, Frank Scrimgeour, Alfred Sneyd, Ngahua Te Awekotuku, Pou Temara, Martin Thrupp and Ed Vos.
- The University's 40th Anniversary was celebrated in 2004 with events and displays marking the University's achievements over the last 40 years.
- The University launched a new periodical, *Waikato*, featuring a number of research activities and innovations stories.

Faculty of Arts and Social sciences

Te Kura Kete Aronui

- Professor Dan Zirker appointed as Dean.
Passionate ✓
- Achieved three Marsden Fund successes: Darrin Hodgetts and Mohi Rua, Psychology – Elsie Ho and Jacques Poot, Population Studies Centre.
Passionate ✓ Fresh ✓ Brave ✓
- Student Jeremy Mayall composed a symphony for orchestra and turntables that was selected for performance by the Auckland Philharmonia and the NZ Symphony Orchestra.
Creative ✓ Brave ✓
- New Computer Arts Pathway developed for students as part of the Bachelor of Arts.
Fresh ✓ Creative ✓
- Art History programme staged two student-generated exhibitions at the WEL Energy Academy of Performing Arts.
Creative ✓ Well Rounded ✓
- New Traffic and Road Safety Research Group driving simulator lab completed and formally opened.
Fresh ✓ Creative ✓
- Virginia Pitts directed the short film 'Fleeting Beauty' nominated for Gold and Silver Spike awards at the 49th Valladolid Film Festival. Also screened at the Montreal, Auckland, Kerala and St Tropez festivals.
Brave ✓ Passionate ✓ Creative ✓

School of Science and Engineering

Te Kura Putaiaio

- Department of Biological Sciences ranked first in TEC's PBRF Report for molecular, cellular and whole organism biology.

Passionate ✓ Fresh ✓

- Department of Chemistry ranked first equal in TEC's PBRF Report for the quality of its research.

Passionate ✓ Fresh ✓

- Professor Cam Nelson honoured with the Hutton Medal (Royal Society of NZ) for major contributions in the fields of sedimentology and paleoclimate research.

Passionate ✓ Fresh ✓

- Dr Megan Balks was the first woman to be awarded the Fellowship of the NZ Society of Soil Science.

Passionate ✓ Brave ✓

- Dr Alison Campbell won the University of Waikato Teaching Excellence Award.

Passionate ✓

- Tuapapa Putaiaio Maori Student Fellowships awarded to Anthony Keen, Jonni Ripi-Koia, Manu Edwards and Erina Hingston.

Passionate ✓ Well Rounded ✓

- Completion of a world-class facility for mass spectrometry research.

Fresh ✓

- Gordon Edgar (former Director of Ruakura Animal Research Station) awarded honorary doctorate.

Brave ✓ Passionate ✓

- Dr Richard Coll appointed as visiting scholar at the University of Cambridge. Also elected Fellow of the NZ Institute of Chemistry.

Brave ✓ Passionate ✓

- Fifth Asia Pacific Cooperative Education Conference hosted by Waikato with 170 delegates and 19 countries represented.

Well Rounded ✓ Collaborative ✓

CREATIVE

Highlights for 2004

- Design competition held to help select architectural firm to design the full scale Information Commons.
- LCoNZ (the Library Consortium of New Zealand) established to run the Voyager Library System on behalf of four New Zealand University Libraries.





COLLABORATION

Highlights for 2004

- Collaboration with other tertiary organisations resulted in significant savings to Waikato for campus-wide software agreements.
- The University's commercialisation managers relocated to the Waikato Innovation Park. The relationship with the Park and several major research providers in the region strengthened through variety of collaborative activities.
- The University's Population Studies Centre together with several clusters of social science research expertise in five other universities was successful in gaining funding from the Tertiary Education Commission for the Building Research Capability in the Social Sciences initiative.



School of Computing and Mathematical Sciences

Rorohiko me nga Putaiao

Pangarau

- Achieved number one TEC PBRF rankings in the Computer Science, Info Tech and Info Sciences and Pure and Applied Mathematics categories. Number two ranking in the Statistics category.

Brave ✓ Fresh ✓ Passionate ✓

- Substantial FRST research contracts extended until mid 2006.

Passionate ✓ Fresh ✓

- Several Statistics staff members elected to prominent positions within the NZ Statistical Association (NZSA), including President, Secretary, Treasurer and Membership Secretary.

Passionate ✓ Open ✓

- Computer Science Department hosted first Asia-Pacific Computer-Human Interaction (APCHI) conference to be held in NZ, attracting researchers and industry specialists from around the world.

Open ✓ Brave ✓ Well Rounded ✓

- Computer Science Lecturer, Te Taka Keegan, worked with software giant Microsoft®, Te Taura Whiri i te Reo Māori (the Māori Language Commission) and the Waikato University School of Māori and Pacific Development, to deliver Te Reo Māori versions of Microsoft® Windows XP® and the Microsoft Office System 2003.

Fresh ✓ Creative ✓ Collaborative ✓

- Collaboration between Mathematics Department and the prestigious Madylam Laboratory in France led to the establishment of a PhD student exchange with the University of Grenoble and the Madylam lab, in the field of industrial Magneto-hydrodynamics.

Collaborative ✓

School of Law *Te Wānanga Ture*

- Professor John Farrar appointed as the new Dean of Waikato Law School.

Fresh ✓ Passionate ✓

- First graduates from the only Diploma for Legal Executives Studies in NZ.

Fresh ✓ Brave ✓ Well Rounded ✓

- Professor Peter Spiller awarded the Vice Chancellor's Medal for Excellence in Teaching and appointed as the new Principal Disputes Referee.

Passionate ✓ Brave ✓

- Student/staff exchange to Copenhagen set up with continuing efforts to establish exchanges with Ghent, Bergen and Griffith Universities.

Open ✓ Well Rounded ✓

- Thirty secondary schools from the Waikato, Auckland, Bay of Plenty and Central North Island regions participated in the 2004 Waikato Law School's Secondary Schools' Mooting Competition.

Open ✓ Passionate ✓ Brave ✓

WELL ROUNDED

Highlights for 2004

- 2,500 graduating students became new Alumni Members.
- Development of an ICT strategy for the University, commenced to enhance the awareness of ICT opportunities in support of University directions and goals.





EQUAL OPPORTUNITIES

2004

The University of Waikato at Tauranga

Te Whare Wānanga o Waikato Ki Tauranga

- The first two Bay of Plenty Adult Learners' Scholarships of \$1,000 awarded during Adult Learners' Week.

Well Rounded ✓ Open ✓

- Completion of Report on Suggested Future Development of the Tertiary Education in the Western Bay of Plenty.

Fresh ✓ Collaborative ✓

- Four 100 level University of Waikato papers taught at Tauranga Boys' College.

Collaborative ✓ Open ✓

- Growth in video conference teaching from the Hamilton campus continued.

Collaborative ✓ Open ✓

The University of Waikato maintains an ongoing commitment to equal opportunities in education and employment. The University provides a wide variety of University-wide and School/Faculty-specific support systems to enable and maintain student access and success. Support is available to all students, and additional support is targeted to individual groups according to their specific needs.

In its role as an employer, the University is a member of the Equal Employment Opportunities (EEO) Trust. The Trust "helps workplaces adapt to and embrace the diversity of the workforce through the use of EEO principles and best practice." The University workplace is an example of the Trust's statement that "valuing diversity in the workplace benefits both employers and workers by making workplaces more effective, efficient and competitive – and great places to work."

Some details are:

- Over half the total staff of 1,795 (full-time equivalent) at the University of Waikato were women (59%). Women comprised 47% of the academic staff and 69% of the general staff. The highest percentages of female staff were in the Library (82%); Student and Academic Services (80%); the School of Education (75%); and Financial Services Division and Human Resources Management (both 74%). These percentages of female staff have declined since 2003 for all areas except the Library. The lowest percentages of female staff continue to be in the School of Computing and Mathematical Sciences (25%); Information Technology Services (38%); and Facilities Management Division (39%).
- The total student population at the University of Waikato in 2004 was 14,023, which included 5,983 male (43%) and 8,040 female (57%).
- Almost three quarters of the total staff at the University of Waikato were European/Pakeha (74%) and 10% were Māori.
- The ethnic composition of the student population included: 6,335 Pakeha (45%); 3,467 Asian (25%); 2,480 Māori (18%); 411 Pacific Islanders (3%); 314 Indian (2%); and 1,016 'other' ethnic groups (7%). This compares with 2003, where 6,467 students were Pakeha (45%); 3,737 students were Asian (26%); 2,460 students were Māori (17%); 405 students were of Pacific Island ethnicity (3%); 314 Indian (2%) and 1,022 students were of 'other ethnicity' (7%).



- With respect to age, over half of the total staff at the University of Waikato (62%) were 41 years of age or over (1,021 staff members). Over two-thirds (70%) of the academic staff were aged 41 years or over (500 FTE staff members) as were over half of the general staff (56%).
- Student's aged less than 20 years, comprised 17% of the entire student population. Students aged between 20 and 24 years, for whom parents are usually still responsible for living costs, comprised 43%, while students aged 25 years or over (those who may be entitled to a government-funded living allowance) comprised just under 40%. In the latter group, 14% of students are aged 40 years or over.
- The University had 418 students with disabilities. Of these students 238 accessed support services, largely for physical/mobility, medical or specific learning difficulties.
- 5% of University staff had disabilities. These included: vision difficulties (1%); mobility problems (1%); diabetes (1%); breathing problems (1%) and hearing difficulties (1%).

While the University of Waikato prides itself on the diversity of its existing equal opportunity programmes, in 2004 the University of Waikato undertook several new programmes for staff and students, including:

- A Library-sponsored Waka Week to promote library resources and encourage their use by Māori.
- Special orientation programmes for International students in the Faculty of Arts and Sciences and the Waikato Management School.
- Evening orientation programmes for adult learners in the Waikato Management School.
- A variety of programmes for the pastoral care and support of International students in the Faculty of Arts and Sciences and in the School of Law.
- Establishment of a coordinating EEO committee to implement policies on work/life balance in relation to staff and students.

Ongoing successful programmes include:

- Strategies such as family-friendly environments, flexible hours and work from home options, considered on a case-by-case basis by managers in Information Technology Services.
- Support for Library staff undertaking Library studies.
- The appointment of a Māori Liaison Student Advisor for Māori students with disabilities.
- Provision of an annual staff scholarship for support staff members to attend a relevant Australasian conference for professional development and networking.
- An increased involvement by the staff of the Student & Academic Services Division in wider Divisional EEO matters, through increased training and development opportunities for all staff.

CHIEF OPERATING OFFICER'S FINANCIAL REPORT 2004

The University achieved a consolidated net surplus of \$1.3M for the year ended 31 December 2004, compared with a consolidated net surplus of \$8.2M reported for 2003. The net surplus for 2003 included a one-off revenue item of \$6.3M for the vesting of Bryant Hall. Without this item, the surplus for 2003 would have been \$1.9M.

Major factors impacting the 2004 result were:

- Government funding and domestic fee income less than budget due to lower domestic student numbers,
- Significant decline in the international English language market,
- Reduced surplus from research activities, and
- Increased contribution from commercialisation activities.

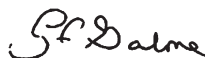
The total revenue of \$176.4M in 2004 was only slightly ahead of the \$176.3M in 2003. However, if the value of the vesting of Bryant Hall is excluded, revenue in 2004 was \$6.4M higher than in 2003. The major areas of increased revenue were government funding (\$1.4M), international fees (\$2.6M) and commercialisation (\$2.0M).

While revenue increased by \$6.4M compared to 2003, total costs compared with 2003 increased by \$7.0M in line with a trend of increasing costs over recent years. The major areas of increased costs in 2004 were academic salaries (\$3.1M), general salaries (\$1.9M) and other costs (\$1.4M). Salary costs increased primarily as a result of the 2004 pay settlement while the increase in other costs was primarily associated with the timing of research expenditure. Over recent years compliance costs have increased, and changes to financial reporting standards associated with depreciation and employee entitlements have also had an impact.

Over the last five years the University's annual operating surplus has steadily reduced and is short of the guidelines set down by the Ministry of Education's Tertiary Advisory Monitoring Unit (TAMU) and also short of the level required by the University's Council.

The University is aware of the need to address the decline in domestic student numbers, reduce dependence on international student revenue and associated risks and increase returns from non-teaching activities.

A range of actions will be taken in 2005, with a view to improving financial performance. At the same time, but with a longer-term perspective, the new Vice-Chancellor has embarked on a process for the development of a new Vision for the University. Once the new Vision has been agreed, it will serve as a coherent framework for the implementation of focused strategies over the next ten years that will enable us to become a leading university internationally. Key strategies in support of this Vision are intended to achieve increased revenue from the commercialisation of Intellectual Property, increased domestic student numbers and the fostering of increased financial support through The University of Waikato Foundation. The emerging new Vision and strategy give Senior Management confidence that the University will deliver on Council's expectations in 2005 and meet TAMU's guidelines by returning to the University an appropriate financial return.



Geoff Balme
Chief Operating Officer

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Geoff Balme – Chief Operating Officer



REPORT OF THE AUDITOR-GENERAL



TO THE READERS OF UNIVERSITY OF WAIKATO AND GROUP'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2004

The Auditor-General is the auditor of the University of Waikato (the University) and group. The Auditor-General has appointed me, M G Taris, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements of the University and group, on his behalf, for the year ended 31 December 2004.

Unqualified opinion

In our opinion the financial statements of the University and group on pages 23 to 47:

- ▲ comply with generally accepted accounting practice in New Zealand; and
- ▲ fairly reflect:
 - the University and group's financial position as at 31 December 2004;
 - the results of operations and cash flows for the year ended on that date; and
 - the service performance achievements measured against the performance targets adopted for the year ended on that date.

The audit was completed on 24 February 2005 and is the date at which our opinion is expressed.

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

Basis of opinion

We carried out the audit in accordance with the Auditor-General's Auditing Standards, which incorporate the New Zealand Auditing Standards.

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

Material misstatements are differences or omissions of amounts and disclosures that would affect a reader's overall understanding of the financial statements. If we had found material misstatements that were not corrected, we would have referred to them in our opinion.

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

Audit procedures generally include:

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

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

We evaluated the overall adequacy of the presentation of information in the financial statements. We obtained all the information and explanations we required to support our opinion above.

Responsibilities of the Council and the auditor

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

We are responsible for expressing an independent opinion on the financial statements and reporting that opinion to you. This responsibility arises from section 15 of the Public Audit Act 2001 and section 43(1) of the Public Finance Act 1989.

Independence

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

In addition to the audit, we have carried out assurance related assignments for the University in the areas of:

- ▲ implementation of the new student enrolment system;
- ▲ allocation model for allocating overhead costs to the contracted research activities; and
- ▲ Performance Based Research Fund External Research Income.

Other than the audit and these assurance related assignments, we have no relationship with or interests in the University or any of its subsidiaries.



Miriam Taris
Audit New Zealand
On behalf of the Auditor-General
Hamilton, New Zealand



Matters Relating to the Electronic Presentation of the Audited Financial Statements

This audit report relates to the financial statements of the University of Waikato and Group for the year ended 31 December 2004 included on the University of Waikato's web site. The University of Waikato's Council is responsible for the maintenance and integrity of the University of Waikato's web site. We have not been engaged to report on the integrity of the University of Waikato's web site. We accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the web site.

The audit report refers only to the page numbers named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these financial statements. If readers of this report are concerned with the inherent risks arising from electronic data communication they should refer to the published hard copy of the audited financial statements and related audit report dated 24 February 2005 to confirm the information included in the audited financial statements presented on this web site.

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

STATEMENT OF RESPONSIBILITY

In the financial year ended 31 December 2004, the Council and management of The University of Waikato were responsible for:

1. The preparation of the annual financial statements and the judgements used in them.
2. Establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting; and
3. In the opinion of Council and management of The University of Waikato, the annual financial statements of the financial year ended 31 December 2004 fairly reflect the financial position and operations of The University of Waikato.

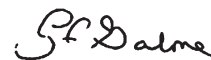
Chairperson of Council
Mr John Gallagher
22 February 2005



Vice-Chancellor
Professor R. Crawford
22 February 2005



Chief Operating Officer
Mr Geoff Balme
22 February 2005



STATEMENT OF ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 DECEMBER 2004

1. The Reporting Entity

The University of Waikato (the University) is constituted as a university under the University of Waikato Act 1963 for the advancement of knowledge and the dissemination and maintenance thereof by teaching and research.

These accompanying financial statements are presented in accordance with Section 203 of the Education Act 1989 which refers to the provisions of Section 41(2) of the Public Finance Act 1989, and Generally Accepted Accounting Practice as adopted by the Institute of Chartered Accountants of New Zealand.

The financial statements cover all the activities of the University including those of:

- WaikatoLink Limited and Group, a wholly owned subsidiary company, and the results for the year ended 31 December 2004 have been fully consolidated into the University group results.
- The University of Waikato Foundation, incorporated as a Charitable Trust in 1992, and the results for the year ended 31 December 2004 have been fully consolidated into the University group results.
- The University of Waikato Alumni Association, incorporated in 1990, and the results for the year ended 31 December 2004 have been fully consolidated into the University group results.
- The Student Campus Building Fund Trust, incorporated as a Charitable Trust in 1971, and the results for the year ended 31 December 2004 have been fully consolidated into the University group results.
- Campus Services Limited is 50% owned by the University. The remaining 50% is owned by the Waikato Students' Union (Incorporated). Campus Services Limited commenced operations from 1 August 1996, replacing the Student Union Services Management Board. Equity Accounting methods have been used to report the results of Campus Services Limited which has a balance date of 31 December.
- LCo New Zealand Limited is 24% owned by the University. The remaining 76% is owned by three other New Zealand universities. LCo New Zealand Limited was incorporated December 2003. Equity Accounting methods have been used to report the results of LCo New Zealand Limited which has a balance date of 31 December.

2. Measurement System

The general accounting principles recognised as appropriate for the measurement and reporting of financial performance and position on an historical cost basis, adjusted by the revaluation of certain property, plant and equipment, are followed by the University.

3. Accounting Policies

a Basis of Consolidation

The consolidated financial statements include the University and its subsidiaries and associates.

In the consolidated financial statements, subsidiaries have been included by aggregating like items of assets, liabilities, revenues, expenses and cashflows on a line by line basis. All inter-entity transactions are eliminated on consolidation.

Associates are those entities over which the University has the capacity to affect substantially, but not unilaterally determine, the financial and/or operating policies. The University's share of surplus is included in the consolidated Statement of Financial Performance and the share of post acquisition increase in net assets is included in the consolidated Investments in the Statement of Financial Position.

b Budget Figures

are the Revised Budget approved by the Council on 11 August 2004. The revised budget results from the revision of the enrolment predictions for the year based on the first quarter.

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

c Goods and Services Tax (GST)

is excluded from these financial statements, with the exception of accounts receivable and accounts payable.

d Income Tax

has not been provided for in these accounts as the University has been recognised as a charitable organisation by the IRD and is therefore exempt from income tax.

e Research Grants and Subsidies, Donations and Bequests

to the University are recognised as income when money is received, or entitlement to receive money is established; except where fulfillment of any restrictions attached to these monies is not probable.

f Government Grants

to the University are recognised as income on entitlement.

STATEMENT OF

ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 DECEMBER 2004

g Student tuition fees are recognised as revenue on a course percentage of completion basis.

h Foreign currency transactions throughout the year have been converted into New Zealand currency at the ruling rate of exchange at the dates of the transactions. Foreign currency balances, as at 31 December 2004, are valued at the exchange rates prevailing on that date. Foreign Exchange gains/losses are recognised in the Statement of Financial Performance.

i Equity is the community's interest in the University and Group and is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into a number of reserves to enable clearer identification of the specified uses that Council and Group make of its accumulated surpluses. The components of equity are:

- General Equity
- Asset Revaluation Reserve
- University Created Reserves
- Restricted Reserves

j Accounts Receivable are shown at estimated realisable value after providing for bad and doubtful debts.

k Investments are valued at cost except for Local Authority Stock, Government Stock, and Transferable Certificates of Deposit, which are valued at face value, which is not materially different from cost.

l Inventories are valued at the lower of cost (determined on a weighted average basis) and net realisable value. This valuation includes allowances for slow moving and obsolete inventories. No account is taken of other minor stocks in academic schools and administrative departments, which are expensed as issued.

m Employee Entitlements

Provision is made in respect of the University's liability for staff annual and long service leave where the employee is entitled to that leave as at 31 December 2004.

Additionally provision has been made, where applicable, using an actuarial valuation for retirement gratuities and long service leave. This valuation, as at 31 December 2004, was undertaken by Mercer Human Resource Consulting Limited (Actuaries). The actuarial valuation determines the extent of anticipated entitlements payable under employment contracts and brings to account a liability using the present value measurement basis, which discounts expected future cash outflows.

To the extent that it is anticipated that the liability will arise during the following year the entitlements are recorded as Current Liabilities. The remainder of the anticipated entitlements are recorded as Non-Current Liabilities.

n Property, Plant and Equipment:

1 Valuation

i Land and Buildings

Land

In 1996 the land occupied by the University campus was transferred by the Crown to Waikato-Tainui, as part of the Crown's settlement of the Raupatu claim. The University leases back the land from Waikato-Tainui. Compensation was paid to the University in 1996 by the Crown to fund the University's financial obligations under the lease.

Buildings

The majority of Buildings recognised in the financial statements, including the previous Hamilton Teachers' College buildings, are still subject to the legal transfer of ownership from the Ministry of Education. The University is of the opinion that as at 31 December 2004 it is in substance the owner of these Buildings and assumes all the normal risks and rewards of ownership.

Land and Buildings are revalued every three years. They were last revalued as at 1 January 2002 by Attewell Gerbich Havill Limited in conjunction with DTZ New Zealand (Registered Valuers), on a fair value basis. The value of land and non specialised buildings was determined using market based evidence. All other buildings were valued at depreciated replacement cost.

ii University Owned Infrastructural Assets were recognised for the first time last year with a valuation as at 1 January 2002 by Opus International Consultants Limited on a fair value basis using the Optimised Depreciated Cost method.

iii The Library Collection is valued on the basis of historical cost less accumulated depreciation.

iv Additions between valuations are recorded at cost less accumulated depreciation.

- v **Assets Under Construction/Work in Progress** is valued on the basis of expenditure incurred and Certified Gross Progress Claim Certificates up to 31 December. Work in Progress is not depreciated. The total cost of a project is transferred to the relevant asset class on its completion and then it is depreciated.
- vi **All Other Property, Plant and Equipment** are valued at historical cost less accumulated depreciation.

2 Depreciation

Land is not depreciated.

Buildings are depreciated on a straight line basis that will write off the cost or valuation of Buildings over their estimated total useful life.

The useful lives and associated depreciation rates for Buildings are estimated as follows:

	Useful Lives:	Residual Values:
- Structure	35–100 Years	0-15%
- Services	25-35 Years	5%
- Fitout	20-25 Years	0%

Infrastructural Assets are depreciated on a straight line basis that will write off the cost or valuation of the Infrastructural Assets over their estimated total useful life.

	Useful Lives:	Residual Values:
- Infrastructure	25–80 Years	0%

The Library Collection is depreciated on a straight line basis that will write off the cost over its useful life. The useful lives are estimated at 35 years for books and 15 years for periodicals.

Teaching equipment is depreciated at 20% per annum on a diminishing value basis.

Research equipment is depreciated on a straight line basis that will write off the cost within three years.

Computer equipment is depreciated on a straight line basis that will write off the cost within three years.

Computer software is depreciated on a straight line basis that will write off the cost within four years.

Computer software for the student enrolment and library systems are depreciated on a straight line basis that will write off the cost within ten years.

Other Property, Plant and Equipment are depreciated on a diminishing value basis dependent on their assessed useful life and at rates which vary from 5 to 20%.

o Leases

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

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

p Statement of Cashflows

Cash means cash balances on hand, held in bank accounts, demand deposits and other highly liquid investments in which the University invests as part of its day-to-day cash management.

Operating activities include cash received from all income sources of the University and record the cash payments made for the supply of goods and services.

Investing activities are those activities relating to the acquisition and disposal of non-current assets.

Financing activities comprise the change in equity and debt capital structure of the University.

q Financial Instruments

form part of the University's everyday operations. These financial instruments include Bank Accounts, Short Term Deposits, Trade and Accounts Receivable, Trade and Accounts Payable and Term Borrowings, all of which are recognised in the Statement of Financial Position.

Revenue and expenses in relation to all financial instruments are recognised in the Statement of Financial Performance.

4 Changes in Accounting Policies

All policies are unchanged and have been applied in a manner consistent with the previous year.

STATEMENT OF

FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 31 DECEMBER 2004

	Notes	CONSOLIDATED		UNIVERSITY		
		This Year \$000	Last Year \$000	This Year \$000	Budget \$000	Last Year \$000
Revenue						
Government Funding and Grants	1	68,373	67,017	68,373	69,411	67,017
Fees Income	2	64,660	61,496	64,660	66,136	61,496
Research Income		18,398	17,934	18,398	18,681	17,934
Interest Received		2,073	1,983	1,968	1,700	1,967
Other Revenue*		22,237	26,117	19,746	20,117	26,196
Donations		704	1,721	761	664	1,090
Total Revenue		176,445	176,268	173,906	176,709	175,700
Costs						
Academic Salaries		62,368	59,335	62,368	61,709	59,335
General Salaries		41,637	39,662	41,646	41,175	39,661
Other Costs		55,824	54,435	55,838	55,761	54,401
Depreciation	5	15,276	14,664	15,268	15,500	14,658
Total Costs		175,105	168,096	175,120	174,145	168,055
Net Surplus/(Deficit)		1,340	8,172	(1,214)	2,564	7,645

* Included in Other Revenue for Last Year is \$6.3M to record the Bryant Hall buildings vested in the University on 31 December 2003.

STATEMENT OF

MOVEMENTS IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2004

	Notes	CONSOLIDATED		UNIVERSITY		
		This Year \$000	Last Year \$000	This Year \$000	Budget \$000	Last Year \$000
Net Surplus/(Deficit)		1,340	8,172	(1,214)	2,564	7,645
Total Recognised Revenues and Expenses		1,340	8,172	(1,214)	2,564	7,645
Movements in Equity		1,340	8,172	(1,214)	2,564	7,645
Opening Equity		197,179	189,007	196,356	196,356	188,711
Closing Equity		198,519	197,179	195,142	198,920	196,356

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

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2004

	CONSOLIDATED			UNIVERSITY		
	Notes	This Year \$000	Last Year \$000	This Year \$000	Budget \$000	Last Year \$000
Assets						
Current Assets						
Cash and Bank		1,001	821	925	584	553
Accounts Receivable		6,312	5,450	6,166	5,411	5,401
Prepayments		2,312	1,759	2,312	1,759	1,759
Short Term Investments	4	19,706	26,789	17,646	21,000	26,789
Inventories		1,355	1,341	1,322	1,341	1,341
Total Current Assets		30,686	36,160	28,371	30,095	35,843
Non Current Assets						
Investments	4	1,512	849	901	721	415
Property, Plant and Equipment	5	210,528	205,713	210,482	214,011	205,703
Total Non Current Assets		212,040	206,562	211,383	214,732	206,118
Total Assets		242,726	242,722	239,754	244,827	241,961
Liabilities and Equity						
Current Liabilities						
Income in Advance		10,039	10,601	10,039	10,601	10,601
Accounts Payable		10,929	10,219	11,337	10,569	10,287
Current Portion of Employee Entitlements	3	9,389	11,216	9,386	11,310	11,210
Current Portion of Term Liabilities	7	80	80	80	80	80
Total Current Liabilities		30,437	32,116	30,842	32,560	32,178
Non Current Liabilities						
Term Portion of Employee Entitlements	3	6,253	5,830	6,253	5,830	5,830
Term Liabilities	7	7,517	7,597	7,517	7,517	7,597
Total Non Current Liabilities		13,770	13,427	13,770	13,347	13,427
Equity						
General Equity	6	153,676	151,696	150,299	153,571	150,873
Asset Revaluation Reserve	8	35,965	35,965	35,965	35,965	35,965
University Created Reserves	6	6,392	7,091	6,392	6,823	7,091
Restricted Reserves	6	2,486	2,427	2,486	2,561	2,427
Total Equity		198,519	197,179	195,142	198,920	196,356
Total Liabilities and Equity		242,726	242,722	239,754	244,827	241,961

Professor R. Crawford
Vice-Chancellor

Geoff Balme
Chief Operating Officer

Dated: 22 February 2005

The accompanying accounting policies and notes form an integral part of this statement.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2004

	CONSOLIDATED			UNIVERSITY		
	Notes	This Year \$000	Last Year \$000	This Year \$000	Budget \$000	Last Year \$000
Cash Flows from Operating Activities						
Cash was provided from:						
Government Funding and Grants		68,265	66,620	68,265	69,411	66,620
Revenues from Fees		65,074	62,258	65,074	66,136	62,258
Other Revenue		41,313	42,683	41,230	41,660	42,872
Receipts for Capital Investment		509	703	509	349	703
Interest Received		2,053	1,720	1,991	1,700	1,694
		177,214	173,984	177,069	179,256	174,147
Cash was applied to:						
Interest Paid		(36)	(39)	(36)	(33)	(39)
Suppliers		(50,545)	(53,200)	(50,376)	(49,358)	(53,177)
Employees		(114,514)	(105,316)	(114,501)	(111,335)	(105,316)
		(165,095)	(158,555)	(164,913)	(160,726)	(158,532)
Net Cash Flows from Operating Activities*		12,119	15,429	12,156	18,530	15,615
Cash Flows from Investing Activities						
Cash was provided from:						
Share Sales		2,000	-	-	-	-
Asset Sales		169	200	169	83	200
Term Investments		37	273	37	-	273
		2,206	473	206	83	473
Cash was applied to:						
Term Investments		(271)	-	(271)	(306)	-
Asset Purchases		(20,803)	(17,586)	(20,754)	(23,961)	(17,586)
		(21,074)	(17,586)	(21,025)	(24,267)	(17,586)
Net Cash Flows from Investing Activities		(18,868)	(17,113)	(20,819)	(24,184)	(17,113)
Cash Flows from Financing Activities						
Cash was provided from:						
Loans Raised		7,300	7,697	7,300	7,300	7,697
		7,300	7,697	7,300	7,300	7,697
Cash was applied to:						
Loans Repaid		(7,380)	(7,320)	(7,380)	(7,380)	(7,320)
		(7,380)	(7,320)	(7,380)	(7,380)	(7,320)
Net Cash Flows from Financing Activities		(80)	377	(80)	(80)	377
Net Cash Flows From All Activities		(6,829)	(1,307)	(8,743)	(5,734)	(1,121)
Plus Opening Balance		27,471	28,896	27,203	27,203	28,442
Less Non Cash Currency Loss		(35)	(118)	(35)	-	(118)
Closing Cash Balance		20,607	27,471	18,425	21,469	27,203
Cash and Bank		1,001	821	925	584	553
Short Term Investments	4	19,606	26,650	17,500	20,885	26,650
		20,607	27,471	18,425	21,469	27,203

* Refer to the Reconciliation of Net Surplus with Net Cash Flows from Operating Activities.

The accompanying accounting policies and notes form an integral part of this statement.

RECONCILIATION OF NET SURPLUS WITH NET CASH FLOWS FROM OPERATING ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2004

	CONSOLIDATED		UNIVERSITY	
	This Year \$000	Last Year \$000	This Year \$000	Last Year \$000
Net Surplus/(Deficit)	1,340	8,172	(1,214)	7,645
Add/(Less) Non Cash Items:				
Depreciation	15,276	14,664	15,268	14,658
Bryant Hall vested Assets	-	(6,290)	-	(6,290)
Increase in Term Portion of Employee Entitlements	423	633	423	633
Net Loss on Foreign Currency	35	118	35	118
Share of Associates' Post Acquisition Profits	(239)	(187)	-	-
Other	(100)	(225)	(48)	(13)
	15,395	8,713	15,678	9,106
Add/(Less) Movements in Other Working Capital Items:				
(Increase)/Decrease in Accounts Receivable	(862)	(834)	(765)	(798)
Increase/(Decrease) in Accounts Payable	710	373	1,050	451
(Increase)/Decrease in Inventories	(14)	122	19	122
Increase/(Decrease) in Income in Advance	(562)	(202)	(562)	(202)
Increase/(Decrease) in Employee Entitlements	(1,827)	201	(1,824)	200
(Increase)/Decrease in Prepayments	(553)	242	(553)	242
	(3,108)	(98)	(2,635)	15
Add/(Less) Items Classified as Investing and Financing Activities:				
Increase/(Decrease) in Capital Prepayments	(200)	(470)	(200)	(470)
(Increase)/Decrease in Capital Accounts Payable	457	(923)	457	(923)
Share Sales	(1,882)	-	-	-
Net Loss on Disposal of Assets	44	237	45	237
	(1,581)	(1,156)	302	(1,156)
Other Adjustments:				
Agency Adjustments	73	(202)	25	5
	73	(202)	25	5
Net Cash Flows from Operating Activities	12,119	15,429	12,156	15,615



STATEMENT OF COMMITMENTS

AS AT 31 DECEMBER 2004

Capital Commitments

The University has the following estimated capital expenditure contracted for as at 31 December 2004:

	UNIVERSITY	
	This Year	Last Year
	\$000	\$000
Facilities Management Capital Projects	408	841
Information Technology Capital Projects	-	251
Library Capital Project	-	20
Total Capital Commitments	408	1,112

Operating Lease Commitments

The University has leased various properties and items of equipment. There are no future commitments in the form of finance leases. The total future commitments under operating leases are:

	Current Portion	1-2 years	2-5 years	5+ years
	\$000	\$000	\$000	\$000
31 December 2004	2,186	1,495	2,969	31,559
31 December 2003	1,889	1,394	2,860	25,877

These commitments include the lease with Waikato-Tainui for the campus land.

The initial term of the lease is 50 years with 41 years remaining with future rights of perpetual renewal provided the University continues to use the campus wholly or primarily for the purpose of tertiary education or research.

Annual rental payments are \$780,338 (2003 - \$586,741) including GST.

The lease rental is due for review in 2006.

Consolidated Commitments

For the subsidiaries and associates included in the consolidated financial statements there are no material commitments.

STATEMENT OF CONTINGENT LIABILITIES

AS AT 31 DECEMBER 2004

University Contingent Liabilities

A guarantee has been given to the Bank of New Zealand for a loan of \$35,000 (2003 - \$35,000) on a continuing basis to the Campus Creche Trust.

The University is involved in personal grievance claims taken against it by staff members. The liability the University may incur is estimated at \$15,000 (2003 - \$10,000).

There are no other material contingent liabilities.

Consolidated Contingent Liabilities

For the subsidiaries and associates included in the consolidated financial statements there are no material contingent liabilities.

NOTES TO THE FINANCIAL STATEMENTS

Note 1: Government Funding and Grants

	CONSOLIDATED		UNIVERSITY		
	This Year \$000	Last Year \$000	This Year \$000	Budget \$000	Last Year \$000
Block Grants	61,089	60,067	61,089	62,107	60,067
Advisory Services Grants	6,005	6,367	6,005	5,966	6,367
Other Grants	1,279	583	1,279	1,338	583
Total Government Funding and Grants	68,373	67,017	68,373	69,411	67,017

Note 2: Fees Income

	CONSOLIDATED		UNIVERSITY		
	This Year \$000	Last Year \$000	This Year \$000	Budget \$000	Last Year \$000
Domestic	28,768	28,231	28,768	29,542	28,231
International	35,892	33,265	35,892	36,594	33,265
Total Fees Income	64,660	61,496	64,660	66,136	61,496

Note 3: Employee Entitlements

	CONSOLIDATED		UNIVERSITY	
	This Year \$000	Last Year \$000	This Year \$000	Last Year \$000
Staff Annual and Long Service Leave vested	7,444	7,775	7,441	7,769
Other Employee Entitlements	1,249	2,876	1,249	2,876
Actuarial Valuation of Anticipated Retirement				
Gratuities and Long Service Leave	6,949	6,395	6,949	6,395
Total Employee Entitlements	15,642	17,046	15,639	17,040
Current Portion	9,389	11,216	9,386	11,210
Non Current Portion	6,253	5,830	6,253	5,830
	15,642	17,046	15,639	17,040



NOTES TO THE FINANCIAL STATEMENTS

Note 4: Investments

	CONSOLIDATED		UNIVERSITY	
	This Year \$000	Last Year \$000	This Year \$000	Last Year \$000
Short Term Investments				
Bank Term Deposits	19,606	26,650	17,500	26,650
The University of Waikato Foundation Loan	-	-	97	101
The University of Waikato Alumni Association Inc. Loan	-	-	33	-
Student Campus Building Fund Trust Loan	-	-	-	23
Campus Services Limited Loan	16	15	16	15
WaikatoLink Limited Investments	84	124	-	-
Total Short Term Investments	19,706	26,789	17,646	26,789
Investments				
Campus Services Limited Loan	26	41	26	41
Campus Services Limited Investment	951	734	374	374
LCo New Zealand Limited Investment	523	-	501	-
WaikatoLink Limited Investments	12	74	-	-
Total Term Investments	1,512	849	901	415

The weighted average effective interest rates on bank term deposits are disclosed in Note 11: Financial Instruments. As the maturities for the bank term deposits are all for a period of less than six months they have not been repriced.

Investment in Associates

	OWNERSHIP	BALANCE DATE
Campus Services Limited	50%	31 December

Principal Activity: Provision of sport & recreation facilities and food & entertainment outlets for the University students and staff

	CONSOLIDATED	
	This Year \$000	Last Year \$000
The University's share of the results of Campus Services Limited is as follows:		
Share of retained surplus	217	187
Investment in Associate		
Opening Balance	734	547
Share of retained surplus	217	187
Closing Balance	951	734
Represented by:		
Share of increase in net assets of associate (Carrying Value)	951	734

	OWNERSHIP	BALANCE DATE
LCo New Zealand Limited (LCoNZ)	24%	31 December

Principal Activity: A consortium of four New Zealand universities providing library solutions to those universities

	CONSOLIDATED
	This Year
	\$000

The University's share of the results of LCoNZ is as follows:

Share of retained surplus	22
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Investment in Associate

Opening Balance	-
Equity Invested	501
Share of retained surplus	22
Closing Balance	523

Represented by:

Share of increase in net assets of associate (Carrying Value)	523
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Investment in Subsidiaries

	OWNERSHIP	BALANCE DATE	NET ASSETS (approx fair value) as at 31 December	
			This Year \$000	Last Year \$000
Student Campus Building Fund Trust	Controlling	31 December	263	(23)
Principal Activity: Charitable Trust, finances facilities for the students of the University				
WaikatoLink Limited	100%	31 December	2,343	314
Principal Activity: Commercialisation holding company				
The University of Waikato Foundation	Controlling	31 December	169	220
Principal Activity: Charitable Trust, raises funds for the University				
The University of Waikato Alumni Association Incorporated	Controlling	31 December	-	-
Principal Activity: To foster, develop and maintain an ongoing relationship with past, present and future students of The University of Waikato				

The Student Campus Building Fund Trust had negative net assets at 31 December 2003 due to a short term advance provided by the University.

The comparative for WaikatoLink Limited reflects the change in their 2003 final audited financial statements.

This is the first year that the University has fully applied FRS-38 for The University of Waikato Alumni Association Incorporated.

The Last Year University figures have not been restated as The University of Waikato Alumni Association Incorporated is not significant.

The consolidated results have not been impacted by this change.

NOTES TO THE FINANCIAL STATEMENTS

Note 5: Property, Plant and Equipment

This Year	CONSOLIDATED				
	Cost \$000	Valuation \$000	Accumulated Depreciation \$000	Net \$000	Depreciation for Year \$000
Land	-	695	-	695	-
Infrastructural Assets	1,801	9,072	853	10,020	301
Buildings	23,054	144,957	16,458	151,553	5,822
Leasehold Building Improvements	2,569	-	2,055	514	325
Library Collection	39,940	-	19,072	20,868	1,714
Teaching & Research Equipment	66,727	-	50,153	16,574	6,163
Software	7,844	-	2,332	5,512	649
Other	3,133	-	1,429	1,704	302
Work in Progress	3,088	-	-	3,088	-
Total	148,156	154,724	92,352	210,528	15,276
Last Year					
Land	-	695	-	695	-
Infrastructural Assets	844	9,072	552	9,364	280
Buildings	14,368	144,957	10,636	148,689	5,382
Leasehold Building Improvements	2,214	-	1,730	484	508
Library Collection	37,871	-	17,358	20,513	1,664
Teaching & Research Equipment	62,073	-	44,726	17,347	6,118
Software	5,976	-	1,707	4,269	422
Other	2,913	-	1,347	1,566	290
Work in Progress	2,786	-	-	2,786	-
Total	129,045	154,724	78,056	205,713	14,664

Other Assets are made up as follows:

	This Year \$000	Last Year \$000
Art Collection	270	224
Administration, Plant and Furniture	173	146
Motor Vehicles	2,690	2,543
Total	3,133	2,913

Buildings includes the Bryant Hall buildings (\$6.3M) vested in the University at 31 December 2003 which is reflected under Last Year in the Statement of Financial Performance.

The \$46,000 (2003 - \$10,000) difference between the Property, Plant and Equipment represented in the Statement of Financial Position for the University as compared to the value under Consolidated is the Property, Plant and Equipment held by The University of Waikato Foundation of \$6,000 (2003 - \$10,000) and WaikatoLink Limited of \$40,000 (2003 - nil).

It is considered that there has not been any material movement from the last valuation as at 1 January 2002 and that there has been no material change in the useful lives.

Note 6: Equity

i) General Equity	CONSOLIDATED		UNIVERSITY	
	This Year \$000	Last Year \$000	This Year \$000	Last Year \$000
Opening Balance	151,696	143,873	150,873	143,577
Net Surplus/(Deficit)	1,340	8,172	(1,214)	7,645
less appropriations of net surplus to				
Restricted Trusts				
Prizes, Scholarships and Trust Funds	(343)	(202)	(343)	(202)
University Created Reserves				
External Research	(19,297)	(18,349)	(19,297)	(18,349)
plus transfers from				
Restricted Trusts				
Prizes, Scholarships and Trust Funds	284	146	284	146
University Created Reserves				
External Research	19,996	18,056	19,996	18,056
Closing Balance	153,676	151,696	150,299	150,873

ii) University Created Reserves

These are reserves established for an external research purpose and for which conditions have been imposed.

	CONSOLIDATED AND UNIVERSITY	
	This Year \$000	Last Year \$000
External Research		
Opening Balance	7,091	6,798
add appropriation of Net Surplus	19,297	18,349
less transfer to Accumulated Surplus	(19,996)	(18,056)
Closing Balance	6,392	7,091

iii) Restricted Reserves

The Prizes, Scholarships and Trust Funds Reserves represent funds held by the University on behalf of others and funds provided to the University by various people for specific purposes. Revenue received for these items and disbursements to authorised recipients are shown in the Statement of Financial Performance. Fund balances remaining are shown as restricted reserves.

	CONSOLIDATED AND UNIVERSITY	
	This Year \$000	Last Year \$000
Prizes, Scholarships and Trust Funds		
Opening Balance	2,427	2,371
add appropriation of Net Surplus	343	202
less application to Prizes, Scholarships and Trust Funds	(284)	(146)
Closing Balance	2,486	2,427

NOTES TO THE FINANCIAL STATEMENTS

Note 7: Term Liabilities

	CONSOLIDATED AND UNIVERSITY	
	This Year \$000	Last Year \$000
Opening Balance	7,677	7,300
less Loans Repaid	(7,380)	(7,320)
plus Loans Raised	7,300	7,697
Closing Balance	7,597	7,677
Current Portion - Loans	80	80
Non Current Portion - Loans*	7,517	7,597
	7,597	7,677

The weighted average interest rate of the term liabilities is 6.8% (2003 - 6.29%).

*The University has a term loan funding facility with the ASB Bank. This facility, which has a maximum of \$7.3M, is without time constraint but subject to annual review. The loan was secured by way of a Negative Pledge.

Note 8: Asset Revaluation Reserve

	CONSOLIDATED AND UNIVERSITY	
	This Year \$000	Last Year \$000
Buildings	27,925	27,925
Infrastructural Assets	8,040	8,040
Closing Balance	35,965	35,965

Note 9: Other Disclosures

	CONSOLIDATED		UNIVERSITY	
	This Year \$000	Last Year \$000	This Year \$000	Last Year \$000
Interest Expense	39	42	39	42
Audit Fees - Principal Auditor	73	72	60	60
Other Fees - Principal Auditor *	20	23	20	23
Audit Fees - Other Auditors	1	1	-	-
Bad Debts	87	25	87	25
Loss on Disposal of Assets	45	237	45	237
Decrease in Provision for Doubtful Debts	(50)	(18)	(50)	(18)
Rental Expense on Operating Leases	2,944	2,270	2,944	2,270

* These fees were for assurance or audit related engagements.

Note 10: Councillors' Remuneration

Fees to Council members for their contributions to the work of the Council, paid in accordance with Section 179 of the Education Act 1989, totalled \$76,520 (2003 - \$66,930).

	UNIVERSITY	
	This Year \$	Last Year \$
Mr J. Gallagher (Chair)	19,500	19,500
Dr R. Pringle *	8,060	1,275
Mr J. Jackman	7,140	9,690
Mr S. Pushpamangalam	5,100	-
Mrs A. Annan	4,845	7,905
Mr D. Philpott	4,845	-
Ms S. Sleigh	4,590	4,845
Mr L. Bourke	4,080	1,785
Professor T. Healy	3,060	4,845
Mr S. Solomon	3,060	-
Professor A. Barrett	2,805	5,100
Ms E. Barton	2,295	2,040
Ms M. Dodd	2,040	2,295
Dr B. Linehan	1,785	2,295
Mr G. Weld	1,785	1,530
Dr A. Hampton	1,530	-
Mr R. Parton	-	2,295
Mr D. Braithwaite	-	1,530
Total	76,520	66,930

* Includes director fee for WaikatoLink Limited.

Note 11: Financial Instruments

Fair Value

The estimated fair value of the University's financial instruments are equivalent to their carrying amounts in the financial statements.

Credit Risk

Financial instruments which potentially subject the University to credit risk principally consist of bank balances and accounts receivable.

Credit risk in respect of Bank and Short Term Deposits is reduced by spreading deposits over major trading banks. Receivables are unsecured, but are subject to credit control.

No collateral is held.

Currency Risk

The University holds cash in foreign currencies. Fluctuations in foreign currency exchange rates give rise to currency risk.

Interest Rate Risk

The effective interest rates on Term Borrowings range from 6.02% to 7.58% (2003 - 6.02% to 6.55%).

The effective interest rates on Investments range from 5.17% to 6.76% (2003 - 4.77% to 5.90%).

NOTES TO THE FINANCIAL STATEMENTS

Note 12: Segmental Information

The University operates predominantly in one industry (tertiary education) and in one geographical area (Hamilton, New Zealand).

Note 13: Related Party Transactions

The following related party transactions with WaikatoLink Limited, Campus Services Limited (CSL), The University of Waikato Foundation (Foundation), The Student Campus Building Fund Trust (SCBFT), LCo New Zealand Limited (LCoNZ) and The University of Waikato Alumni Association Incorporated (Alumni) occurred during the year:

	WaikatoLink \$	CSL \$	Foundation \$	SCBFT \$	LCoNZ \$	Alumni \$
Payments in 2004 to:	-	496,050	177,460	261,548	164,810	161,749
(2003)	-	514,878	155,871	241,772	-	184,700
Receipts in 2004 from:	146,733	266,217	528,967	341	229,429	-
(2003)	356,573	292,481	881,909	9,453	-	-
Accounts Receivable at 31 December 2004						
owing from:	-	37,433	97,334	-	19,935	33,411
(2003)	-	92,052	100,961	22,707	-	32,183
Accounts Payable at 31 December 2004						
owing to:	126,616	14,175	51,551	262,796	-	-
(2003)	60,794	32,767	15,135	-	-	-

In 2003 WaikatoLink Limited had an associate company, Endace Technology Limited, with which the University had the following transactions:

	Last Year \$
Total payments to Endace Technology Limited	-
Total receipts from Endace Technology Limited	114,000
Accounts Receivable at 31 December from Endace Technology Limited	109,807

WaikatoLink Limited now has an associate company, Ectus Limited, with which the University has had the following transactions:

	This Year \$
Total payments to Ectus Limited	353,164
Total receipts from Ectus Limited	273,280
Accounts Receivable at 31 December from Ectus Limited	30,000
Accounts Payable at 31 December to Ectus Limited	54,880

There were no related party transactions with Council Members during 2004 (2003 - nil).

The University enters into transactions with government departments and Crown agencies.

These are not separately disclosed because they are conducted on an arms length basis in the normal course of business.

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

STATEMENT OF

SERVICE PERFORMANCE

OUR RESEARCH CAPABILITY

Objective 1

Develop our research capability by investing in research capacity and infrastructure

INDICATOR	TARGET	RESULT	ACHIEVEMENT	COMMENTS
Number of new senior research positions	3	12 positions established	Achieved	
Number of new research institutes	1	1	Achieved	The University is a partner in the multi-institution research network, Building Research Capability in the Social Sciences Network.
Delivery of staff training to improve research productivity	4 workshops	4 workshops held	Achieved	Two workshops held for staff development relating to the Quality Evaluation component of the PBRF, and two relating to IP policy and external consulting.

Objective 2

Increase levels of research output

INDICATOR	TARGET	RESULT	ACHIEVEMENT	COMMENTS
Number of doctoral and MPhil theses completed	75	51	Not Achieved	
Number of new enrolments in doctoral and MPhil theses	75	79	Achieved	
Number of quality assured research outputs	2,250	877	Not Achieved	It has now been established that the target for this indicator was inappropriate. More meaningful and realistic targets will be set for the future.

Objective 3

Enhance knowledge and technology transfer through a balanced portfolio of research contracts with end-users

INDICATOR	TARGET	RESULT	ACHIEVEMENT
Value of research projects funded by external contract	\$50M	\$72.4M	Achieved
Annual income from research contracts	\$17M	\$18.4M	Achieved
Number of active research contracts with private sector end-users	85	109	Achieved
Number of active research contracts with public sector end-users	90	144	Achieved
Number of new research contracts with private sector end-users	25	46	Achieved
Number of new research contracts with public sector end-users	50	71	Achieved

STATEMENT OF

SERVICE PERFORMANCE

Objective 4

Increase commercialisation activity

INDICATOR	TARGET	RESULT	ACHIEVEMENT
Number of new invention disclosures	10% more than 2003 (6)	83% more than 2003 (11)	Achieved
Number of license / assignment agreements executed	20% more than 2003 (1)	200% more than 2003 (3)	Achieved
Establishment of pre-seed fund for development of University intellectual property	Pre-seed fund established	Pre-seed fund was established	Achieved

EXCELLENCE

Objective 5

Improve quality of teaching and the teaching environment

INDICATOR	TARGET	RESULT	ACHIEVEMENT	COMMENTS
Establishment of a framework for the review and development of policy on the University's teaching quality, including benchmarking components	Framework established by the Academic Board	Framework was established by the Academic Board	Achieved	A framework for the review and development of policy on the University's teaching quality was approved by the Academic Board in November 2003. The development of the benchmarking components of the framework is in progress and will be referred to the Academic Board for approval in 2005.
Development of an Academic Quality Framework including a detailed plan for its operationalisation	Academic Quality Framework adopted by the Academic Board	Academic Quality Framework was adopted by the Academic Board	Achieved	An Academic Quality Framework was approved by the Academic Board in November 2003; detailed plans for its operationalisation have been developed by the Teaching Quality Advisory Committee. Implementation of specific initiatives is underway.

Objective 6

Achieve high levels of academic achievement and completion

INDICATOR	TARGET	RESULT	ACHIEVEMENT	COMMENTS
Number of papers passed as a percentage of paper enrolments	83%	83%	Achieved	
Number of degrees, diplomas and certificates completed	4,400	4,824	Achieved	Refer to the number of qualifications completed, as set out in the 'Statistical Information' section of this Annual Report.

RELEVANCE

Objective 7

Ensure the on-going relevance of teaching programmes

INDICATOR	TARGET	RESULT	ACHIEVEMENT	COMMENTS
Provision of graduate profiles which demonstrate that: <ul style="list-style-type: none"> The relevant programme includes opportunities for students to develop the high-level generic and specialist skills, attributes and capabilities expected from the programme by learners, the labour market and relevant stakeholder groups Learning outcomes are aligned with the University's objectives and priorities Learning outcomes are aligned with those of the papers that may be taken towards them Assessment practices are appropriate and effective in testing students' achievement of the stated learning outcomes 	Graduate profiles for all the University's qualifications completed to the satisfaction of the Academic Board	Graduate profiles for the majority of the University's qualifications were completed to the satisfaction of the Academic Programmes Committee, under delegated authority of the Academic Board	Partly Achieved	Graduate profiles are still under development in relation to those qualifications (other than the Bachelor of Engineering) offered by the School of Science and Engineering and the School of Computing and Mathematical Sciences.
Implementation of Graduating Year Reviews	Graduating Year Reviews implemented annually by the Academic Programmes Committee for all relevant qualifications and reports submitted to the Academic Board and NZVCC CUAP	In accordance with NZVCC CUAP's Graduating Year Review requirements, six reviews were implemented by the Academic Programmes Committee and reports submitted to the Academic Board and NZVCC CUAP	Achieved	

Objective 8

Strengthen links between graduates and employers in our region

INDICATOR	TARGET	RESULT	ACHIEVEMENT
Increased participation in Careers Fairs	1800 students attend the 2004 Careers Fair	1650 students attended the Careers Fair	Not Achieved
Higher ratings in employer satisfaction surveys about student preparation for job interviews	90% of employers in 2004 employer satisfaction survey consider students to be well-prepared for their job interview	90%	Achieved
Higher ratings in student satisfaction surveys about Careers Fairs and other careers services and support	90% of students in 2004 student satisfaction survey consider they have benefited from the 2004 Careers Fair and other careers services and support	86%	Not Achieved
Increased success rate through Jobs4Grads	60% success rate	62%	Achieved

STATEMENT OF

SERVICE PERFORMANCE

ACCESS

Objective 9

Demonstrate strong commitment to Equal Educational Opportunities

INDICATOR	TARGET	RESULT	ACHIEVEMENT	COMMENTS
Higher levels of participation by identified equity groups in social, cultural and sporting activities	Methodology developed for identifying key equity groups, and current participation rates and trends, as a basis for strategies to encourage higher levels of participation	No action taken	Not Achieved	Although the methodology is in place to identify key equity groups and to monitor participation rates and trends in University programmes, this monitoring framework has not been extended to social, cultural and sporting activities.

Objective 10

Increase levels of participation from our region

INDICATOR	TARGET	RESULT	ACHIEVEMENT	COMMENTS
Number of EFTS generated by students whose last secondary school is in the University's core region	1,250	747	Not Achieved	1,408 total new EFTS from the core region. The 747 represents those EFTS attributable to school-leavers.
Number of students undertaking programmes delivered in collaboration with other TEIs	550	495	Not Achieved	This result reflects a downward trend in articulation programmes.
Expansion of pilot programme extending University Library services to senior secondary school students in the region	Implementation of marketing plan to promote the programme throughout the Waikato	Marketing plan to promote the programme throughout the Waikato was implemented	Achieved	Marketing of this programme was undertaken through the Secondary School Librarians' Association. Increased participation was achieved as a result.

Objective 11

Increase levels of participation through foundation programmes

INDICATOR	TARGET	RESULT	ACHIEVEMENT	COMMENTS
Numbers of students proceeding to degree-level programmes through formal University of Waikato Language Institute programmes (i.e. from the Certificate of Attainment in English Language)	300	294	Not Achieved	Numbers were impacted by the significant decline in English Language enrolments during 2003 and 2004.
Number and proportion of students proceeding to degree-level programmes through University of Waikato foundation programmes (i.e. from the Certificate of Attainment in Foundation Studies, the Certificate of University Preparation and Te Timatanga Hou)	250 (50%)	389 (65%)	Achieved	

Objective 12

Reinforce and enhance the University's reputation for providing a learning environment that supports the diverse learning needs of students

INDICATOR	TARGET	RESULT	ACHIEVEMENT	COMMENTS
Improved support to new students in the halls of residence	Day-long programme provided for families of first-year residents in the halls, prior to the first semester	Day-long programme was provided for families of first-year residents in the halls, prior to the first semester	Achieved	
Scholarships for high-achieving Māori and Pacific Island students to act as mentors in the halls of residence	4 scholarships awarded	No scholarships were awarded	Not Achieved	These scholarships were not established and they will be offered in 2005.
Increased support for Pacific Island students living in the halls of residence	Appointment of a Senior Residential Assistant to the Fale	A Senior Residential Assistant to the Fale was appointed	Achieved	
Increased support for potentially "at risk" students	Delivery of week-long residential course, free of charge, to students from low-decile secondary schools	This course did not proceed	Not Achieved	The course did not proceed as planned owing to a prior booking of the residential accommodation for a Māori Orientation programme. The course will be delivered in the second semester of 2005, subject to sufficient numbers of applicants.
Increased student mentoring, training and support through the Office of Student Life	At least half of the 2004 elected student representatives take on a formal student mentoring role	Half of the elected student representatives took on a formal student mentoring role	Achieved	
Improved access to resources and technology for students with disabilities	Agreed framework in place for collaboration with other tertiary providers for the sharing of specialised equipment for students with disabilities	Agreed framework put in place for collaboration with other tertiary providers for the sharing of specialised equipment for students with disabilities	Achieved	A collaborative database (TSD) has been developed by the University and purchased by other institutions. This database provides the system for facilitating the sharing of specialised resources for students with disabilities.
Compliance with Code of Practice for Support of Students with Disabilities	Implementation monitored and compliance with the Code of Practice verified	Code of Practice not released until November	Not Achieved	The Code of Practice for an Inclusive Tertiary Education Environment for Students with Impairments was launched by TEC in November. A process for ensuring compliance with the Code will be undertaken in 2005.
Objectives listed in the University's 2004 Statement of Objectives for the Special Supplementary Grant to Support Tertiary Students with Disabilities	Objectives achieved	All ten objectives were undertaken and targets met	Achieved	
Compliance with Code of Practice for the Pastoral Care of International Students	Implementation monitored and compliance with the Code of Practice verified	Implementation monitored and compliance with the Code of Practice was verified	Achieved	Annual self-review process demonstrated compliance with the Code.
More effective support of multi-talented students in both their studies and their chosen leisure pursuits	Delivery of scholarship, financial and study support for students who are high achievers in other areas (such as sport and the performing arts) according to the Service Agreement agreed in 2004 between Campus Services Ltd and the University	Sir Edmund Hillary (Parallel Development Programme) Scholarships established and available for the 2005 academic year	Partly Achieved	

STATEMENT OF

SERVICE PERFORMANCE

Objective 13

Continue to develop and expand web-based teaching

INDICATOR	TARGET	RESULT	ACHIEVEMENT
Number of papers available fully online at all levels	168	164	Not Achieved
EFTS generated by papers delivered fully online	380	398	Achieved

Objective 14

Improve management systems for contacting, admitting, enrolling, assessing and managing students and improve the services available to students to plan their programmes of study, access information and handle administrative functions online

INDICATOR	TARGET	RESULT	ACHIEVEMENT	COMMENTS
Operation of SAS-e as the University's source of student data	Web interface of SAS-e fully implemented	Four SAS-e Web modules were implemented and the Change of Enrolment module was released in January 2005	Partly Achieved	Developments to further extend the capabilities of SAS-e and SAS-e Web are ongoing.
Operation of student/staff portal	Implementation of scoping project underway	The scoping project was completed	Achieved	A suitable portal system was selected.
Continuing development of the CONZUL Shared Library System	Digital and collaborative modules EnCompass and Universal Borrowing fully implemented	The implementation of the core system modules was completed, and subsequent upgrades were also successfully implemented	Partly Achieved	EnCompass is now expected to be implemented by mid-2005. The implementation of Universal Borrowing is in the early stages, with completion scheduled for late 2005.
Further progress on the establishment of an Information Commons	Interim Information Commons operational; planning for Information Commons 'proper' underway	Interim Information Commons operational; planning for Information Commons 'proper' was undertaken	Achieved	Detailed planning for and development of the Information Commons ('Waikato Central') will continue in 2005.

CAPABILITY

Objective 15

Develop a more robust approach to governance

INDICATOR	TARGET	RESULT	ACHIEVEMENT	COMMENTS
Active leadership role by Council in the development of new high-level strategic plan	New high-level strategic plan developed by April 2004	High-level strategic plan approved by Council in June 2004	Not Achieved	The University's high-level strategic plan is as set out in Part A of the 2005-7 Profile "Strategic Direction and Key Changes".
Development and implementation of processes for reporting by the Academic Board to Council on all aspects of its terms of reference, including student academic performance	Processes developed and in place by April 2004	Processes not implemented by April 2004	Not Achieved	Academic Board processes are expected to be reviewed over the next 12 months as part of a wider strategic planning exercise.
Active contribution by Council, alongside government and other TEIs, to the development of provisions and processes based on the <i>2003 Review of New Zealand Tertiary Institution Governance</i>	Active contribution achieved	Government policy on tertiary institution governance pending	Partly Achieved	Government has consulted the sector about the <i>2003 Review</i> recommendations but has not yet taken a decision regarding their implementation; in the meantime, the University Council has agreed to develop its own Governance Charter in 2005.
Appointment of new Vice-Chancellor	New Vice-Chancellor appointed	Professor R. Crawford was appointed as the new Vice-Chancellor	Achieved	

Objective 16

Demonstrate a strong commitment to Equal Employment Opportunities

INDICATOR	TARGET	RESULT	ACHIEVEMENT	COMMENTS
Achievement of objectives in the University's 2004 EEO Plan, and processes established for systematic reporting to Council	Report against 2003 EEO Plan provided to Council early in 2004 along with 2004 EEO Plan	Systems for reporting to Council were not implemented	Not Achieved	Systems for reporting to Council have been developed for implementation in 2005.
	2004 objectives achieved	2004 EEO objectives achieved	Achieved	A report on the achievement of the 2004 Equal Opportunity objectives is provided on page 14 & 15 of this Annual Report.

STATEMENT OF

SERVICE PERFORMANCE

EXCELLENCE AND LEADERSHIP IN MĀORI RESEARCH, SCHOLARSHIP AND EDUCATION

Objective 17

Build on our substantial and distinctive contribution to Māori scholarship and Māori development, and to supporting the Māori students and staff of our community

INDICATOR	TARGET	RESULT	ACHIEVEMENT	COMMENTS
Increased number of government-funded EFTS generated by Māori	2,093	1,895	Not Achieved	
Increased number of students who are Māori as a percentage of all our New Zealand students	23%	23%	Achieved	
Increased number of doctoral enrolments by Māori students	60	51	Not Achieved	
Improved re-enrolment rates of Māori students	57%	58%	Achieved	
Improved pass rates of Māori students	76%	74%	Not Achieved	
Achievement of objectives listed in the University's 2004 Statement of Objectives for the Special Supplementary Grant for Māori and Pacific Island Students	Objectives achieved	In relation to the six key objectives, three targets were not met by a small margin; performance exceeded the targets in relation to the other three	Partly Achieved	
Improved staff understanding of Te Tiriti o Waitangi and its application to particular staff roles in the University	Development and implementation of processes to evaluate the usefulness and effectiveness of the University's staff induction and professional development programmes on Te Tiriti o Waitangi	Systems implemented for ongoing evaluation and refinement of staff professional development programmes on the Treaty of Waitangi	Achieved	In addition to the evaluation systems that were put in place, the Treaty of Waitangi Advisory Committee was established to provide overarching advice and direction on the University's commitment to the partnership intent of the Treaty.

OUR PLACE IN OUR REGION

Objective 18

Continue to develop closer relationships with other tertiary institutions in the region

INDICATOR	TARGET	RESULT	ACHIEVEMENT	COMMENTS
Development of a system for monitoring and tracking the transfer of students from Tertiary Education Alliance partner institutions to University programmes	System developed and report provided to Academic Board and Council	A twice-yearly reporting system was established, which commenced in November, but reports were not provided to Academic Board and Council	Partly Achieved	The new reporting system was implemented late in the year through the Academic Programmes Committee; full implementation, with reports to Academic Board and Council, will be in place for 2005.

OUR INTERNATIONAL STUDENTS

Objective 19

Continue to develop and diversify our international student market

INDICATOR	TARGET	RESULT	ACHIEVEMENT
Increased proportion of international students enrolled at graduate/ postgraduate level <i>[i.e. number as a proportion of total international students.]</i>	22%	19%	Not Achieved

ASSET MANAGEMENT

Objective 20

Achieve the fiscal targets set out below

INDICATOR	TARGET	RESULT	ACHIEVEMENT	COMMENTS
Return on income	3.5% to 4.5%	0.8%	Not Achieved	
Return on assets	1.5% to 2.5%	0.6%	Not Achieved	
Net operating cash flows	At least 105%	107.3%	Achieved	
Liquid assets as a percentage of cash out	At least 9%	12.5%	Achieved	
Liquidity (working capital %)	100%	100.8%	Achieved	This indicator is under review.
Debt management (borrowing as a percentage of total assets)	10%	3.1%	Achieved	
Interest expense as a percentage of operating surplus	Less than 33%	2.9%	Achieved	

STATISTICAL INFORMATION

	2000	2001	2002	2003	2004
Number of Students in Formal Programmes	12,750	13,260	14,044	14,405	14,023

Gender

Female	7,560	7,702	8,115	8,258	8,040
Male	5,190	5,558	5,929	6,147	5,983
Total	12,750	13,260	14,044	14,405	14,023

Ethnicity

Pakeha/European	7,131	6,951	6,753	6,467	6,335
New Zealand Māori	2,662	2,548	2,507	2,460	2,480
Pacific Islander	413	410	406	405	411
Chinese	1,086	1,815	2,723	3,211	2,963
Indian	183	186	249	314	314
Other	1,275	1,350	1,406	1,548	1,520
Total	12,750	13,260	14,044	14,405	14,023

Origin (Home address)

Core Region	8,943	8,788	8,471	8,301	8,025
Inner Periphery	800	743	679	633	597
Outer Periphery	674	594	560	553	550
Auckland	759	685	719	819	885
Wellington	105	107	108	116	161
South Island	96	78	115	125	159
Overseas	1,373	2,265	3,392	3,858	3,646
Total	12,750	13,260	14,044	14,405	14,023

Levels of study (Number of enrolments by qualification)

Foundation	1,167	2,107	3,135	2,643	1,473
Undergraduate	9,295	9,344	9,277	9,861	10,190
Graduate/Postgraduate (exl.MPhil & Doctoral)	2,628	2,585	2,883	3,166	3,168
MPhil and Doctoral	481	459	472	446	436
Total	13,571	14,495	15,767	16,116	15,267

Student Performance

	2000	2001	2002	2003	2004
Number of qualifications completed					
Foundation	429	889	1,347	2,230	1,824
Undergraduate	2,178	2,011	2,100	1,792	1,717
Graduate/Postgraduate (exl.MPhil & Doctoral)	1,118	1,217	1,128	1,164	1,224
MPhil and Doctoral	52	56	70	70	59
Total	3,777	4,173	4,645	5,256	4,824

Number of papers undertaken

	68,371	69,784	72,282	72,137	70,847
% completed	89%	89%	89%	88%	91%
% passed	85%	83%	83%	81%	83%

Equivalent Full-Time Students (EFTS)

	2000	2001	2002	2003	2004
Total EFTS	10,552	10,884	11,543	11,595	11,418

Source of funding

Government-funded	9,345	8,989	8,787	8,613	8,441
Full-cost international	1,060	1,823	2,715	2,919	2,920
Other full-cost	147	72	41	64	57
Total	10,552	10,884	11,543	11,595	11,418

Ethnicity

Pakeha/European	5,887	5,639	5,454	5,400	5,038
New Zealand Māori	2,191	2,066	2,014	1,738	1,929
Pacific Islander	364	354	341	313	336
Chinese	828	1,478	2,292	2,575	2,650
Indian	162	162	207	254	257
Other	1,120	1,185	1,235	1,315	1,208
Total	10,552	10,884	11,543	11,595	11,418

Level of Study

Foundation	909	1,457	2,005	1,622	1,060
Undergraduate	7,663	7,541	7,423	7,819	8,238
Graduate/Postgraduate (exl.MPhil & Doctoral)	1,704	1,629	1,848	1,837	1,827
MPhil and Doctoral	276	257	267	317	293
Total	10,552	10,884	11,543	11,595	11,418

Schools of Studies

Arts & Social Sciences	2,920	3,319	3,862	3,462	3,005
Computing and Mathematical Sciences	883	939	905	946	978
Education	2,503	2,338	2,306	2,302	2,276
Law	588	523	526	538	542
Management	2,202	2,410	2,650	3,032	3,235
Māori & Pacific Development	411	383	376	408	400
Science & Technology	1,018	948	893	876	953
Other	28	23	25	31	29
Total	10,553	10,884	11,543	11,595	11,418



STATISTICAL INFORMATION

Staff Profile (Full time equivalent staff numbers (FTE))

	2000	2001	2002	2003	2004
Total FTE	1,589	1,650	1,732	1,788	1,795
Academic	651	723	739	756	754
Other	938	927	993	1,032	1,041
Total Staff	1,589	1,650	1,732	1,788	1,795

Seniority of Academic Staff

Professors	49	52	55	61	72
Associate Professors	59	62	60	62	65
Senior Lecturers	192	200	207	222	233
Lecturers	218	216	181	191	174
Other	133	193	236	220	210
Total	651	723	739	756	754

Schools of Studies

Arts & Social Sciences		355	381	369	329
Computing & Mathematical Sciences		84	85	92	94
Education		263	279	291	297
Law		45	47	46	49
Management		165	178	197	231
Māori & Pacific Development		47	44	46	51
Science & Technology		175	171	177	184
Other		516	547	570	560
Total		1,650	1,732	1,788	1,795

Staff Ratio

	2000	2001	2002	2003	2004
FTE (Academic Staff)	651	723	739	756	754
EFTS	10,553	10,884	11,543	11,595	11,418
EFTS to FTE (Academic staff) ratio	16.2:1	15.1:1	15.6:1	15.3:1	15.2:1
FTE (Other Staff)	938	927	993	1,032	1,041
Other Staff to Academic Staff ratio	1.4:1	1.3:1	1.3:1	1.4:1	1.4:1
EFTS to FTE (Other staff) ratio	11.3:1	11.7:1	11.6:1	11.2:1	11.0:1



Research Profile

	2000	2001	2002	2003	2004
Research Grants					
Annual income from research contracts	\$16.646M	\$16.137M	\$16.469M	\$17.934M	\$18.398M
Total number of FTE (Research staff)	651	506	531	512	529
Average research grant per FTE (Research staff)	\$25,570	\$30,276	\$31,105	\$34,930	\$34,808

2004 Research Publications

	Chapters	Journals	Conference contributions	Creative works	Other	Total
Arts and Social Sciences	41	57	121	67	63	361
Computing and Mathematical Sciences	1	25	50	-	12	88
Education	12	34	61	3	28	163
Law	5	27	6	1	11	55
Māori and Pacific Development	1	8	13	-	3	28
Science and Technology	7	115	185	-	13	321
Management	16	106	172	2	62	366
Other (incl all staff not based in a school/faculty)	4	2	7	-	2	16
Total	87	374	615	73	194	1,398

Other Resources

Buildings	2000	2001	2002	2003	2004
Total gross area of buildings (m ²) *	154,506	160,375	161,649	171,155	155,015
Total gross area of buildings utilised for teaching research and administration (m ²)	98,018	104,572	107,379	108,007	113,550
Total number of buildings owned and leased	176	179	184	195	203
Total net useable area per EFTS (m²)	9.29	9.61	9.30	9.31	9.94

* In 2004 a new measurement base has been adopted which more accurately reflects the total gross area of the buildings.

Library

	2000	2001	2002	2003	2004
Total value of collections	\$17.523M	\$18.886M	\$19.966M	\$20.513M	\$20.868M
Bibliographic resources:					
Books and other non-serials (volumes)	792,461	810,380	796,635	813,654	835,111
Serials (print volumes)	197,217	201,252	201,395	197,535	199,962
Total volumes held	989,678	1,011,632	998,030	1,011,189	1,035,073
Electronic resources (titles)	33,870	26,205	25,167	29,448	68,923*

*includes e-books

The 2003 figures have been updated from the provisional figures included in the 2003 Annual Report.



GLOSSARY

Academic

Staff whose terms of employment require teaching and/or research to be undertaken.

Domestic

Students who are citizens or permanent residents of New Zealand. (Most domestic students qualify for the Ministry of Education EFTS-based funding tuition subsidy).

EFTS

Equivalent Full Time Student – the measure applied to all tertiary education organisations for reporting student numbers. At the University of Waikato, 1 EFTS equates to a student workload of 120 points.

Foundation

Enrolments at the non-degree level that count toward a foundation or bridging qualification. At Waikato typically at level 0.

FRST

Foundation for Research, Science and Technology.

FTE

Full-Time Equivalent – the measure applied for reporting staff numbers.

Full Cost International

EFTS generated by international students paying full-fees.

General

Staff who are not academic staff (eg administrative staff).

Government Funded

EFTS generated by enrolments that qualify for Government EFTS-based tuition subsidy.

Graduate/Postgraduate

Enrolments that count toward an honours or masters degree or a graduate/postgraduate diploma or certificate. At Waikato typically at levels 5 and 7.

International

Students who are not citizens or permanent residents of New Zealand. (Most international students generate full cost international EFTS).

IP

Intellectual Property.

MPhil and Doctoral

Enrolments that count toward a research degree ie EdD, PhD or MPhil. At Waikato typically at levels 6 and 9.

Other Full-Cost

EFTS generated by domestic students in Programmes that are funded by means other than the EFTS-based tuition subsidy (eg contracts with secondary schools).

PBRF

Performance Based Research Fund.

TEC

Tertiary Education Commission.

Undergraduate

Enrolments that count toward a bachelors degree. At Waikato typically at levels 1, 2, 3 and 4.

