



TE TAUĀKI PŪTEA FINANCIAL STATEMENTS

For the year ended 31 December 2023

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STATEMENT OF RESPONSIBILITY

We are responsible for:

- ▶ the preparation of the annual financial statements and statement of service performance and the judgements used in them;
- ▶ establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting.

In our opinion the financial statements and statement of service performance for the financial year ended 31 December 2023 fairly reflect the financial position and operations of Victoria University and the Group.



John Allen
Chancellor
25 March 2024



Professor Nic Smith
Vice-Chancellor
25 March 2024

TE TAUĀKI WHIWHINGA, WHAKAPAUNGA WHĀNUI

STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE

For the year ended 31 December 2023

	NOTE	CONSOLIDATED			UNIVERSITY		
		ACTUAL 2023 \$'000	BUDGET 2023 \$'000	ACTUAL 2022 \$'000	ACTUAL 2023 \$'000	BUDGET 2023 \$'000	ACTUAL 2022 \$'000
Revenue							
Government funding		153,224	171,779	164,293	153,224	171,779	164,293
Performance-Based Research Fund (PBRF) funding		37,116	36,615	35,959	37,116	36,615	35,959
Domestic tuition		91,753	103,772	97,677	91,753	103,772	97,677
Full-fee tuition		38,780	39,727	27,756	38,780	39,727	27,756
Research		93,835	87,845	82,631	37,417	37,912	36,876
Commercial		17,779	19,516	13,925	11,284	14,728	7,884
Other revenue	2	113,783	72,598	71,884	105,775	66,607	66,759
Total operating revenue	2	546,270	531,852	494,125	475,349	471,140	437,204
Expenses							
People	3	295,398	295,621	283,916	271,711	271,128	260,535
Operating	4	141,252	136,675	133,481	94,020	101,622	100,017
Occupancy	4	43,860	43,392	42,442	42,694	44,112	41,457
Finance costs	5	2,132	4,336	2,191	6,253	7,898	3,829
Depreciation & amortisation	12,13	55,199	51,700	48,363	54,234	51,321	47,704
Total operating expenses		537,841	531,724	510,393	468,912	476,081	453,542
Surplus/(deficit)		8,429	128	(16,268)	6,437	(4,941)	(16,338)
Victoria University of Wellington Foundation:							
Foundation revenue		30,710	7,350	(2,339)	-	-	-
Foundation expenses		(8,219)	(6,658)	(6,617)	-	-	-
Movement of net assets	6	22,491	692	(8,956)	-	-	-
Surplus/(deficit) (including the Foundation)		30,920	820	(25,224)	6,437	(4,941)	(16,338)
Other comprehensive revenue and expense							
Movements in revaluation reserve	12	(44,303)	-	168,004	(44,141)	-	171,921
Net movement in cash flow hedges		(1,470)	-	2,747	(1,470)	-	2,747
Total other comprehensive income		(45,773)	-	170,751	(45,611)	-	174,668
Total comprehensive income		(14,853)	820	145,527	(39,174)	(4,941)	158,330

The accompanying notes form part of these financial statements.

STATEMENT OF FINANCIAL POSITION

As at 31 December 2023

	NOTE	CONSOLIDATED			UNIVERSITY		
		ACTUAL 2023 \$'000	BUDGET 2023 \$'000	ACTUAL 2022 \$'000	ACTUAL 2023 \$'000	BUDGET 2023 \$'000	ACTUAL 2022 \$'000
Current assets							
Cash & cash equivalents	8	54,772	77,800	48,449	19,947	53,307	14,482
Investments & other financial assets	9	87,382	66,952	86,786	12,175	1,900	14,681
Accounts receivable & accruals	10	30,233	10,157	16,754	23,487	11,200	26,794
Pre-paid expenses	11	22,901	20,066	20,800	19,012	17,100	17,677
Other current assets	7	6,113	3,043	9,539	186	100	441
Loans to related parties	19	–	–	–	6,110	7,000	6,760
Total current assets		201,401	178,018	182,328	80,917	90,607	80,835
Non-current assets							
Property, plant, & equipment	12	1,192,561	1,119,297	1,249,045	1,185,638	1,100,800	1,241,799
Intangibles	13	12,444	4,659	4,294	12,362	4,600	4,185
Investments & other financial assets	9,14	8,848	3,469	4,745	3,251	5,300	3,251
Total non-current assets		1,213,853	1,127,425	1,258,084	1,201,251	1,110,700	1,249,235
Total assets		1,415,254	1,305,443	1,440,412	1,282,168	1,201,307	1,330,070
Current liabilities							
Accounts payable & accruals	15	73,525	76,585	70,470	61,447	64,584	60,213
Revenue in advance	16	86,861	68,700	88,310	36,591	20,400	29,795
Related party borrowings	19	–	–	–	70,000	87,000	75,000
Employee entitlements	17	19,389	18,800	19,127	19,195	18,400	18,771
Bank borrowings	18	71,000	–	–	71,000	–	–
Other current liabilities		–	3,000	–	–	–	–
Total current liabilities		250,775	167,085	177,907	258,233	190,384	183,779
Non-current liabilities							
Employee entitlements	17	19,342	22,500	19,515	19,302	22,500	19,484
Bank borrowings	18	–	118,000	83,000	–	118,000	83,000
Total non-current liabilities		19,342	140,500	102,515	19,302	140,500	102,484
Total liabilities		270,117	307,585	280,422	277,535	330,884	286,263
Net assets		1,145,137	997,858	1,159,990	1,004,633	870,423	1,043,807
Community equity							
Accumulated surplus		485,338	462,981	454,418	332,895	327,742	326,458
Other reserves		659,855	534,877	705,628	671,738	542,681	717,349
Non-controlling interest		(56)	–	(56)	–	–	–
Total community equity		1,145,137	997,858	1,159,990	1,004,633	870,423	1,043,807

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2023

	NOTE	CONSOLIDATED			UNIVERSITY		
		ACTUAL 2023 \$'000	BUDGET 2023 \$'000	ACTUAL 2022 \$'000	ACTUAL 2023 \$'000	BUDGET 2023 \$'000	ACTUAL 2022 \$'000
Community equity at 1 January		1,159,990	997,038	1,014,463	1,043,807	875,364	885,477
Surplus/(deficit) for the year		30,920	820	(25,224)	6,437	(4,941)	(16,338)
Other comprehensive revenue and expense							
(Decrease)/increase in asset revaluation reserve	12	(44,303)	–	168,004	(44,141)	–	171,921
(Decrease)/increase in cash flow hedge reserve		(1,470)	–	2,747	(1,470)	–	2,747
Total comprehensive revenue and expense		(14,853)	820	145,527	(39,174)	(4,941)	158,330
Community equity at 31 December	21	1,145,137	997,858	1,159,990	1,004,633	870,423	1,043,807
Community equity represented by:							
Accumulated surplus							
Opening balance		454,418	462,161	479,642	326,458	332,683	342,796
Surplus/(deficit) for the year		30,920	820	(25,224)	6,437	(4,941)	(16,338)
Closing balance		485,338	462,981	454,418	332,895	327,742	326,458
Non-controlling interest							
Opening balance		(56)	–	(56)	–	–	–
Closing balance		(56)	–	(56)	–	–	–
Asset revaluation reserve							
Opening balance		702,577	534,573	534,573	714,298	542,377	542,377
(Decrease)/increase in revaluation reserve	12	(44,303)	–	168,004	(44,141)	–	171,921
Closing balance		658,274	534,573	702,577	670,157	542,377	714,298
Cash flow hedge Reserve							
Opening balance		3,051	304	304	3,051	304	304
(Decrease)/increase in cash flow hedge reserve		(1,470)	–	2,747	(1,470)	–	2,747
Closing balance		1,581	304	3,051	1,581	304	3,051
Community equity at 31 December		1,145,137	997,858	1,159,990	1,004,633	870,423	1,043,807

The accompanying notes form part of these financial statements.

TE TAUĀKI KAPEWHITI

STATEMENT OF CASH FLOWS

For the year ended 31 December 2023

	NOTE	CONSOLIDATED			UNIVERSITY		
		ACTUAL 2023 \$'000	BUDGET 2023 \$'000	ACTUAL 2022 \$'000	ACTUAL 2023 \$'000	BUDGET 2023 \$'000	ACTUAL 2022 \$'000
Cash flows from operating activities							
Government funding		155,926	171,779	173,662	155,926	171,779	173,662
PBRF revenue		37,116	36,615	35,959	37,116	36,615	35,959
Tuition fees		132,897	143,499	138,034	132,897	143,499	138,034
Research, commercial, & other revenue		226,319	172,499	167,139	165,193	116,386	91,659
Interest received		3,098	1,765	1,643	3,125	1,765	1,383
Cash donations		6,932	5,696	6,930	111	1,096	3,274
GST (net)		2,447	(600)	(4,486)	2,359	(600)	(4,305)
Payments to employees		(296,737)	(294,121)	(285,055)	(272,657)	(269,628)	(261,791)
Payments to suppliers		(192,691)	(179,132)	(187,641)	(140,456)	(147,624)	(142,683)
Interest paid		(2,132)	(4,336)	(2,191)	(6,253)	(4,336)	(3,829)
Net cash flow from operating activities		73,175	53,664	43,994	77,361	48,952	31,363
Cash flows from investing activities							
Receipts from sale of property, plant, equipment & intangibles		3	–	3	3	–	3
Purchase of property, plant, equipment & intangibles		(57,118)	(68,645)	(76,350)	(55,574)	(68,645)	(75,497)
Receipts for Investments		7,017	1,242	16,131	1,686	–	18,480
Payments for Investments		(4,754)	(3,061)	(7,004)	(1,011)	–	(6,760)
Net cash flow to investing activities		(54,852)	(70,464)	(67,220)	(54,896)	(68,645)	(63,774)
Cash flows from financing activities							
Proceeds from borrowings		71,000	17,000	47,000	71,000	17,000	47,000
Proceeds from related party borrowings		–	–	–	(83,000)	5,000	12,000
Repayment of borrowings		(83,000)	–	(25,000)	(5,000)	–	(25,000)
Net cash flow from/(to) financing activities		(12,000)	17,000	22,000	(17,000)	22,000	34,000
Net increase/(decrease) in cash, cash equivalents, and bank overdrafts		6,323	200	(1,226)	5,465	2,307	1,589
Cash and cash equivalents at the beginning of the year		48,449	77,600	49,675	14,482	51,000	12,893
Cash, cash equivalents, and bank overdrafts at the end of the year	8	54,772	77,800	48,449	19,947	53,307	14,482

The accompanying notes form part of these financial statements.

Reconciliation of (deficit)/surplus to net cash flow from operating activities

For the year ended 31 December 2023

	CONSOLIDATED		UNIVERSITY	
	ACTUAL 2023 \$'000	ACTUAL 2022 \$'000	ACTUAL 2023 \$'000	ACTUAL 2022 \$'000
Surplus/(deficit)	30,920	(25,224)	6,437	(16,338)
Add/(less) non-cash items				
Depreciation & amortisation	55,199	48,363	54,234	47,704
Other non-cash items	9,128	(2,008)	10,607	1,943
Total non-cash items	64,327	46,355	64,301	49,647
Add/(less) items classified as investing activities				
Losses on disposal of property, plant, & equipment	(3)	592	(3)	592
(Gains)/losses on investments held at fair value	(7,492)	7,600	–	–
Total items classified as investing or financing activities	(7,495)	8,192	(3)	592
Add/(less) changes in working capital items				
(Increase)/decrease in receivables	(13,390)	(11,079)	3,671	(19,020)
(Increase)/decrease in deferred revenue	–	(1,018)	–	(1,018)
(Increase)/decrease in prepayments	(2,101)	(1,311)	(1,334)	(1,425)
(Increase)/decrease in other current assets	3,427	(3,023)	300	(344)
Increase/(decrease) in accounts payable	(1,228)	8,162	(2,721)	7,091
Increase/(decrease) in employment provisions	164	(1,820)	(86)	(1,110)
Increase/(decrease) in revenue received in advance	(1,449)	24,760	6,796	13,288
Net cash inflow/(outflow) from operating activities	73,175	43,994	77,361	31,363

The accompanying notes form part of these financial statements.

Reconciliation of net surplus/(deficit) to net cash flow from operating activities (continued)
Reconciliation of liabilities arising from financing activities

CONSOLIDATED	2022 \$'000	CASH FLOWS \$'000	NON-CASH CHANGES \$'000	2023 \$'000
Bank borrowings	83,000	(12,000)	–	71,000
	83,000	(12,000)	–	71,000

CONSOLIDATED	2021 \$'000	CASH FLOWS \$'000	NON-CASH CHANGES \$'000	2022 \$'000
Bank borrowings	61,000	22,000	–	83,000
	61,000	22,000	–	83,000

UNIVERSITY	2022 \$'000	CASH FLOWS \$'000	NON-CASH CHANGES \$'000	2023 \$'000
Bank Borrowings	83,000	(12,000)	–	71,000
Related party borrowings	75,000	(5,000)	–	70,000
	158,000	(17,000)	–	141,000

UNIVERSITY	2021 \$'000	CASH FLOWS \$'000	NON-CASH CHANGES \$'000	2022 \$'000
Bank borrowings	61,000	22,000	–	83,000
Related party borrowings	63,000	12,000	–	75,000
	124,000	34,000	–	158,000

The accompanying notes form part of these financial statements.