

**NEW ZEALAND
VICE-CHANCELLORS' COMMITTEE**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

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FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

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The accompanying accounting policies and notes form part of and should be read in conjunction with this statement.

**NEW ZEALAND VICE-CHANCELLORS' COMMITTEE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

BACKGROUND

Establishment of the Committee

The Committee is a statutory body established under section 240 of the Education Act 1989 (the same body established under the Universities Act 1961). The Education and Training Act 2020 Part 4 section 311-313 and Schedule 12 sets out the administrative provisions applying to New Zealand Vice-Chancellors' Committee. The Vice-Chancellors of the eight universities make up the membership of the Committee. They are assisted in the administration of the Committee's affairs by a range of committees and working groups and a secretariat based in Wellington. The New Zealand Vice-Chancellors' Committee (NZVCC) adopted the name Universities New Zealand – Te Pūkai Tara (Universities NZ) in August 2010.

Sources of Funds

Grants of \$2,695,000 from the universities were the main source of funding received by the Committee. \$2,345,000 was for the Committee and \$350,000 for the Academic Quality Agency for New Zealand Universities (AQA).

Interest revenue and scholarship administration fees supplement this revenue.

Further Information about Universities New Zealand – Te Pūkai Tara (Universities NZ)

The Universities NZ website, www.universitiesnz.ac.nz provides a wide range of information and publications.

The Universities NZ offices are located at Level 9, 142 Lambton Quay, Wellington.

Further information about the Academic Quality Agency for New Zealand Universities

The Academic Quality Agency for New Zealand Universities was established by the New Zealand Vice-Chancellors' Committee. It is funded by the universities and its Board is appointed by the NZVCC. However its operations, including academic audits, are independent of the NZVCC and of the individual universities. The accounts of the AQA have been included in the consolidated accounts of the NZVCC. This in no way compromises the operational independence of the AQA in carrying out its activities.

The office of the AQA is located at Level 9, 142 Lambton Quay, Wellington.

Further information about the AQA can be found at www.aqa.ac.nz.

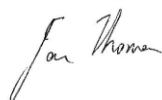
**NEW ZEALAND VICE-CHANCELLORS' COMMITTEE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

STATEMENT OF RESPONSIBILITY

We acknowledge that:

- (a) The preparation of financial statements of the New Zealand Vice-Chancellors' Committee and judgements used herein are our responsibility.
- (b) The establishment and maintenance of an internal control system designed to give reasonable assurance as to the integrity and reliability of the financial and non-financial reports for the year ended 30 June 2022 are our responsibility; and

In our opinion the financial statements for the year under review fairly reflect the financial position and operations of the New Zealand Vice-Chancellors' Committee.



Professor Jan Thomas
Chair
New Zealand Vice-Chancellors' Committee



Chris Whelan
Chief Executive
New Zealand Vice-Chancellors' Committee

INDEPENDENT AUDITOR'S REPORT**TO THE READERS OF NEW ZEALAND VICE CHANCELLORS' COMMITTEE
FINANCIAL STATEMENTS AND STATEMENT OF SERVICE PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2022**

The Auditor-General is the auditor of New Zealand Vice Chancellors' Committee (the "Committee") and group. The Auditor-General has appointed me, Henry McClintock, using the staff and resources of BDO Wellington Audit Limited, to carry out the audit of the financial statements and statement of service performance of the Committee on his behalf.

Opinion

We have audited:

- the financial statements of the Committee on pages 29 to 47, that comprise the statement of financial position as at 30 June 2022, the statement of comprehensive revenue and expense, statement of changes in equity and statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information; and
- the statement of service performance of the Committee is on pages 14 to 28.

In our opinion:

- the financial statements of the Committee on pages 29 to 47:
 - present fairly, in all material respects:
 - its financial position as at 30 June 2022; and
 - its financial performance and cash flows for the year then ended; and
 - comply with generally accepted accounting practice in New Zealand in accordance with Public Sector Public Benefit Entity Standards Reduced Disclosure Regime; and
- the statement of service performance of the Committee on pages 14 to 28 presents fairly, in all material respects, the Committee's service performance achievements measured against the group service performance criteria for the year ended 30 June 2022.

Our audit was completed on 11 October 2022. This is the date at which our opinion is expressed.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the Council and our responsibilities relating to the financial statements and the statement of service performance, we comment on other information, and we explain our independence.

Basis for our opinion

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

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

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

Responsibilities of the Council for the financial statements and the statement of service performance

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

The Council is also responsible on behalf of the Committee for preparing a statement of service performance that is fairly presented.

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

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

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

Responsibilities of the auditor for the audit of the financial statements and the statement of service performance

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

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

For the budget information reported in the financial statements and the statement of service performance, our procedures were limited to checking that the information agreed to the Committee's statement of performance expectations.

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

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

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

- We evaluate the overall presentation, structure and content of the financial statements and the statement of service performance, including the disclosures, and whether the financial statements and the statement of service performance represent the underlying transactions and events in a manner that achieves fair presentation.

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

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Council is responsible for the other information. The other information comprises the information included on pages 5, 7 and 12, but does not include the financial statements or the statement of service performance, and our auditor's report thereon.

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

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

Independence

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

Other than the audit, we have no relationship with or interests in the Committee.



Henry McClintock
BDO WELLINGTON AUDIT LIMITED
On behalf of the Auditor-General
Wellington, New Zealand

**NEW ZEALAND VICE-CHANCELLORS' COMMITTEE
STATEMENT OF OBJECTIVES
FOR THE YEAR ENDED 30 JUNE 2022**

Roles

Universities NZ has four roles:

1. A statutory role in quality assuring all NZ university academic programmes, advising on university entrance standards and managing a range of scholarship schemes.
2. A delegated responsibility from the New Zealand Qualifications Authority around meeting the requirements of the Education (Pastoral Care of Tertiary and International Learners) Code of Practice.
3. A coordination role in bringing together different parts of the university system to share best practice and to collaborate on matters of common interest.
4. A role working with key Government agencies and ministers to ensure that there is good understanding regarding the university sector and to contribute to the development of Government policy.

Outcomes

Universities New Zealand – Te Pōkai Tara seeks to achieve the following outcomes:

1. Enhanced quality assurance in the New Zealand university system
2. Enhanced efficiency and effectiveness across the New Zealand university system
3. Policies and an operating environment that ensure New Zealand universities are optimally able to contribute to economic growth and social well-being.

Functions

1. To exercise approval and moderation procedures for new academic programmes in universities and to develop and support processes for auditing quality assurance.
2. To monitor and support universities in meeting the requirements of the Education (Pastoral Care of Tertiary and International Learners) Code of Practice
3. To administer current scholarship schemes and to develop that function further.
4. To provide policy advice and co-ordinating services to the universities, government and any other bodies on inter-university policy issues including representing the New Zealand university system nationally and internationally.

**NEW ZEALAND VICE-CHANCELLORS' COMMITTEE
STATEMENT OF PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2022**

Output 1 – Academic Quality Assurance

Outcomes

This output contributes to the achievement of Outcomes 1 and 3 - enhanced quality assurance in the New Zealand university system, and policies and activities that strengthen the universities' contribution to economic growth and social well-being.

The Academic Quality Agency for New Zealand Universities also contributes to Outcome 1, and their Statement of Performance is provided separately.

Service Provided

To exercise approval and moderation procedures for new academic programmes in universities, develop and support processes for monitoring quality assurance, and provide advice on matters of academic policy.

To carry out student pastoral care (wellbeing and safety) monitoring, reporting, and assurance requirements under a delegation from the New Zealand Qualifications Authority.

Quality and Timeliness

The quality and timeliness of the work of the Committee on University Academic Programmes (CUAP) and the Committee for University Student Pastoral Care (CUSPaC) is ensured by both committees carrying out their functions and procedures in accordance with the criteria and timetable set out in their respective handbooks, and by periodic independent validation of their procedures.

(a) Objective

To complete the two annual rounds of approvals for new university academic programmes.

Achievements

CUAP approved 101 new qualifications in 2021 to be offered in 2022 (46 in Round One, 45 in Round Two and 10 out-of-round).

(b) Objective

To consider matters relating to university entrance, and to contribute to the process of curriculum development and examination in the senior secondary school.

Achievements

- *CUAP's Subcommittee on University Entrance met once (via Zoom).*
- *CUAP's Subcommittee on University Entrance provided advice to UNIVERSITIES NZ in response to proposed changes to the University Entrance standard for students and schools affected by lock downs due to COVID-19.*
- *The Universities NZ Portfolio Manager – Academic Programmes attended meetings of the following cross-sector groups:*
 - *Secondary Qualifications Advisory Group (NZQA).*
 - *Māori-medium Secondary Qualifications Advisory Group (NZQA).*
 - *Initial Teacher Education (ITE) Advisory Group (Teaching Council).*
- *CUAP appointed a university representative to NZQA's joint Workforce Development Council working group.*

(c) Objective

To develop and improve academic quality assurance arrangements in New Zealand universities through CUAP.

Achievements

- *CUAP published updates to the 2021 edition of the CUAP Handbook (available on the Universities NZ website).*
- *Universities NZ developed a new CUAP proposal management system with input from the university system users. The new system will go live for Round Two 2022. The previous system had been in place for ten years.*
- *The Universities NZ Portfolio Manager – Academic Programmes met with representatives from the Teaching Council and Social Workers Registration Board and New Zealand Union of Students Associations (NZUSA).*

(d) Objective

To develop and improve student pastoral care quality assurance arrangements in New Zealand universities through CUSPaC.

Achievements

- CUSPaC met four times this year.
- All universities completed a 'gap analysis' in December 2021 identifying areas where they were not yet fully compliant with the revised Code for the Pastoral Care of Students that came into effect on 1 January 2022. Progress in addressing the gaps was tracked in the two meetings in 2022.
- A new Chair was appointed to CUSPaC.
- The Committee developed a Handbook to cover its operations.
- Work began on defining key operating processes around (a) annual attestations as to Code compliance, and (b) how monitoring and verification of Code Compliance would be undertaken.

(e) Objective

To work effectively with the New Zealand Qualifications Authority (NZQA) to fulfil statutory responsibilities and promote quality assurance for academic programmes and student pastoral care.

Achievements

- The Joint Consultative Group, a body made up of Universities NZ, NZQA and AQA met three times.
- Universities NZ continued to liaise closely with NZQA regarding the operation of the New Zealand Qualifications Framework and the operation of the delegation associated with the Education (Pastoral Care of Tertiary and International Learners) Code of Practice.

(f) Objective

To work effectively with the Academic Quality Agency for New Zealand Universities to fulfil Universities NZ's responsibilities for quality assurance in the universities.

Achievements

- The Joint Consultative Group, a body made up of Universities NZ, NZQA and AQA met three times.
- AQA undertook an external review of CUAP. The review findings were released in April 2022 and the report is available on the AQA and UNIVERSITIES NZ websites.

Total budget for academic quality services: \$689,756

Total cost for academic quality services: \$646,948

Output 2 - Scholarships**Outcomes**

This output contributes to the achievement of Outcome 3 - policies and activities that strengthen the universities' contribution to economic growth and social well-being.

Service Provided

To administer current scholarship schemes and to further develop the provision of scholarships.

Quality and Timeliness

The quality and timeliness of scholarship administration is ensured by the supervision of the Scholarships Committee and adherence to the timetable and rules for the award of each scholarship scheme.

Achievements

- During the reporting period management and administration services were provided for 34 scholarship programmes.
- For the programmes Universities NZ:
 - made 98 scholarship or fellowship awards on behalf of sponsors and donors. (An increase of 31 awards)
 - made 32 nominations of NZ applicants to overseas decision-making bodies
- One new scholarship programme was introduced and awarded - Transport Research Scholarships, jointly funded by the Ministry of Transport and Waka Kotahi.
- The UNIVERSITIES NZ Scholarships Committee held one meeting to discuss strategic scholarship issues.
- The Scholarships team took over the administration of the Critic and Conscience Award funded by the GAMA Foundation.

Total budget for scholarship services: \$517,317

Total cost for scholarship services: \$485,211

Output 3 - Policy Advice and Coordinating Services**Outcomes**

This output contributes to the achievement of Outcomes 2 and 3 – enhanced efficiency in the New Zealand university system, and policies and activities that strengthen the universities' contribution to economic growth and social well-being.

Service Provided

To provide policy advice and coordinating services to Government and the universities, particularly through the government agencies of the Tertiary Education Commission (TEC), Ministry of Business, Innovation and Employment (MBIE), New Zealand Qualifications Authority and Ministry of Education, including participating in working parties.

The accompanying accounting policies and notes form part of and should be read in conjunction with this statement.

Quality and Timeliness

The quality and timeliness of advice is ensured by approval of policy advice and submissions by Universities NZ as well as its committees.

(a) Governance

Objective

To assist Chancellors in holding meetings, and joint meetings with Vice-Chancellors.

Achievements

Chancellors met as a group by themselves, and then with the Vice-Chancellors, twice in 2020/21 – in August 2021 and February 2022.

(b) Ministers and Government Agencies

Objective

To initiate and respond to policy initiatives on behalf of the universities.

Achievements

This period was substantially dominated by the impact of COVID-19. Key workstreams over the year included;

- Responding to the evolving Government responses to COVID.
- Options for bringing in international students via managed isolation pathways.
- Per the Education (Pastoral Care of Tertiary and International Learners) Code of Practice, implementing arrangements for Code Administration in the university sector per the delegations from the New Zealand Qualification Authority.
- Academic and other support arrangements for students impacted by COVID lock downs. This included work around mental health support, financial support, and arrangements around teaching and assessment.
- A substantial workstream was initiated around Ōritetanga (Learner Success) to investigate options for the sector to collaborate.
- Vice-Chancellors ran a series of workshops to assess the future of universities and university education. This informed work in the second half of the year on reworking UNIVERSITIES NZ's Engagement Framework and Communications Plan.
- Funding was secured to run the 18 month Pike Ake programme – aimed at developing a sector strategy for growing the Māori academic workforce over time.
- Responding to Government expectations around research security.
- Developing Te Taura Here, a Te Tiriti o Waitangi framework to guide the sector's response in this area.
- Analysis of the impact of COVID on the academic performance of students who completed University Entrance in 2020 and how they did academically in their first year university studies in 2022.

Submissions were made to the Government during 2020/21 on the following subjects;

- Submission in Response to the draft Policy Statement on High-Value International Education (to the Ministry of Education in September 2021)
- Submission on the Education and Training Amendment Bill#2 in February 2022.
- Submission on the MBIE Green Paper – Te Ara Paerangi (Future Pathways) in February 2022.
- Submission on MBIE's Immigration Policy Rebalance in March 2022.
- Submission on the draft New Zealand International Education Strategy in June 2022.
- Submissions to the Ministry of Education on proposed changes to reporting of university remuneration for staff earning more than \$100,000 annually and proposed changes to TEC powers in June and July 2022.

(c) The Public and Non-Government Stakeholders

Objective

To ensure there is understanding and support for the university sector across New Zealand society.

Achievements

- Engagement with the public and other non-Government stakeholders was limited in 2021/22 due to COVID-19.
- Universities NZ published three newsletters.
- Major submissions and media releases were published on the Universities NZ website.

(d) Research

Objectives

To promote the funding of university research in New Zealand.

To facilitate the development of relationships with the Ministry of Business, Innovation and Employment, other research funding bodies such as the Health Research Council and the Royal Society of New Zealand, and the Tertiary Education Commission.

To co-ordinate consideration of research issues amongst the universities.

To foster the universities' relationship with the Crown Research Institutes (CRIs) and Science New Zealand.

To support the care of animals in research.

Achievements

- Established a cross-committee working group to draft a UNIVERSITIES NZ submission in response to MBIE's Te Ara Paerangi Green Paper (submitted in March 2022).
- Engaged with Hon Dr Judith Collins (as speaker on science and innovation for the opposition party) regarding UNIVERSITIES NZ's MBIE's Te Ara Paerangi Green Paper
- Engaged with MBIE's 'eResearch' review undertaken by Murray Sherwin
- All universities signed the Australian and New Zealand Council for the Care of Animals in Research and Teaching (ANZCCART) Openness in Animal Research Agreement
- Established a working group (guided by an agreed terms of reference) comprising university and Department of Conservation (DOC) representatives to design efficient and timely approval processes and/or modifications to existing approval processes for university research applications to DOC.
- Explored the potential pros and cons of universities signing up to the international Declaration of Research Assessment (DORA)
- Contributed to the drafting and signing of an International Statement of Commitment to Protective Security Response (PSR)
- Continued to engage with the Office of Chief Science Advisor to the Prime Minister on the evidenced-based policy development, implementation, and evaluation project and open access.
- Successfully secured \$720,000 from MBIE's Equity, Diversity, and Inclusion Fund in partnership with Universities NZ's Te Kāhui Amokura (TKA).
- Established a steering group, in partnership with TKA, for the new Piki Ake programme supported by MBIE's EDI fund and recruited a new full-time staff member for a fixed term
- Engaged with the TEC on their proposed changes to the performance-based research fund (PBRF)
- Continued representation on the Loder Cup Committee (Prof Nicola Nelson), ORCID (Prof Giselle Byrnes) ANZCCART Board (Prof Giselle Byrnes for 2022 while Professor Ngaio Beausoleil is on leave), NZRIS (Prof Richard Blaikie) and PBRF Sector Reference Group (Profs Kath McPherson and Bryony James)
- Submitted a request to TEC to postpone the 2025 PBRF Quality Evaluation round to 2026
- Maintained the relationship with REANNZ and the New Zealand Anti-Vivisection Society (NZAVS)
- Established a cross-committee open access steering group (guided by an agreed terms of reference) with representative from CONZUL and Research Committee
- Contributed to managing the ongoing impact of covid-19 pandemic on universities' operations (e.g., wrote to HRC regarding a potential grant in aid to support health research that had been impacted by Covid-19, managing PhDs by 'distance' and prepared advice to MoE regarding the practical implementation of alert levels for covid-19).
- Trusted Research - Protective Security Response (TR-PSR) workstream:
 - Engaged with international jurisdictions for advice.
 - Engaged with officials from MBIE, Ministry of Foreign Affairs and Trade (MFAT), New Zealand Security Intelligence Service (NZSIS), Protective Security Requirements (PSR) and Department of the Prime Minister and Cabinet (DPMC).
 - Partnered with the Protective Security Agency and Science NZ to produce 'Due Diligence Assessments - for espionage and foreign interference threats'
 - Drafted and published 'Trusted Research Protective Security Requirements – a Guide to Senior University Leaders' (the Guide)
 - Produced four tools (e.g., risk assessment framework) to support universities to implement the Guide
 - Contributed to MBIE's development of risk assessment criteria of sensitive technologies
- Contributed to MBIE's Research and Innovation workforce survey.
- Continued the programme to strengthen the relationships between universities and the relevant departmental Chief Science Advisors.
- Continued the programme to strengthen the relationships between universities and crown research institutes.
- Establish a relationship with the new CE of the Royal Society Te Apārangi, Paul Atkin.
- Co-sponsored the Speaker's Science Forum series at Parliament; worked with the Royal Society on selecting suitable topics and speakers and preparing the speakers for potential questions from Members of Parliament.

(e) Te Kāhui Amokura

Objectives

To provide advice to the Vice-Chancellors, the universities and government on strategies, policies and structures relating to Māori and the universities, in areas of priority to Māori and Māori scholarship.

To instigate initiatives specifically in areas of priority to Māori and Māori scholarship.

Achievements

Universities New Zealand – Te Pōkai Tara and Te Kāhui Amokura continue to be represented on the following advisory and working groups:

- Māori Peak Bodies (Education)
- Secondary Qualifications Advisory Group (NZQA)
- Māori-Medium Secondary Qualifications Advisory Group (NZQA)
- Secondary Schools Qualifications Advisory Group (NZQA)

Te Kāhui Amokura have established formal relationships with the following government agencies who regularly attend committee meetings:

- Associate Minister Education (Māori) – Hon. Kelvin Davis
- Tertiary Education Commission
- Ministry of Education (MoE)

The accompanying accounting policies and notes form part of and should be read in conjunction with this statement.

- *New Zealand Qualifications Authority (NZQA)*
- *Te Apārangi - Royal Society of New Zealand*
- *Ngā Pae o te Māramatanga*
- *Education New Zealand*

Other achievements included:

- *Development and continued reform with NZVCC of Te Taura Here - Te Tiriti o Waitangi Responsiveness Framework for the New Zealand universities*
- *Submission to MBIE Te Ara Paerangi – Future Pathways (March 2022)*
- *Development and successful application – Equity, Diversity and Innovation Funding (MBIE) for sector wide initiative - “Piki Ake” (in partnership with the UNIVERSITIES NZ Research Committee)*
- *Formal launch of Te Kei – Māori Academic Development Programme*
- *Indigenous Internationalisation Plan - co-development and delivery of Indigenous lead Research Forum with National Science Foundation and Education New Zealand*
- *TEC advisory and submissions on PBRF consultation rounds including ‘definitions’ on Tikanga.*
- *Development of Ngā Tikanga Paihere Application at UNIVERSITIES NZ*
- *TKA response to CUAP Review 2022 and participation interviews with review panel*
- *TKA Nomination and formal representation on CUSPAC*

(f) Komiti Pasifika

Objectives

To provide advice to the Vice-Chancellors, the universities and government on strategies, policies and structures relating to Pacific and the universities, in areas of Pacific achievement, research and development.

Achievements

Universities New Zealand – Te Pūkai Tara and Komiti Pasifika are represented on the following advisory and working groups:

- *Committee on University Student Pastoral Care*
- *Komiti Pasifika have established formal relationships with the following government agencies who regularly attend committee meetings:*
- *Minister Aupito Su’a William Sio (Associate Minister Education – Pacific)*
- *Tertiary Education Commission - PBRF Sector Reference Group*
- *Ministry of Education (MoE)*
- *New Zealand Qualifications Authority (NZQA)*
- *Te Apārangi – Royal Society of New Zealand*
- *Ministry for Pacific Peoples (MPP)*
- *Ministry of Business, Innovation and Employment (MBIE)*

Other achievements included:

- *Development of the Komiti Pasifika Strategic Priorities (2022-2024)*
- *Komiti Pasifika nomination and formal representation on CUSPAC*
- *Development of Shared Pacific Data Principles at UNIVERSITIES NZ*
- *Established relationship with MBIE Te Ara Paerangi Future Pathways*
- *Submitted MBIE Green Paper Komiti Pasifika Submission (March 2022)*
- *Ongoing Pacific advisory through consultation to MBIE Te Ara Paerangi Future Pathways*
- *Established relationship with PBRF Sector Reference Group*
- *Submitted KP PBRF SRG Consultation Paper 2-4 Response Paper (May 2022)*
- *Submitted KP PBRF SRG Consultation Paper 5 Response Paper (June 2022)*

(g) DVC Academics

Objectives

To provide advice to the Vice-Chancellors on the wider education sector priorities or issues that may concern the universities. To provide leadership to the sector on the future developments of education.

Achievements

The DVC Academics have the following working groups reporting to them:

- *Work Integrated Learning Group (WiL)*

The DVC Academic Committee have maintained formal relationships with the following government agencies who attend committee meetings from time to time:

- Tertiary Education Commission (TEC)
- Ministry of Education (MoE)
- New Zealand Qualifications Authority (NZQA)

Other achievements included:

- Working with NZQA to co-design a collaborative online and in person conference around 'Assessment'
- Contributed to the development of UNIVERSITIES NZs paper on Credit Transfer across the university sector
- Discussion and shared university resources around online examinations and invigilation (Covid-19)
- Advisory and discussion with AQA around 'Information about academic cheating from TEQSA'

(h) **Human Resources**

Objectives

To monitor university human resources issues at the national level with particular regard to the international competitiveness of remuneration, staff recruitment and retention.

To advise the Vice-Chancellors on human resources matters.

Achievements

Human Resources Directors (HR Directors) held three meetings during the year. Key areas covered in their meetings were:

- Restarting the NZ University Women in Leadership programme after a gap of two years because of COVID.
- Sharing information on collective bargaining.
- Sharing information on common staffing challenges over the COVID period.
- Collating workforce data for the MBIE-led programme of work to better understand the research workforce.
- Preparing for the inaugural Te Kei programme launch. Te Kei is a professional development programme for early to mid-career Māori academic staff.

(i) **Copyright Licensing**

Objectives

To negotiate on behalf of universities for licenses with copyright licensing agencies, and to keep new developments in copyright including legislative change under review.

Achievements

- Concluded 18 months of negotiations and signed the main whole-of-sector Copyright Licence with Copyright Licensing New Zealand (CLNZ).
- Did work to prepare for reform of the Copyright Act.

(j) **Communications**

Objectives

To promote increased public support for the New Zealand university system by raising awareness of universities' multifaceted contribution to individual advancement and New Zealand's economic, social, cultural and environmental goals.

To raise awareness of university education, research and internationalisation activities, and how these add value to New Zealand's economic and social development.

Achievements

- Supported 'Thinking about university?' team to update main guide, 'What to study and where?' booklet and other content, including website, as well as liaising with printer.
- Supported 'Trust Research – Protective Security Requirements' team to edit sector guide and liaise with external designer and printer.
- Supported sexual harm website team to update and refine site content.
- Supported complex workstream manager to start developing credit transfer website content for students.
- Maintained and updated main UNIVERSITIES NZ website, including preparing for revamp of home page to make it more streamlined and audience friendly.
- Liaised with website system management company Signify to explore options when current operating system, Drupal 7, is no longer supported (postponed from late 2021 to late 2022).
- Contributed to new engagement plan and prepared comprehensive communication plan associated with it, including detailed plan for campaign to influence party manifestos ahead of 2023 election.
- Prepared regular newsletter on sector issues.
- Prepared media releases and pitches around various issues and coordinated Chief Executive/Chair comments and interviews in responses to media requests.
- Monitored social media for UNIVERSITIES NZ-related posts, posted UNIVERSITIES NZ content and reposted individual university research content to promote sector's contributions to research, science and innovation.

The accompanying accounting policies and notes form part of and should be read in conjunction with this statement.

- Provided risk assessment advice around various issues.
- Supported scholarships team with media releases and pitches around scholarship announcements.
- Supported other portfolio managers, including proofing and editing external-facing material such as submissions and presentations.
- Supported individual universities' communications managers and directors, including maintaining WhatsApp group and hosting monthly Zoom meetings.
- Started to prepare new style guide to ensure UNIVERSITIES NZ's external-facing communications reflect current best practice.
- Other support for Chief Executive/Chair/Vice-Chancellors' Committee/UNIVERSITIES NZ as required.

(k) International

Objectives

- To facilitate internationalisation in the NZ universities.
- To co-ordinate the consideration of international policy and strategy amongst the universities.
- To develop and maintain relationships with foreign higher education providers, governments and peak bodies.
- To foster the universities' relationship with Education NZ, the Ministry of Education, Immigration and other relevant government agencies.
- To provide advice to the Vice-Chancellors and government on matters relevant to internationalisation in the New Zealand universities.

Achievements

- The International Policy Committee held 4 meetings during the year
- Strengthened relationships with government agencies and advocated for favourable policy settings:
 - Universities NZ sits on the peak-body working group which has representatives from Immigration New Zealand (INZ), Education New Zealand (ENZ), and the Ministry of Education.
 - Have quarterly meetings with INZ and ENZ
 - Secured funding support for strategy implementation and future focus projects
- Completed pan-university initiatives:
 - Developed a Long-term international education strategy for the sector which was developed into a submission to the New Zealand International Education Strategy
 - Developed a submission to Immigration New Zealand securing favourable post-study work rights settings for the sector

(l) Information and Communications Technology

Objective

To provide leadership in the use of information and communications technology in the universities, and to advance the efficient and effective use of this technology in the support of teaching, learning, research and administration by the staff and students of NZ universities.

Achievements

The Information & Communication Technology (ICT) Committee held six meetings this year. Key items covered in and across these meetings were:

- Microsoft licensing for the sector as a whole. After extensive negotiations, a sector-wide agreement was implemented in the first quarter of 2022.
- Cross committee collaboration – identifying opportunities to support wider UNIVERSITIES NZ committee work programmes.
- Cyber-security – dealing with growing cyber-security threats but a relatively small and expensive pool of people with expertise to oversee institutional strategies and responses.
- Renewal of sector membership of REANNZ (Research Education Advanced Network NZ)

(m) Libraries

Objective

To work collaborative on strategic issues affecting libraries, both nationally and internationally, and improve access for students and staff of NZ universities to the information resources required to advance teaching, learning, research and student success.

Achievements

The Council of NZ University Librarians (CONZUL) held eight meetings this year. Key items covered were:

- Open Access – making more research and knowledge publicly available and bringing it out from behind paywalls. This included work on research data management to capture metadata to make it easier for other researchers to locate research of interest. It also included work on open access textbooks.
- Salaries were benchmarked for library roles across the sector.
- CONZUL provided a submission to MBIE's Te Ara Paerangi – Future Pathways Green Paper consultation document.
- Planning to close the CONZUL Store began. The CONZUL Store has been a shared repository for the last copies of physical books that have not been requested/used in decades.

(n) **Facilities Management**

Objective

To provide leadership in the management of resources for the maintenance, compliance and sustainability of the New Zealand universities' property and related infrastructure assets.

Achievements

Facilities Management Committee met once this year. At their meeting they covered the following:

- *Updated the Committee Terms of Reference.*
- *Considered options around amending current shared procurement arrangements – particularly with regards to electricity.*
- *Shared information on common challenges and responses in areas such as deferred maintenance, space planning and space management, and carbon reporting and reduction.*

(o) **Planning**

Objective

To provide advice on issues concerning the universities' planning, funding and reporting functions, especially those related to the proposals and requirements of the Tertiary Education Commission and the Ministry of Education.

Achievements

- Engaged with the TEC and/or MoE on:
 - microcredentials
 - managing domestic student pipelines within the 105% threshold
 - student withdrawals from courses and associated 'fees free' refunds
 - implementation and implications (for university foundation programmes) of the new Unified Funding System
 - the impact of COVID-19 on university operations under alert level restrictions, the government's lockdown and/or vaccination strategy, university vaccine mandates, COVID-19 cases, and contact tracing
 - TEC's data exchange project 'DXP' update (previously Data 2020 project)
 - the 'new' covid-19 Hardship for Learners Fund (HaFL)
 - calculating 75th percentile fee rates for new courses
 - MoE's development of their new Digital and Data Strategy for Education
 - Initial Teacher Education student enrolment
 - investment plan round 2022
 - international education
- Engaged with MBIE's Regional Skills Leadership Group which developed regional workforce plans (future skills and workforce needs) that will contribute to regional development.
- Coordinated the University of Auckland's hosting universities' SDR (the replacement of MoE's tertiary Data Warehouse) such as the involvement of privacy officers and design of the data-sharing agreement.
- Completed the design a common set of questions to be used in all university graduate surveys from 2023 and commenced preparations for the implementation workstream.
- Made a formal submission to government on proposed legislative changes to the Education and Training Act 2020.
- Worked with NZQA on a study of the impact of changes to the University Entrance standard in response to Covid-19 on first-year university performance.
- Shared resilience strategies and learnings from covid-19 lockdowns.

(p) **Student Administration and Academic Services**

Objectives

To provide advice and make recommendations to the Vice-Chancellors on matters relating to the provision of student administration and academic services, and to be the principal contact on behalf of the universities with appropriate government agencies.

Achievements

- *The Committee on Student Administration and Academic Services (CSAAS) met five times.*
- *CSAAS continued to liaise with NZQA on matters related to enrolment and admission.*
- *CSAAS met with Higher Education Services (HES) to discuss matters related to My eQuals.*
- *CSAAS contributed to UNIVERSITIES NZ's Credit Transfer and Recognition work programme, lead by the Programme Director Complex Workstreams.*

(q) **Administrative Support**

Objective

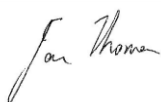
To provide administrative support to inter-university initiatives.

Achievements

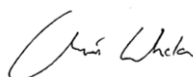
Administrative support was provided to all formal Universities NZ committees during the year and to the NZ Universities Women in Leadership Programme, the NZ Universities Women in Leadership POD Fund, the Māori Staff Development Programme, the Council of Deans of Education and to the Tertiary ICT Conference.

The 'Total budget for policy advice and coordinating services' figure reflects the Universities NZ budget as it was set at the start of the financial year. The budget figure is not revised as the year proceeds, however the eight universities do occasionally commit to additional one-off projects after the budget is set and provide additional funding for them. In this year, an additional \$398,413 was provided for one-off projects. This additional amount can be added to the budget figure to more accurately understand the difference between Universities NZ's costs and budget.

Total budget for policy advice and co-ordinating services:	\$1,666,912
Total cost of policy advice and co-ordinating services:	\$1,970,710
Total budget for all outputs:	\$2,873,985
Total cost for all outputs:	\$3,102,868



Professor Jan Thomas
Chair
NZ Vice-Chancellors' Committee



Chris Whelan
Chief Executive
NZ Vice-Chancellors' Committee

ACADEMIC QUALITY AGENCY FOR NEW ZEALAND UNIVERSITIES

STATEMENT OF PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2022

Contextual Information

The Academic Quality Agency for New Zealand Universities (AQA) was established by the New Zealand Vice-Chancellors' Committee (NZVCC) in 1993 as an operationally independent body to carry out institutional quality assurance and promote quality enhancement for the universities.¹

The Purpose of AQA is to contribute to the advancement of New Zealand university education by:

- engaging as a leader and advocate in the development of universities based on high quality, internationally acceptable, academic practices;
- providing quality assurance and quality enhancement services which assist universities in facilitating excellent student experience and learning outcomes; and
- supporting confidence in the academic quality of New Zealand universities.²

It achieves its purpose through two strategic goals:

G1 Quality Assurance: AQA's audits are robust, independent, fair and perceptive, reflect international best practice, assist universities and their students and give national and international confidence in the academic quality of New Zealand universities.

G2 Quality Enhancement: AQA facilitates and supports an enhancement orientation to quality assurance in New Zealand universities and in its own activities.

These goals are pursued through seven strategies:

S1 Leadership AQA's recommendations for quality assurance and quality enhancement activities are consistent with international best practice and AQA will contribute to the development of international quality assurance theory and practice.

¹ Originally established as the New Zealand Universities Academic Audit Unit.

² AQA (2021). Constitution. Retrieved from <https://www.aqa.ac.nz/sites/all/files/AQA%20Constitution%20Approved%20Dec%202021.pdf>

The accompanying accounting policies and notes form part of and should be read in conjunction with this statement.

S2 Best practice	AQA will continue to conform with INQAAHE’s Good Practice Guidelines for external quality assurance agencies (EQAAs).
S3 Communications	AQA communicates effectively with New Zealand universities, auditors and other stakeholders through regular meetings, holding appropriate workshops and/or meetings and publishing good practice guides and other materials.
S4 Relationships	AQA will develop mutually beneficial relationships with stakeholders and international agencies.
S5 Capability	AQA will recruit, develop and support high calibre auditors to undertake academic audits of New Zealand universities.
S6 Responsiveness	AQA will seek regular feedback on its own activities and respond to that feedback.
S7 Resourcing	AQA will ensure that resourcing is appropriate and used effectively to undertake its strategies and deliver its goals.

This statement of performance expectations sets out objectives and measures AQA plans to achieve in the July 2021 to June 2022 period to progress towards its goals.

The 2021-22 period will be characterised by the commencement of the audit phase of Cycle 6 and response to the 2020 external review of AQA.

Total cost of service:

	2021/22 Delivered	2021/22 Planned	2020/21 Delivered	2020/21 Planned
Total income	\$397,393	\$394,200	\$353,161	\$352,504
Total expenditure	\$388,404	\$433,308	\$350,874	\$359,941
Surplus/deficit	\$8,989	\$(39,108)	\$2,287	\$(7,437)

Objective 1: Quality Assurance

Quality assurance activities are timely and produce reports which are authoritative, fair and perceptive, are of assistance to universities, and support confidence in the academic quality of New Zealand universities.

Description: AQA undertakes regular academic audits of all New Zealand universities using a framework developed by AQA in consultation with the sector and other stakeholders. Academic audits are conducted to a schedule approved by the Board and with the agreement of the universities. From time to time, AQA may be contracted to undertake other forms of audit or review including academic audits of international universities. The quality and timeliness of the work of AQA are overseen by a Board, comprised of a Vice-Chancellor and academic, student and lay members who are appointed by the NZVCC but operate independently of them and of the universities.

The emphasis in 2020/21 is the commencement of the audit phase of Cycle 6. The first two universities in the cycle are due to have submitted their self-review portfolios in the period of this SPE and the site visit for the first university in the cycle is scheduled for the last week in June 2022. Auditor recruitment and training will be also be a priority over this period.

Measure	2021/22 Delivered	2021/22 Planned	2020/21 Delivered	2020/21 Planned
1.1 Audit operations manual redeveloped	1	1 (deferred from 2020/21, was 1.4)	Deferred	1
1.2 Recruit auditors for Cycle 6	70 auditors; 13 Māori auditors; 7 student auditors	50 auditors, including at least 8 Māori auditors and 8 student auditors recruited	46 auditors appointed; 4 Māori auditors; 5 student auditors	40 auditors, including at least 8 Māori auditors and 8 student auditors recruited
1.3 Deliver auditor training workshops	100% Auditors for the first 2 Panels have completed AQA training and Te Tiriti o Waitangi training.	All auditors appointed to panels have completed auditor training	Deferred	1 pilot plus 1 workshop delivered, online materials developed
1.4 5-yearly review of CUAP undertaken	1 Published 28 April 2022	1	New measures in 2021-22	
1.5 University self-reviews submitted	2	2		
1.6 Audit panels appointed	2	2		
1.7 Student Voice Summit held	1 (19-20 November)	1	1 12 November 2020	1

Objective 2: Quality Enhancement - Universities

To contribute to the development, dissemination and implementation of new policies and good practices in quality assurance and quality enhancement of New Zealand universities.

Description: AQA's mission includes assisting universities to facilitate excellent student experience and learning outcomes. AQA undertakes this quality enhancement role in a variety of ways, including by identifying and disseminating national and international good practice in regard to academic quality assurance and quality enhancement, and by facilitating dialogue on quality enhancement initiatives.

Measure	2021/22 Delivered	2021/22 Planned	2020/21 Delivered	2020/21 Planned
2.1 Publish analysis of practice or guidance on a developing issue	3 Students in Quality; Māori Themes; Remote Reviews)	1	New measure in 2021-22	
2.2 Publication of AQA newsletter	4	4	4	4
2.3 Workshops and/or meetings held with New Zealand universities on matters pertaining to university quality	1 (Quality catch-up 2 December 2021)	1	1 (Quality forum 20 November 2020 – Online)	1

Objective 3: Quality Enhancement - AQA

To improve the quality of AQA activities, including audit practice, by interaction with other education and academic quality assurance agencies, both nationally and internationally, and by seeking feedback and reflecting on its own practices.

Description: AQA's work is benchmarked internationally: the agency is independently audited every five years (last audited in 2020) and has been assessed as meeting the Guidelines of Good Practice in Quality Assurance of the International Network for Quality Assurance Agencies in Higher Education (recognition of alignment current to 23 November 2025). Interaction and engagement with national and international peer agencies is an important component of AQA's continued commitment to its own development and to the professional development of its staff and activities.

AQA will report on its response to recommendations in its 2020 External Review in the period this SPE covers and AQA's strategic framework will be reviewed and renewed.

Measure	2021/22 Delivered	2021/22 Planned	2020/21 Delivered	2020/21 Planned
3.1 Membership of related national boards, committees and working groups	3 (JCG; Innovative Assessment in Digital Age Conference Steering Group; Student Voices and Partnership Roundtable 26 May 2022)	2	3 (JCG, NZQF Review Advisory Group, University of Waikato External Advisory Group)	2 (JCG, NZQF Review Advisory Group, NZQF Expert Group)

Measure	2021/22 Delivered	2021/22 Planned	2020/21 Delivered	2020/21 Planned
3.2 Gain or add value from international engagement, demonstrated through practice change, invitations to undertake work internationally, provide advice or contribute to conferences.	4 (TEQSA engagement on combatting contract cheating; HKCAAVQ; HES Webinar presentation 27 April 2022; Student Voice Australia Strategic Planning Workshop 2 June 2022)	2	3 (TEQSA workshops, FNU Review, Student Voice Australia 11 October 2019)	2
3.3 Biennial QE/communications survey of stakeholders	Biennial	Biennial	1	1
3.4 Complete enhancement initiatives from Self-review report	2 (EI 1 and EI 5 to be addressed through communications and engagement strategy; EI 7 see EDI KPIs 2.1 for 2022-23; EI 8 Strategic Framework 2022-2027)	4 (EI 1 Review publication formats and channels; EI 5 Consider publishing AQA Board agendas and minutes; EI 7 Review mechanisms for improving public understanding; EI 8 Give effect to acknowledgement of Te Tiriti o Waitangi).	0 Deferred to 2021/22	4 (EI 1; EI 5; EI 7 and EI 8)
3.5 Complete 1-year follow-up report from 2020 External Review of AQA	1	1	New measure in 2021-22	
3.6 Review AQA's Strategic Framework	1 New Strategic Framework approved at March 2022 Board meeting.	1	0	1 (defer to 2021/22)

The accompanying accounting policies and notes form part of and should be read in conjunction with this statement.

Objective 4: Quality Support

To ensure effective processes and adequate resourcing to achieve the above objectives at a high level of satisfaction for universities and other stakeholders.

Description: AQA's annual operating grant is funded by the universities collectively. The Board of AQA prepares and recommends a budget to the NZVCC prior to the commencement of each financial year. In doing so, the Board seeks to ensure that the annual grant provides for an adequate level of resources to enable the organisation to achieve its stated objectives for that year, and that the organisation's net asset levels and cash flow are sufficient to sustain its continued operation.

Measure	2021/22 Delivered	2021/22 Planned	2020/21 Delivered	2020/21 Planned
4.1 Review of annual service level agreement (SLA) with Universities NZ	Review completed and lease re-signed 4 May 2022	Review completed and lease re-signed	Not complete	Review completed and lease re-signed
4.2 Review of budget and staffing requirements alongside ongoing monitoring of AQA Strategic Plan	Review undertaken (see March 2022 Board minutes)	Review undertaken	Review undertaken	Review undertaken
4.3 Approval of requested annual grant by Vice-Chancellors	Annual grant approved (VCs' meeting April 2022)	Annual grant approved	Annual grant approved	Annual grant to ensure financial sustainability of AQA approved as sought

Total budget for Academic Quality Agency for NZ Universities

\$441,408

Total cost for Academic Quality Agency for NZ Universities

\$388,404

For and on behalf of the board



Emeritus Professor John Morrow
Chair of the Board
Academic Quality Agency for New Zealand Universities

Date: 11 October 2022



Emeritus Professor Sheelagh Matear
Executive Director
Academic Quality Agency for New Zealand Universities

Date: 11 October 2022

The accompanying accounting policies and notes form part of and should be read in conjunction with this statement.

**NEW ZEALAND VICE-CHANCELLORS' COMMITTEE
FINANCIAL STATEMENTS**

**STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE
FOR THE YEAR ENDED 30 JUNE 2022**

Note	Group Actual 2022 \$	Group Budget 2022 \$	Group Actual 2021 \$	NZVCC Actual 2022 \$	NZVCC Budget 2022 \$	NZVCC Actual 2021 \$
Revenue						
University Annual Grants	2,695,000	2,695,000	2,695,000	2,345,000	2,345,000	2,345,000
University Cost-splitting Income	237,914	0	140,856	237,914	0	140,856
Audit Fees	11,000	24,100	0	0	0	0
Administration Fees	73,425	56,500	50,274	73,425	56,500	50,274
Interest Revenue - Bank Term Deposits	18,162	12,000	11,408	14,327	9,500	8,247
Rent & other services revenue	0	845	0	39,917	42,800	42,802
Sundry Revenue	452,592	275,000	386,034	444,339	275,000	386,034
Total Revenue	3,488,093	3,063,445	3,283,572	3,154,922	2,728,800	2,973,213
Less Expenditure	3,427,050	3,247,738	3,200,904	3,102,868	2,873,985	2,892,832
Surplus/(Deficit) for the year	\$61,043	(\$184,293)	\$82,668	\$52,054	(\$145,185)	\$80,381
Other Comprehensive Revenue and Expense						
			0	0	0	0
Total comprehensive revenue and expense for the year	\$61,043	(\$184,293)	\$82,668	\$52,054	(\$145,185)	\$80,381

The accompanying accounting policies and notes form part of and should be read in conjunction with this statement.

**NEW ZEALAND VICE-CHANCELLORS' COMMITTEE
FINANCIAL STATEMENTS**

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2022**

	Group Actual 2022 \$	Group Budget 2022 \$	Group Actual 2021 \$	NZVCC Actual 2022 \$	NZVCC Budget 2022 \$	NZVCC Actual 2021 \$
Equity at start of the year	898,059	898,059	815,391	555,722	555,722	475,341
Total Comprehensive Revenue and Expense for the year	61,043	(184,293)	82,668	52,054	(145,185)	80,381
Equity at end of the year	\$959,102	\$713,766	\$898,059	\$607,776	\$410,537	\$555,722

The accompanying accounting policies and notes form part of and should be read in conjunction with this statement.

**NEW ZEALAND VICE-CHANCELLORS' COMMITTEE
FINANCIAL STATEMENTS**

**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2022**

	Note	Group Actual 2022 \$	Group Budget 2022 \$	Group Actual 2021 \$	NZVCC Actual 2022 \$	NZVCC Budget 2022 \$	NZVCC Actual 2021 \$
Assets							
Current Assets							
Cash and cash equivalents	7	517,459	1,886,245	1,250,050	419,674	1,793,855	1,123,350
Bank Investments	8	5,109,810	3,345,986	3,346,159	4,808,456	3,103,155	3,103,155
Receivables (from exchange transactions)	9	60,956	77,000	53,673	46,520	75,000	52,296
Recoverables (from non-exchange transactions)	10	0	2,500	50,000	0	2,500	50,000
		5,688,225	5,311,731	4,699,882	5,274,650	4,974,510	4,328,801
Non-Current Assets							
Property, Plant & Equipment	11	63,356	77,713	93,850	63,356	77,350	93,850
Intangible Assets	12	105,058	31,762	15,487	104,696	31,762	14,762
JM Wealth Investment Portfolio	8	1,296,798	1,870,267	1,870,266	1,296,798	1,870,267	1,870,266
		1,465,212	1,979,742	1,979,603	1,464,850	1,979,379	1,978,878
Total Assets		7,153,437	7,291,473	6,679,485	6,739,500	6,953,889	6,307,679
Liabilities							
Current Liabilities							
Payables (from exchange transactions)	13	123,455	105,000	155,706	74,267	75,000	127,169
Non-exchange liabilities							
Scholarship Commitments	14	0	0	53,030	0	0	53,030
Employee benefit liability	15	217,619	365,398	167,748	203,850	360,398	163,398
Income in Advance	17	939,248	940,000	305,055	939,248	940,000	305,055
GST Payment/(Refund)		(22,431)	30,313	(34,110)	(22,085)	30,958	(30,692)
CONZUL	18	28,120	34,675	34,675	28,120	34,675	34,675
Māori Staff Development	18	96,770	96,947	96,947	96,770	96,947	96,947
NZ Council of Deans of Education	18	181,075	180,889	180,889	181,075	180,889	180,889
NZ Universities Women in Leadership	18	228,853	162,967	162,967	228,853	162,967	162,967
NZUWiL - POD Fund	18	5,895	5,896	5,896	5,895	5,896	5,896
Tertiary ICT Fund	18	78,767	118,767	118,767	78,767	118,767	118,767
		1,877,371	2,040,852	1,247,570	1,814,760	2,006,497	1,218,101
Non-Current Liabilities							
Employee benefit liability	15	4,441	6,401	3,401	4,441	6,401	3,401
Non-exchange liabilities							
Scholarship Commitments	16	4,312,523	4,530,454	4,530,455	4,312,523	4,530,454	4,530,455
		4,316,964	4,536,855	4,533,856	4,316,964	4,536,855	4,533,856
Total Liabilities		6,194,335	6,577,707	5,781,426	6,131,724	6,543,352	5,751,957

The accompanying accounting policies and notes form part of and should be read in conjunction with this statement.

**NEW ZEALAND VICE-CHANCELLORS' COMMITTEE
FINANCIAL STATEMENTS**

**STATEMENT OF FINANCIAL POSITION cont.
AS AT 30 JUNE 2022**

	Note	Group Actual 2022 \$	Group Budget 2022 \$	Group Actual 2021 \$	NZVCC Actual 2022 \$	NZVCC Budget 2022 \$	NZVCC Actual 2021 \$
Net Assets/Equity							
Accumulated revenue and expense		959,102	713,766	898,059	607,776	410,537	555,722
Net assets/equity attributable to the owners of the controlling entity		959,102	713,766	898,059	607,776	410,537	555,722
Total Net Assets/Equity		\$959,102	\$713,766	\$898,059	\$607,776	\$410,537	\$555,722
Total net Assets/Equity and Liabilities		\$959,102	\$713,766	\$898,059	\$607,776	\$410,537	\$555,722

The accompanying accounting policies and notes form part of and should be read in conjunction with this statement.

NEW ZEALAND VICE-CHANCELLORS' COMMITTEE
FINANCIAL STATEMENTS
STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 30 JUNE 2022

Note	Group Actual 2022 \$	Group Budget 2022 \$	Group Actual 2021 \$	NZVCC Actual 2022 \$	NZVCC Budget 2022 \$	NZVCC Actual 2021 \$
Cash Flows From Operating Activities						
Interest Received	11,680	11,673	73,501	9,026	9,500	70,044
Annual Grants from Universities	2,695,000	2,695,000	2,695,000	2,345,000	2,345,000	2,345,000
Administration Fees	73,425	56,500	52,075	73,425	56,500	52,075
Audit Fees	11,000	41,700	0	0		0
Other Receipts	1,339,137	925,310	695,289	1,378,216	925,310	695,289
Cash was applied to:						
Goods and Services Tax	11,679	(9,588)	(34,577)	8,607	(11,751)	(34,863)
Payments to Suppliers	(1,136,650)	(1,937,224)	(1,263,614)	(1,070,443)	(1,761,400)	(1,139,142)
Payments to Employees	(2,221,981)	(1,108,175)	(2,008,484)	(1,988,795)	(853,653)	(1,764,801)
Accumulation of Scholarship Funds	352,506	0	(67,092)	352,506	0	(67,092)
Net Cash Flows from Operating Activities	1,135,796	675,196	209,191	1,107,542	709,506	156,510
Cash Flows From Investing Activities						
Decrease/(Increase) in Term Deposits & Portfolio	(1,757,169)	0	96,602	(1,700,000)		100,000
Purchase of intangible assets	(97,315)	0		(97,315)		0
Purchase of Property, Plant & Equipment	(13,903)	(39,000)	(59,106)	(13,903)	(39,000)	(59,106)
Net Cash Flows From Investing Activities	(1,868,387)	(39,000)	37,496	(1,811,218)	(39,000)	40,894
Net Increase (Decrease) In cash and cash equivalents	(732,591)	636,196	193,143	(703,676)	670,506	197,404
Opening Cash at Beginning of Year	1,250,050	1,250,050	1,056,907	1,123,350	1,123,350	925,946
Closing Cash at 30 June 2022	\$517,459	\$1,886,246	\$1,250,050	\$419,674	\$1,793,856	\$1,123,350
Represented by:						
Petty Cash	706		589	520		414
Bank of New Zealand Current accounts	516,753		1,249,461	419,154		1,122,936
7	\$517,459		\$1,250,050	\$419,674		\$1,123,350

The accompanying accounting policies and notes form part of and should be read in conjunction with this statement.

NEW ZEALAND VICE-CHANCELLORS' COMMITTEE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

NOTES TO THE FINANCIAL STATEMENTS

1 Reporting Entity

The reporting entity is NZVCC (the "Parent") a public benefit entity and was established under the Education Act 1989. The Education and Training Act 2020 Part 4 section 311-313 and Schedule 12 sets out the administrative provisions applying to NZVCC. NZVCC is required to prepare financial statements in accordance with Section 153-156 of the Crown Entities Act 2004.

The consolidated financial statement for the year ended 30 June 2022 comprise of NZVCC and AQA together referred to as the 'Group'.

2 Basis of Preparation

(a) Statement of Compliance

The financial statements of NZVCC and the Group have been prepared in accordance with New Zealand Generally Accepted Accounting Practice (NZ GAAP). They comply with Public Benefit Entity International Public Sector Accounting Standards (PBE IPSAS) and other applicable Financial Reporting Standards as appropriate for Tier 2 Public Sector Public Benefit Entity (PBE) Standards, for which all reduced disclosure regime exemptions have been adopted.

The NZVCC and the Group has elected to report in accordance with Tier 2 Public Sector PBE Standards as for the two most recent reporting periods it has had between \$2m and \$30m operating expenditure.

These financial statements were authorised for issue by Professor Jan Thomas, Chair of NZVCC on 11 October 2022.

(b) Measurement basis

The consolidated financial statements have been prepared on the historical cost basis except as indicated below:

- Financial instruments
- Long-term employee benefits

(c) Functional and presentation currency

These financial statements are presented in New Zealand dollars and all values are rounded to the nearest dollar.

There has been no change in the functional currency of the Group or any significant foreign operations of the Group during the year.

3 Use of Judgements and estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

(a) Judgements

Judgements made in applying accounting policies that have had the most significant effects on the amounts recognised in the NZVCC and Group financial statements include the following:

- Revenue recognition non-exchange revenue
- Intangible assets having indefinite useful lives

(b) Assumptions and estimation uncertainties

Assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending 30 June 2022 include the following:

- Key assumptions underlying determining the recoverable amounts for impairment testing
- Useful life, recoverable amount, depreciation method and rate
- Likelihood and magnitude of outflows in determining recognition and measurement of provisions.

(c) Changes in accounting estimates

There have been no changes in accounting estimates during the period.

4 Significant Accounting Policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements and have been applied consistently by the Group, except as explained in note 5 which addresses changes in accounting policies.

(a) Basis of consolidation

The Group financial statements consolidate the financial statements of the NZVCC and all entities over which the NZVCC has the power to govern the financial and operating policies so as to obtain benefits from their activities (defined as “subsidiaries”). The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

All subsidiaries have a 30 June reporting date and consistent accounting policies are applied.

The purchase method is used to prepare the consolidated financial statements, which involves adding together like terms of assets, liabilities, revenue and expenses on a line-by-line basis. All transactions and balances between the Group are eliminated on consolidation, including unrealised gains and losses on transactions between NZVCC and AQA. Where unrealised losses on intra-group asset sales are reversed on consolidation, the underlying asset is also tested for impairment from the Groups perspective. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

In the NZVCC financial statements investments in subsidiaries are stated at cost less any impairment losses.

Loss of control of a controlled entity

A change in the ownership interest of a subsidiary that does not result in a loss of control, is accounted for as an equity transaction.

(b) Foreign currency

Transactions in foreign currencies are recorded at the New Zealand rate of exchange ruling at the date of transaction. At balance date foreign monetary assets and liabilities are translated at appropriate closing exchange rates, and gains or losses due to currency fluctuations on these items are included in the Financial Statements.

(c) Revenue

Revenue from exchange transactions

Revenue from exchange transactions are those where the Group receives assets or services, or has liabilities extinguished, and directly gives approximately equal value to another entity.

Revenue from exchange transactions are recognised when the amount of revenue is earned and is reported in the financial period to which it relates.

Grant Revenue

Grant revenue is received from the eight universities on a six monthly basis, and applied on a straight-line basis over the financial year in which it relates.

Rendering of services

Revenue from services rendered is recognised in surplus or deficit in proportion to the stage-of-completion of the transaction at the reporting date.

Revenue from non-exchange transactions

Non-exchange transactions are those where the Group receives an inflow of resources but provides no (or nominal) direct consideration in return.

Scholarships Revenue

Scholarship emolument commitments are recognised as available when the Committee has received funding for the obligation. Scholarship emolument commitments are recognised when invoices are paid from the universities or scholarship entitlement is confirmed by the Scholarships Manager. Universities receive payments from NZVCC to reimburse them for scholarship emoluments paid to scholars, who receive a scholarship, which the university has paid to the scholar.

NZVCC Scholarship Funds Management Guidelines were introduced in October 2011 to manage scholarship cash flow requirements during the selection process. Both the funding received and the scholarships paid are excluded from the Statement of Comprehensive Revenue and Expenditure.

(d) Employee Benefits

Short-term employee benefits

Short-term employee benefit liabilities, wages and salaries, including non-monetary benefits and annual leave are recognised when the Group has a legal or constructive obligation to remunerate employees for services provided within 12 months of reporting date, and are measured at the amounts expected to be paid when the liabilities are settled on an undiscounted basis.

Retirement Leave

NZVCC's obligation in respect of Retirement Leave is the amount of future benefits that employees have earned in return for their service in the current and prior periods. The obligation is calculated on an actuarial basis based on the probability of each entitled staff member remaining in service until retirement, length of service and current age and salary.

Long Service Leave

NZVCC's obligation in respect of long service leave is the amount of future benefits that employees have earned in return for their service in the current and prior periods. The obligation is calculated on an actuarial basis based on the probability of each staff member attaining a specific number of years of service. Current entitlements to long service leave are recognised at the amounts expected to be paid when liabilities are settled on an undiscounted basis.

Long-term employee benefits

Long-term employee benefit obligations are recognised when the Group have a legal or constructive obligation to reimburse employees for services provided beyond 12 months of reporting date.

Defined Contribution Plans

Obligations for contributions to defined contribution pension plans (including KiwiSaver) are recognised as an expense in surplus or deficit when they are due.

Termination Benefits

Termination benefits are recognised as an expense when the Group is committed demonstrably, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognised as an expense if the Group has made an offer of voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably. If benefits are payable more than 12 months after the reporting date, then they are discounted to their present value.

(e) Finance income

Interest revenue is recognised using the effective interest method as it accrues.

(f) Financial instruments

All assets and liabilities of NZVCC and the Group, with the exception of GST, Income in advance, Prepayments, Property, Plant & Equipment and intangible assets are financial instruments and are recognised in the Statement of Financial Position. No other financial instruments exist other than those recognised in the Statement of Financial Position. Revenues and expenses in relation to these financial instruments are recognised in the Statement of Comprehensive Revenue and Expenditure.

Financial instruments are measured in accordance with the accounting policies disclosed in relation to each type of asset and liability. Unless stated, the carrying amounts reflected in the financial statements equate to the estimated fair value of the Committee's assets and liabilities at 30 June 2022 for each financial instrument.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are designated as available-for-sale or are not classified in any of the above categories of financial assets.

Available-for-sale financial assets comprise of the JMIS Investment Portfolio.

Available-for-sale financial assets are subsequently measured at fair value with gains or losses recognised in other comprehensive revenue and expense. These gains and losses, along with revenue, are then allocated to the 4 related scholarships in proportion with their investment in the fund.

Creditors and other payables

Creditors and other payables are initially measured at fair value plus any directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method

Trade and Other Receivables

Trade and Other Receivables are recognized initially at fair value plus any directly attributable transaction costs. Subsequently, trade and other receivables are measured at amortised cost using the effective interest method less any impairment losses.

Cash and cash equivalents

Cash includes cash on hand and funds on deposit with banks and is measured at its face value.

Deposits with a bank that have maturities of 90 days or more at acquisition are deemed to be investments.

Investments

Investments in shares classified as available-for-sale financial assets. Subsequent to initial recognition, they are measured at fair value and changes therein, other than impairment losses are recognised directly in other comprehensive revenue. When an investment is derecognised, the cumulative gain or loss previously recognised in other comprehensive revenue is transferred to surplus or deficit.

Investments held and administered on behalf of Scholarship Funds are measured and carried at market value and changes therein together with revenue from interest and dividends are recognised directly in the Scholarship Commitments liability.

Premium (discount) on Investment

Premium or discount on investment is amortised on a straight line basis over the remaining periods before the maturity date. This policy is not significantly different to applying the yield to maturity basis of revenue recognition.

(g) Impairment of non-derivative financial assets

NZVCC assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset. Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar characteristics. All impairment losses are recognised in surplus or deficit and reflected in an allowance account against receivables. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses directly reduce the carrying amount of assets and are recognised in surplus or deficit.

(h) Property, plant and equipment

Recognition and measurement

Property, plant and equipment are initially recognised at cost. Property, plant and equipment are recorded at cost less accumulated depreciation. Subsequent costs are added to the carrying amount of an item of property, plant and equipment when the cost is incurred if it is probable that the

future economic benefits embodied with the item will flow to the entity and the cost of the item can be measured reliably. All other costs are recognised in surplus or deficit as an expense when incurred.

Depreciation

Depreciation is provided on all items of property, plant and equipment so as to write off their carrying value over their expected useful economic lives. It is provided at the following rates:

Computers and Printers	33.3%SL
Office equipment, furniture and fittings	20%SL

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(i) Intangible assets

Recognition and measurement

IT Software Development has a finite useful life. It is recorded at cost less accumulated amortisation and accumulated impairment losses. Software is capitalised and amortised at 50% per annum on the diminishing value. Costs associated with developing or maintaining computer software programs are recognised as an expense as incurred. Costs that are directly associated with the production of identifiable and unique software products controlled by the entity, and that will probably generate economic benefits exceeding costs beyond one year, are recognised as intangible assets. Direct costs include the costs of software development employees and an appropriate portion or relevant overheads.

(j) Impairment of non-financial assets

Property, plant, equipment and Intangible Assets that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

If an asset's carrying amount exceeds its recoverable amount, the asset is impaired and the carrying amount is written down to the recoverable amount. The total impairment deficit is recognised in the surplus and deficit. The reversal of an impairment deficit is also recognised in the Statement of Comprehensive Revenue and Expense.

(k) Leases

Leases where the NZVCC and the Group assume substantially all the risks and rewards incidental to ownership of the leased assets, are classified as finance leases. All other leases are classified as operating leases.

Upon initial recognition finance leased assets are measured at an amount equal to the lower of its fair value and the present value of minimum leased payments and a matching liability is recognized for minimum lease payment obligations excluding the effective interest expense. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to the asset.

Payments made under operating leases are recognised in surplus or deficit on a straight-line basis over the term of the lease. Lease incentives are recognised as an integral part of the total lease expense, over the term of the lease. Associated costs, such as maintenance and insurance, are expensed as incurred.

(l) Cost Accounting

The Committee reviewed and adopted the following Cost Allocation policy on 1 June 2019. The income and expenditure has been allocated across three cost centres utilising the following rules:

- (i) A Full Time Equivalent's (FTE's) Staff Cost Allocation calculation will be used in this policy. "FTE's Staff cost allocation percentage distribution of Office Support or other FTE's Staff working across cost centres plus the FTE's Staff working in each cost centre as at 1 July each financial year "
- (ii) All income or expenditure will be allocated utilising the following rules-
 - a) All project costs with offsetting income, or specific budget requests to Vice-Chancellors will be attributed directly to the cost centre responsible.
 - b) All baseline expenditure will be allocated to Policy and using the FTE's Staff Cost Allocation Percentages will be calculated for presentation in the year-end accounts into the respective cost centres.
- (iii) Allocation of the income from Universities Annual Grants will be allocated each year based on the FTE's Staff Cost Allocation Percentages.
- (iv) All directly attributable income for projects or specific budget requests to Vice-Chancellors will be allocated to the cost centre responsible.

(m) Budget

The budget figures for NZVCC and AQA are those approved by the NZVCC Committee at their June 2021 meeting.

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

(n) Goods and Services Tax

The financial statements are exclusive of GST except for Trade Payables and Trade Receivables which are GST inclusive.

(o) **Taxation**

The NZVCC and the Group is a statutory body and is registered with the Charities Commission under the Charities Act 2005 and consequently is exempt from income tax.

(p) **Statement of Cash Flows**

The statement of cash flows has been prepared using the direct approach method.

Cash includes cash on hand and deposits held at call with banks.

Operating activities includes cash received from all revenue sources of the NZVCC and the Group including annual grants, interest, accumulation of scholarship funds and administration fees.

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

Financing activities comprise the change in equity and debt structure of the NZVCC and the Group.

5 Changes in accounting policy

The accounting policies applied in these financial statements are the same as those applied to NZVCC and the Group's financial statements as at the year ended 30 June 2021.

6 Expenses

	Note	Group Actual 2022 \$	Group Budget 2022 \$	Group Actual 2021 \$	NZVCC Actual 2022 \$	NZVCC Budget 2022 \$	NZVCC Actual 2021 \$
ACC Levy		3,506	3,650	2,895	3,185	3,000	2,584
ANZCCART-Contribution		40,000	40,000	40,000	40,000	40,000	40,000
Audit Fee	22	25,752	28,100	27,825	15,957	17,785	17,635
Accountancy		13,226	51,500	55,375	9,976	39,500	47,075
Advertising		10,645	12,000	3,040	8,267	8,000	2,890
Amortisation Intangible Assets		7,744	32,763	16,065	7,381	32,400	15,340
AQA Chairman & Board Honoraria		34,308	40,000	32,703	0	0	0
Bank Fees		1,129	1,350	960	985	1,000	792
Computer Maintenance and Training Conference and Committee Expenses		95,742	92,000	92,771	93,827	91,000	92,263
Consultancy Fees		26,911	31,500	21,263	26,216	30,000	20,385
Depreciation Computer Equipment		413,922	200,700	442,431	404,357	189,500	441,481
Depreciation Office Equipment, Furniture & Fittings		28,781	25,000	28,625	28,781	25,000	28,625
Insurance		15,616	13,500	14,248	15,616	13,500	14,248
Interest		9,274	10,900	9,523	5,059	5,200	5,059
IRD Penalties		3	0	4	3	0	2
Legal Advisory Costs		0	0	32	0	0	0
Legal Costs		28,122	28,000	90,301	28,122	28,000	90,301
Occupancy Costs		8,951	2,000	0	8,951	2,000	0
Office Expenses and Administration		20,593	20,000	21,925	20,593	20,000	21,925
Occupancy Rent		72,987	78,400	78,509	64,927	63,600	68,178
Photocopier Lease		167,143	166,800	167,052	167,142	166,800	167,052
Publications and Reports		11,266	11,300	11,266	11,266	11,300	11,266
Salaries		23,599	29,000	24,969	23,599	29,000	24,969
Superannuation Contributions (including KiwiSaver)		2,178,813	2,119,000	1,879,755	1,945,258	1,874,000	1,653,648
Staff Training		94,079	88,800	79,818	85,029	79,000	70,963
Telephone, Tolls and Faxes		46,148	15,000	5,977	43,313	15,000	5,760
Travel and Accommodation		16,448	10,475	16,690	16,072	10,000	16,291
		32,342	96,000	36,882	28,986	79,400	34,100
		\$3,427,050	\$3,247,738	\$3,200,904	\$3,102,868	\$2,873,985	\$2,892,832

The Universities NZ budget was set at the start of the financial year. The budget figure is not revised as the year proceeds, however the eight universities do occasionally commit to additional one-off projects after the budget is set and provide additional funding for them. In this year, an additional \$398,413 was provided for one-off projects. This additional amount can be added to the budget figure to more accurately understand the difference between Universities NZ's costs and budget. An additional \$275,000 was also provided from NZQA for the ongoing Universities Pastoral Care process.

7 Cash & Cash Equivalents

	Group 2022 \$	Group 2021 \$	NZVCC 2022 \$	NZVCC 2021 \$
Bank of New Zealand				
Current Account (0.03%)	71,207	76,960	50,925	50,124
Autocall Account (0.03%)	445,546	1,172,501	368,229	1,072,812
	516,753	1,249,461	419,154	1,122,936
Petty Cash	706	589	520	414
	\$517,459	\$1,250,050	\$419,674	\$1,123,350

8 Investments

	Group 2022 \$	Group 2021 \$	NZVCC 2022 \$	NZVCC 2021 \$
Current Investments				
Deposits with trading banks				
ASB Bank (Average Interest Rate 2.32%)	600,000	800,000	600,000	800,000
BNZ Bank (Average Interest Rate the Group 1.76%, NZVCC 1.74%)	4,475,000	2,517,831	4,175,000	2,275,000
Interest Accrued	34,810	28,328	33,456	28,155
	\$5,109,810	\$3,346,159	\$4,808,456	\$3,103,155
Term Investments				
JMIS Portfolio				
Financial assets held for sale:				
Investments in listed companies	1,156,599	1,521,518	1,156,599	1,521,518
Investments in capital notes	0	0	0	0
Investments in bonds	140,198	348,748	140,198	348,748
Investments in New Zealand fixed interest	0	0	0	0
	\$1,296,797	\$1,870,266	\$1,296,797	\$1,870,266
Total Investments	\$6,406,607	\$5,216,425	\$6,105,253	\$4,973,421

The JMIS investment portfolio and deposits placed in banks have been classified as investment held and administered on behalf of Scholarship Funds. Changes in market value and revenue from interest and dividends are recognised directly in Scholarship Commitments liability as disclosed in Note 16.

9 Receivables – exchange transactions

	Group 2022 \$	Group 2021 \$	NZVCC 2022 \$	NZVCC 2021 \$
Scholarships - exchange transactions	0	0	0	0
Sundry and miscellaneous exchange revenue	35,690	30,789	28,253	30,767
Prepayments	25,266	22,884	18,267	21,529
	\$60,956	\$53,673	\$46,520	\$52,296

10 Receivables – non-exchange transactions

	Group 2022 \$	Group 2021 \$	NZVCC 2022 \$	NZVCC 2021 \$
Scholarships - non-exchange transactions	0	50,000	0	50,000
	\$0	\$50,000	\$0	\$50,000

11 Property, Plant & Equipment

	Group Computer Equipment	Group Office Equipment and Furniture	Group Total	NZVCC Computer Equipment	NZVCC Office Equipment and Furniture	NZVCC Total
	\$	\$	\$	\$	\$	\$
Cost or valuation						
Balance at 1 July 2020	82,239	57,496	139,735	82,239	57,496	139,735
Additions	26,463	32,643	59,106	26,463	32,643	59,106
Disposals	(4,711)	0	(4,711)	(4,711)	0	(4,711)
Balance at 30 June 2021.	103,991	90,139	194,130	103,991	90,139	194,130
Balance at 1 July 2021	103,991	90,139	194,130	103,991	90,139	194,130
Additions	13,903	0	13,903	13,903	0	13,903
Disposals	(9,077)	(4,058)	(13,135)	(9,077)	(4,058)	(13,135)
Balance at 30 June 2022	108,817	86,081	194,898	108,817	86,081	194,898
Accumulated depreciation and impairment losses						
Balance 1 July 2020	40,227	21,891	62,118	40,227	21,891	62,118
Depreciation expense	28,625	14,248	42,873	28,625	14,248	42,873
Elimination on disposal	(4,711)	0	(4,711)	(4,711)	0	(4,711)
Balance at 30 June 2021	64,141	36,139	100,280	64,141	36,139	100,280
Accumulated depreciation and impairment losses						
Balance 1 July 2021	64,141	36,139	100,280	64,141	36,139	100,280
Depreciation expense	28,781	15,616	44,397	28,781	15,616	44,397
Elimination on disposal	(9,077)	(4,058)	(13,135)	(9,077)	(4,058)	(13,135)
Balance at 30 June 2022	83,845	47,697	131,542	83,845	47,697	131,542
Carrying amounts						
At 1 July 2020	42,012	35,605	77,617	42,012	35,605	77,617
At 30 June / 1 July 2021	39,850	54,000	93,850	39,850	54,000	93,850
At 30 June 2022	24,972	38,384	63,356	24,972	38,384	63,356

The additions were to Computer Equipment \$13,903 (2021, \$26,463) and Office Equipment \$0 (2021, \$32,643). Costs have reduced by items that had fully depreciated during the financial year on 1 July 2021.

The related depreciation expense for each category has been disclosed separately in note 6.

	Group IT Software Development	Group Total	NZVCC IT Software Development	NZVCC Total
	\$	\$	\$	\$
Cost or valuation				
Balance at 1 July 2020	235,332	235,332	221,412	221,412
Additions-Developed	0	0	0	0
Disposals	0	0	0	0
Balance at 30 June 2021	235,332	235,332	221,412	221,412
Balance at 1 July 2021	235,332	235,332	221,412	221,412
Additions-Developed	97,315	97,315	97,315	97,315
Disposals	(2,772)	(2,772)	(2,772)	(2,772)
Balance at 30 June 2022	329,875	329,875	315,955	315,955
Accumulated Amortisation and impairment losses				
Balance 1 July 2020	203,780	203,780	191,310	191,310
Amortisation expense	16,065	16,065	15,340	15,340
Elimination on disposal	0	0	0	0
Balance at 30 June 2021	219,845	219,845	206,650	206,650
Accumulated Amortisation and impairment losses				
Balance 1 July 2021	219,845	219,845	206,650	206,650
Amortisation expense	7,744	7,744	7,381	7,381
Elimination on disposal	(2,772)	(2,772)	(2,772)	(2,772)
Balance at 30 June 2022	224,817	224,817	211,259	211,259
Carrying amounts				
At 1 July 2020	31,552	31,552	30,102	30,102
At 30 June / 1 July 2021	15,487	15,487	14,762	14,762
At 30 June 2022	105,058	105,058	104,696	104,696

The additions were to IT Software during this financial year 2022, \$97,315 (2021, \$0).

The related amortisation expense has been disclosed separately in note 6.

13 Payable – exchange transactions

	Group 2022 \$	Group 2021 \$	NZVCC 2022 \$	NZVCC 2021 \$
Exchange payments from scholarship funds	0	0	0	0
Sundry trade other payables	123,455	155,706	74,267	127,169
	\$123,455	\$155,706	\$74,267	\$127,169

14 Payable – non-exchange transactions

	Group 2022 \$	Group 2021 \$	NZVCC 2022 \$	NZVCC 2021 \$
Non-exchange payments from scholarship funds	0	53,030	0	53,030
	\$0	\$53,030	\$0	\$53,030

15 Employee benefit Liability

	Group 2022 \$	Group 2021 \$	NZVCC 2022 \$	NZVCC 2021 \$
Long Term Employee entitlements				
Retirement Leave	0	0	0	0
Long Service Leave	4,441	3,401	4,441	3,401
Total Long Term Employee entitlements	4,441	3,401	4,441	3,401
Short Term Employee entitlements				
Salary Accrual	33,944	21,676	28,757	19,394
Employer Superannuation Contribution on Salary Accrual	1,317	864	1,111	773
Annual Leave	149,774	110,290	141,720	108,389
Employer Superannuation Contribution on Annual Leave	9,462	4,521	9,140	4,445
Long Service Leave	1,377	8,900	1,377	8,900
Retirement Leave	21,651	20,896	21,651	20,896
Employer Superannuation Contribution on Long Service Leave	94	601	94	601
Total Short Term Employee entitlements	217,619	167,748	203,850	163,398
Total Employee Entitlements	\$222,060	\$171,149	\$208,291	\$166,799

16 Scholarship Commitments

	2021 \$	2020 \$
Balance at beginning of the year	4,530,455	4,000,240
Plus: Interest and Dividend Revenue Funding	102,510	99,144
	1,254,197	1,105,161
	1,356,707	1,204,305
	5,887,162	5,204,545
Less: Scholarships Allocated	1,283,662	952,510
	4,603,500	4,252,035
Allocation of fair value change	(290,977)	278,420
Balance at end of the year	\$4,312,523	\$4,530,455

For the Group and NZVCC Represented by:	2022 \$	Fair Value Change	Funds Received	Funds Allocated	2021 \$
Non-Interest Bearing Scholarships					
Asia 2000	238		0	0	238
Commonwealth Scholarship *	0		0	23,212	23,212
Freyberg	47,501		140,000	151,500	59,001
Kitchener	0		0	0	0
NZ University Scholarship	743		0	0	743
The Hydrological Sciences Fellowship	3,289		0	0	3,289
Unicare Fund *	0		0	2,672	2,672
UNIVERSITIES NZ Commonwealth Fund	25,884		25,884	0	0
UNIVERSITIES NZ Miscellaneous Scholarship Fund	12,506		9,535	0	2,971
Interest Bearing Scholarships					
Auckland Medical Aid Trust Scholarship	5,855		76	0	5,779
AUS Crozier Scholarship	2,598		34	0	2,564
Bank of New Zealand Scholarship	67,486		884	0	66,602
Bay Trust Kaitiakitanga Scholarship	2,929		5,028	7,500	5,401
Bing's Scholarship	736		29	2,300	3,007
Buddle Findlay Centennial Scholarship	8,030		105	0	7,925
Children's Health Camps Scholarship	2,863		38	0	2,825
Claude McCarthy Fellowship	421,619		113,281	23,640	331,978
Dick & Mary Earle Scholarship	17,911		53,226	52,804	17,489
Douglas Myers	411		384	584	611
Edward & Isobel Kidson Scholarship	1,247,369	(96,022)	79,060	31,848	1,296,179
E W File Scholarship	25		4,005	4,000	20
Edna Waddell Scholarship	22,084		30,271	25,000	16,813
Electoral Commission Scholarship	109		2	0	107
Georgetti Scholarship	271,121		299,402	343,755	315,474
Girdlers	0		4,591	945	(3,646)
Gordon Watson Scholarship	776,787	(94,480)	58,110	66,573	879,730
Henry Kelsey Scholarship	3,319		20,055	20,000	3,264
J H Aspinall Scholarship	9		0	0	9
Judith Clark Fellowship	544		42,827	42,686	403
Kia Ora Foundation	19,541		23,988	53,103	48,656
Kiwi Music Scholarship	20,801		51,273	46,232	15,760
Kiwirail Group Ltd	12,502		14,127	13,000	11,375
L B Wood Traveling Scholarship	3,838		6,035	4,495	2,298
Mervyn Sterling Memorial Scholarship	7,005		91	0	6,914
NZ Association of Economists *	0		2	141	139
NZFPA Alice Bush Scholarship	4,352		57	0	4,295
NZLF Ethel Benjamin	17,528		42,562	51,065	26,031
Sullivan Scholarship	29,045		401	3,260	31,904
PEANZ	872		11	0	861
Peter Windle Scholarship	24		0	0	24
Pukehou Pouto Scholarship	560,184	(39,573)	29,272	19,955	590,440
Resource Management Law Assn *	0		68	5,847	5,779
Reynolds Scholarship	588		27	10,000	10,561
Rhodes Scholarship	11,719		23,819	16,244	4,144
Road Safety Research Scholarship	7,573		99	0	7,474
Robertson	0		23,949	24,568	619
Seafarers Union Scholarship	3,863		5,036	5,000	3,827
Shirtcliffe Fellowship	548,015	(60,902)	38,283	19,812	590,446
Spark Scholarship	0		20,029	20,720	691
Te Papa Atawhai (DOC)	3,389		67,753	102,000	37,636
Te Putea (Ministry of Transport) *	0		855	29,655	28,800
Te Putea Awhina Akonga Māori A Te Manatu Waka	58,027		66,072	17,947	9,902
Todd Foundation Awards for Excellence	7,563		99	0	7,464
Tower Undergraduate Scholarship *	0		204	19,858	19,654
Transit NZ Post Graduate Scholarships	20,053		263	0	19,790
Waka Kotahi - Transport Research	33,720		50,320	16,600	0
Woolf Fisher	355		5,185	5,141	311
	\$4,312,523	(\$290,977)	\$1,356,707	\$1,283,662	\$4,530,455

* Scholarships closed in 2021-22 year

Interest earned on the investments held as non-interest bearing scholarships has been credited to the NZVCC in lieu of charging administration fees. Interest totalling \$36,185 (2021, \$48,054) was earned on investments represented by interest-bearing scholarship funds. This interest has been apportioned to each respective Scholarship Fund by applying an average interest rate earned for each month to the closing balance of the Scholarship Fund for that month.

Revenue, expenditure and fair value change on investments in the JMIS Portfolio are allocated to the 4 related scholarships in proportion with their investment in the fund. (Gordon Watson 32.47%, Edward & Isobel Kidson 33%, Pukehou Pouto 13.6% and Shirtcliffe Fellowship 20.93%). Interest & Dividends earned totalled \$66,326 (2021, \$51,090) and -\$290,977 (2021, \$278,420) represented the fair value change.

Administration fees are charged to all interest-bearing scholarship funds by the Committee for annual services rendered.

The Committee has assumed the obligation for paying out the above scholarships. The period of payment will depend on the timing of approval of the applications.

All scholarship commitments are non-current liabilities until all restrictions or stipulations of the scholarship award are met. See note 14 for current non-exchange payments from scholarship funds.

17 Income in Advance

The Committee received funding for the Te Kāhui Amokua Indigenous Internationalisation Project, Piki Ake Project, UCAT ANZ Research Project, StudyMove Benchmarking and Future Focus Project in the 2020/22 years that is ongoing as at 30 June 2022 and that the Committee has an obligation to continue in the 2022/23 year.

The liability held in income in advance is unspent income as at 30 June 2022 and will have matching expenditure in the 2022/23 year.

The Committee received funding in advance from the Universities for the Enhanced Communications Project for the July to June 2022 period. The Enhanced Communications project has been included in the Universities NZ core funding from 1 July 2022 and these funds have been credited against the Universities levy contributions invoiced on 1 July 2022.

18 Specialised Funds

Council of New Zealand University Librarians (CONZUL)

NZVCC administers the CONZUL funds on behalf of CONZUL. Funds are received from the eight universities to fund collaborative projects.

Māori Staff Development

NZVCC has undertaken to provide financial administration services on behalf of the Māori Staff Development Fund.

NZ Council of Deans of Education

The NZ Council of Deans of Education received funds as a result of the winding up of the ACENZ and NZVCC has agreed to administer the funds on their behalf.

New Zealand Universities Women in Leadership Programme (NZUWiL)

NZVCC has undertaken to provide financial administration services on behalf of the NZ Universities Women in Leadership programme.

New Zealand Universities Women in Leadership Discipline Pod Programme (NZUWiL Pod funds)

NZVCC has undertaken to provide financial administration services on behalf of the NZUWiL Discipline Pod programme.

Tertiary ICT Conference Fund

NZVCC has undertaken to provide financial administration services on behalf of the Tertiary ICT Conference Fund.

19 Financial Instruments

The carrying amounts of financial assets and financial liabilities in each of the NZ IAS 39 categories are as follows:

	Group 2022 \$	Group 2021 \$	NZVCC 2022 \$	NZVCC 2021 \$
Financial Assets				
Loans and receivables				
Cash and cash equivalents	517,459	1,250,050	419,674	1,123,350
Bank Term Investments	5,109,810	3,346,159	4,808,456	3,103,155
Receivables - exchange transactions	35,690	30,789	28,253	30,767
Recoverables - non-exchange transactions	0	50,000	0	50,000
Available for Sale				
JMIS Investment Portfolio	1,296,797	1,870,266	1,296,797	1,870,266
Financial Liabilities				
Financial liabilities measured at amortised cost				
Trade and Other payables	123,455	155,706	74,267	127,169

Fair Value Hierarchy Disclosures

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

Quoted market price (level 1) - Financial instruments with quoted prices for identical instruments in active markets.

Valuation technique using observable inputs (level 2) - Financial instruments with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial instruments valued using models where all significant inputs are observable.

Valuation techniques with significant non-observable inputs (level 3) - Financial instruments valued using models where one or more significant inputs are not observable.

The following table analyses the basis of the valuation of classes of financial instruments measured at fair value in the statement of financial position.

For NZVCC and the Group

	Total \$	Valuation technique		
		Quoted market Price \$	Observable inputs \$	Significant non- observable inputs \$
30 June 2021				
Financial Assets				
JMIS Investment Portfolio	1,870,266	1,870,266	0	0
30 June 2022				
Financial Assets				
JMIS Investment Portfolio	1,296,797	1,296,797	0	0

There are no transfers between the different levels of the fair value hierarchy.

Credit Risk

Financial instruments which potentially subject NZVCC and the Group to credit risk principally consist of Cash and Cash Equivalents and Trade and Other Receivables.

The maximum exposures to credit risk at balance date were:

	Group 2022 \$	Group 2021 \$	NZVCC 2022 \$	NZVCC 2021 \$
Cash on Hand	706	589	520	414
Bank Balances	516,753	1,249,461	419,154	1,122,936
Receivables - exchange transactions	35,690	30,789	28,253	30,767
Recoverables - non-exchange transactions	0	50,000	0	50,000
Investments	1,296,797	1,870,266	1,296,797	1,870,266
Bank Deposits	5,109,810	3,346,159	4,808,456	3,103,155
BNZ Credit Cards	54,000	52,500	46,000	44,500

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

Counterparty risk is minimized by spreading investments over registered New Zealand banks.

Concentrations of Credit Risk

The NZVCC and the Group is not exposed to any concentration of credit risk.

Interest Rate Risk

The NZVCC and the Group is primarily a short term investor in on-call funds and term deposits not exceeding one year. The interest rate risk exposure on deposits pertains to fluctuations in market rates of interest.

The NZVCC and the Group seeks to manage movements in investment interest rates by maintaining a balanced portfolio.

Foreign Exchange Risk

Transactions in foreign currencies are recorded at the New Zealand rate of exchange ruling at the date of transaction. At balance date foreign monetary assets and liabilities are translated at appropriate closing exchange rates, and gains or losses due to currency fluctuations on these items are included in the Financial Statements.

20 Operating leases

The NZVCC entered into a non-cancellable lease for Level 9, 142 Lambton Quay from Zircon Properties Ltd with effect from 1 August 2009 the lease has been renewed for a further 6 year term from 1 August 2018. The NZVCC entered into a photocopier lease with Konica Minolta in December 2019. The total lease commitments are as follows:

	Group 2022 \$	Group 2021 \$	NZVCC 2022 \$	NZVCC 2021 \$
Not later than one year	168,788	168,788	168,788	168,788
Later than one year but not later than five years	187,548	356,336	187,548	356,336
Later than five years	0	0	0	0
Total lease commitments	\$356,336	\$525,124	\$356,336	\$525,124

The total expense for the year relating to the payment of leases was \$168,788 (2021, \$168,788).

21 Auditors' Remuneration

The auditor of NZVCC and AQA is BDO Wellington on behalf of the Auditor-General.

	Group 2022 \$	Group 2021 \$	NZVCC 2022 \$	NZVCC 2021 \$
Audit of the Financial Statements	24,400	26,000	15,350	16,435
Office Audit General overhead charge	1,718	1,350	1,057	850
Total	\$26,118	\$27,350	\$16,407	\$17,285

22 Related Party

The AQA is a related party by virtue of the fact that the NZVCC has the capacity to appoint all members of the Governing body of the AQA.

During the year NZVCC applied for and received \$350,000 (2021, \$350,000) of University Annual Grants on behalf of the AQA. These funds were then paid to the AQA upon receipt of an invoice.

NZVCC provided serviced offices and provided other administrative services to AQA during the year and received \$39,917 (2021, \$42,802) revenue for these services.

The NZQA is a related party by virtue of the fact that the Vice-Chancellor of Canterbury University, Professor Cheryl de la Rey, is a member of the NZQA Board and NZQA provided funding to NZVCC \$275,000 (2021, \$165,000) for the costs associated with discharging NZVCC responsibilities under the Delegation from Code Administrator to the NZVCC.

The Universities are a related party by virtue of the fact that they provide the majority of the funding for the NZVCC. During the year NZVCC applied for and received from the universities the following in University Annual Grants.

	Group 2022 \$	Group 2021 \$	NZVCC 2022 \$	NZVCC 2021 \$
The University of Auckland	581,875	583,865	506,307	508,039
Auckland University of Technology	330,337	333,961	287,436	290,589
The University of Waikato	217,747	217,890	189,468	189,592
Massey University	333,096	334,438	289,837	291,004
Victoria University of Wellington	329,608	329,070	286,802	286,334
University of Canterbury	302,646	294,793	263,341	256,509
Lincoln University	144,142	146,441	125,422	127,423
University of Otago	455,549	454,542	396,387	395,510
Total	\$2,695,000	\$2,695,000	\$2,345,000	\$2,345,000

The Universities Cost-splitting income provides funding for specific projects. In 2022 calendar year \$170,000 additional funding was received from the Universities for the Universities NZ Enhanced Work Programme for the 2022 calendar year. The Universities NZ Enhanced Communications project funding has been included in the Universities NZ core funding from 1 July 2022 and six months of this funding has been credited against the Universities levy contributions to Universities NZ in 1 July 2022.

	Group 2022 \$	Group 2021 \$	NZVCC 2022 \$	NZVCC 2021 \$
The University of Auckland	39,789	21,015	39,789	21,015
Auckland University of Technology	22,589	12,020	22,589	12,020
The University of Waikato	14,890	7,843	14,890	7,843
Massey University	22,778	12,037	22,778	12,037
Victoria University of Wellington	22,539	11,844	22,539	11,844
University of Canterbury	20,695	10,610	20,695	10,610
Lincoln University	9,857	5,271	9,857	5,271
University of Otago	31,151	16,360	31,151	16,360
Total	\$184,288	\$97,000	\$184,288	\$97,000

The Universities provided a contribution of \$5,000 each, \$40,000 (2021, \$0) for payment to University and Tertiary Sport New Zealand (UTSNZ) for National Tertiary Championship broadcasting costs on receipt of an invoice from UTSNZ.

The University of Auckland provides assistance with Copyright issues and NZVCC pays for these services upon receipt of an invoice 2022, \$42,950 (2021, \$37,000). The amount of \$0, 2022 (\$9,250, 2021) were owed by NZVCC to The University of Auckland as at 30 June 2022.t

Key Management employees received the following forms of compensation during the course of the year.

	Group 2022 \$	FTE's 2022	Group 2021 \$	FTE's 2021	NZVCC 2022 \$	FTE's 2022	NZVCC 2021 \$	FTE's 2021
Key Management Personnel	769,425	4	687,243	4	550,663	3	474,267	3
AQA Board Honoraria	34,308	8 People	32,706	9 People	0	0 People	0	0 People
	803,733		719,949		550,663		474,267	

23 Commitments

There are no capital commitments at 30 June 2022. (2021 Nil)

24 Contingent liabilities

There are no contingent liabilities at 30 June 2022. (2021 Nil)

25 Events after reporting date

There were no significant events after the balance date.