



2009 Annual Report Supplement

Financial Statements
Key Performance Indicators
Characteristics of the Student Population

A Year of Achievements

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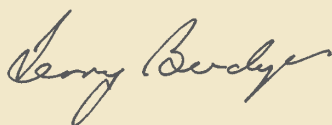
Certification of Financial Statements

The accompanying financial statements of Murdoch University and the accompanying consolidated financial statements have been prepared in accordance with the provisions of the Financial Management Act 2006 from proper accounts and records to present fairly the financial transactions for the financial year ending 31 December 2009 and the financial position as at 31 December 2009.

We declare that the amount of Australian Government financial assistance expended during the reporting period was for the purpose for which it was intended and Murdoch University has complied with applicable legislation, contracts, agreements and program guidelines in making expenditure.

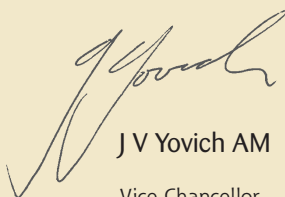
At the date of signing we are not aware of any circumstance that would render the particulars included in the financial statements misleading or inaccurate.

10 March 2010



T C Budge

Chancellor



J V Yovich AM

Vice Chancellor



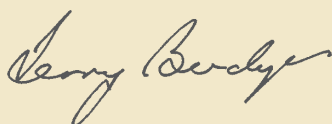
J E Keene

Chief Finance Officer

Certification of Key Performance Indicators

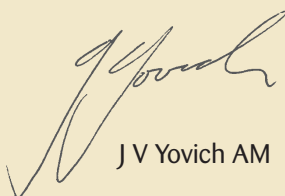
We hereby certify that the 2009 Key Performance Indicators are based on proper records, are relevant and appropriate for assisting users to assess Murdoch University's performance, and fairly represent the performance of Murdoch University for the year ending 31 December 2009.

10 March 2010



T C Budge

Chancellor



J V Yovich AM

Vice Chancellor

Report by Members of Senate

Members

The following persons were members of the Murdoch University Senate during the year and up to the date of this report:

Terry Budge (Chancellor)

Member since 2004

Eva Skira (Deputy Chancellor)

Member since 2008

Professor John Yovich (Vice Chancellor)

Member since 2002

Brian Aitken

Member since 2005

Janice Bowra

Member since 2003

Professor Nick Costa

Member since 2003

Term expired 22 October 2009

Associate Professor Lance Fung

Appointed 29 April 2009

Russell Gibbs

Member since 2008

Garry Hunt

Member since 2004

Tony Iannello

Member since 2006

Dr Marian Kemp

Member since 2007

Brodie Lewis

Appointed 1 January 2010

Darren Munday

Member since 2008

Maxine Murray

Member since 2008

Paul Niardone

Member since 2008

Associate Professor Pia Broderick

Appointed 6 November 2009

Professor Jacqueline Phillips

Member since 2008

Resigned 25 February 2009

Courtney Robertson

Appointed 1 January 2009

Term expired 31 December 2009

Dr Lyndy Scott

Member since 2007

Basha Stasak

Appointed 1 January 2009

Dr Stewart Washer

Member since 2007

Meetings of Members

The numbers of meetings of the members of the Murdoch University Senate and of each Senate Sub-Committee held during the year ended 31 December 2009, and the numbers of meetings attended by each Senate member were:

	Senate		Senate Sub-Committees													
	A	B	Audit & Risk Management		Chancellor's		Environmental		Governance & Nominations		Honorary Awards & Ceremonial		Legislation		Resources	
			A	B	A	B	A	B	A	B	A	B	A	B	A	B
Terry Budge (Chancellor)	6	6			1	1			2	2	2	1				
Eva Skira (Deputy Chancellor)	6	5	4	4	1	1			2	2	2	2			6	4
Professor John Yovich (Vice Chancellor)	6	6					4	2	2	2	2	2	1	1	6	4
Brian Aitken	6	6	4	4	1	1									6	5
Janice Bowra	6	5	4	4									1	1		
Associate Professor Pia Broderick	1	1														
Professor Nick Costa	6	4					4	4	2	2	1	0				
Associate Professor Lance Fung	5	4											1	1		
Russell Gibbs	6	3													6	4
Garry Hunt	6	5			1	1	4	3							6	5
Tony Iannello	6	5			1	1			2	1					6	6
Dr Marian Kemp	6	5														
Brodie Lewis	0	0														
Darren Munday	6	5									2	2			6	3
Maxine Murray	6	6											1	1		
Paul Niardone	6	4														
Professor Jacqueline Phillips	1	1														
Ms Courtney Robertson	6	6	4	2					2	0	2	0				
Dr Lyndy Scott	6	5	4	2												
Basha Stasak	6	5											1	0	6	2
Dr Stewart Washer	6	3					4	2								

A = Number of meetings held during the time the member held office or was a member of the committee during the year

B = Number of meetings attended

Note:

The Senate Sub-Committee members that are not Senate members have been excluded from the table above.

Principal Activities

During the year the principal continuing activities of the University and its subsidiaries (the Group) consisted of higher education, research, consultancy and other commercial operations supporting University activities.

There were no significant changes in the nature of the activities of the Group during the financial year.

Review of Operations

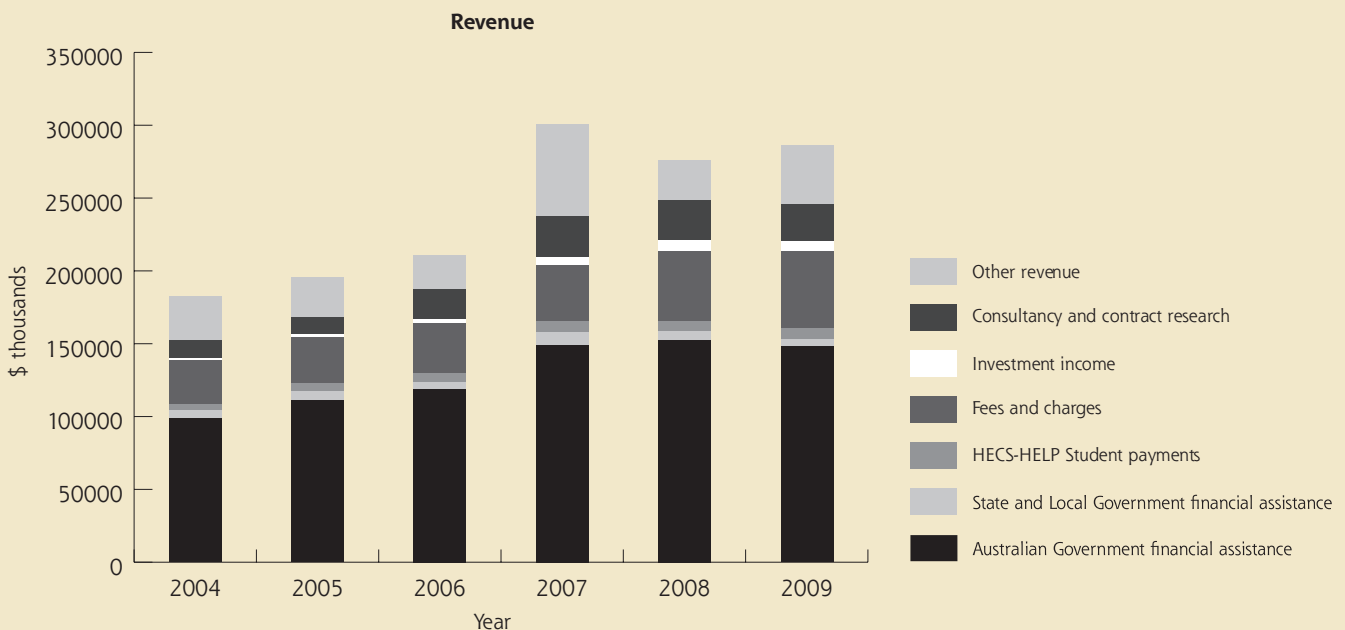
The Group reported an operating result after tax of \$14.5 million (2008: \$14.4 million) for the year, an increase of one per cent. The University reported an operating result after tax of \$11.3 million (2008: \$15.4 million) for the year, a decrease of twenty-seven per cent.

Although the consolidated result shows a slight increase from the previous year, the underlying result of the Group is more comparable if 'abnormal' and one-off items are excluded.

Below is a comparison of the underlying result of the Group:

	2009	2008
	\$m	\$m
Consolidated result (reported)	14.5	14.4
<i>Adjusted for: 'Abnormal' and one-off items</i>		
(i) Capital grant from Better Universities Renewal Fund	-	(7.8)
(ii) Other capital grants and endowment earnings	(6.7)	1.1
(iii) Investment property valuation adjustments	(0.7)	(0.5)
(iv) Sponsorship income	(5.0)	-
(v) Commonwealth Grant Scheme adjustments	(0.8)	(8.3)
(vi) Productivity improvement program costs	0.6	5.1
(vii) Special dividend from IDP Education Pty Ltd	(1.0)	-
(viii) Debt provision	1.0	-
Consolidated result (underlying)	1.9	4.0

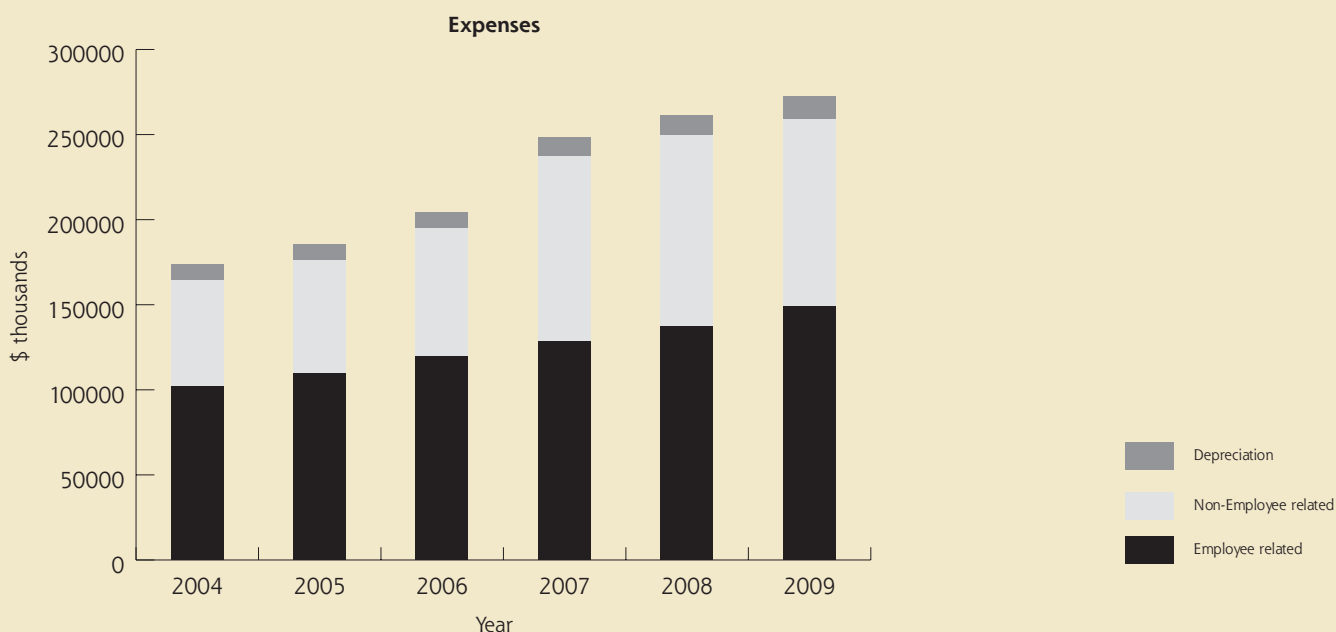
- (i) Capital grant of \$7.8 million from the Federal Government's Better Universities Renewal Fund (BURF);
- (ii) Capital development pool funding and the net impact of the endowment earnings;
- (iii) Valuation adjustments to investment property (excluding the St Ives Retirement Village) held by the University;
- (iv) Sponsorship income to support the Institute for Immunology and Infectious Diseases;
- (v) Commonwealth Grant Scheme adjustments from the Department of Education, Employment and Workplace Relations; and
- (vi) Costs associated with the productivity improvement program.



The Group reported revenue of \$286.7 million for 2009 (\$275.6 million in 2008), an increase of four per cent over the prior year.

The revenue increase is a combination of:

- Growth in fees and charges (\$4.9 million or ten per cent) largely associated with international onshore and offshore student fees;
- An increase in investment revenue and income (\$0.3 million or four per cent), however if the investment losses are included, net investment returns increased \$4.5 million or one hundred and fifty-seven per cent, largely the result of the improved financial markets, offset by lower interest rates;
- An uplift in the fair value adjustment on investment property (\$3.9 million or three hundred and thirty-eight per cent), largely related to the St Ives Retirement Village;
- A one off sponsorship received (\$5.0 million) to support the Institute for Immunology and Infectious Diseases;
- Lower Australian Government Financial Assistance (\$4.4 million or three per cent). Excluding the one off capital grants from BURF (\$7.8 million in 2008), the increase in Australian Government Financial Assistance is \$3.4 million or two per cent; and
- A decrease in State Government grants received (\$0.3 million or five per cent).



The Group reported expenses of \$270.0 million for 2009, an increase of \$8.4 million or three per cent over 2008.

Employee related costs increased \$12.2 million or nine per cent, from \$137.0 million in 2008 to \$149.2 million in 2009.

This increase is due primarily to:

- Salary increases; and
- Automatic progression to higher paid levels of staff on Collective Workplace Agreements.

Non employee related costs decreased \$3.8 million, or three per cent, largely due to lower investment losses (\$4.2 million or ninety-three per cent) associated with the improved financial markets and reduced costs associated with the University productivity improvement program (\$4.4 million or eighty-seven per cent). The decrease is partially offset by increases in repairs and maintenance (\$1.2 million or nine per cent) and bad debts (\$1.1 million or three hundred and fifty-two per cent) largely relating to an increase in debt provisions.

Depreciation has increased as a result of new asset acquisitions, including the commissioning of new buildings (\$1.1 million or nine per cent).

Income tax expense has increased by \$2.6 million or six hundred and eight per cent, largely due to the increased deferred tax expense (\$3.1 million or two hundred and ninety-six per cent) associated with the St Ives Retirement Village.

A comprehensive review of the operations of the Group and the results of those operations is contained in the Vice Chancellor's Report included in the University's Annual Report.

Current assets vs Current liabilities

The consolidated Statement of Financial Position reflects current assets of \$83.9 million and current liabilities of \$186.7 million.

This position is distorted by the resident loans relating to the St Ives Retirement Village of \$108.3 million which are classified as current liabilities. Under Australian Accounting Standards and under our policy as per note 1 (r) of the financial statements, the resident loans are required to be recognised as current liabilities as residents have control over when they exit the village, not the consolidated group. As a result, the consolidated group does not have an unconditional right to defer settlement.

The classification of the resident loans as current liabilities operates under the assumption that the consolidated group could be required to repay the entire liability at once. In practice however, this will not occur. Additionally, it is estimated that all payments required would be funded by the cash received from incoming new residents. This has been the situation since the retirement village commenced operations.

Based on the above, excluding the resident loans, the current liabilities would be \$78.4 million.

Audit Qualification from the Office of the Auditor General

The Office of the Auditor General has qualified the University's financial report for the year ended 31 December 2009.

The qualification is based on the accounting treatment applied by the University for the recognition of research income which differs from the opinion of the Auditor General.

The University's treatment of research income is in accordance with the Australian equivalents to International Financial Reporting Standard AASB 118 'Revenue'.

The University regards the receipt of these payments as a reciprocal transfer, as the University is required to undertake specific research in return for the research grants. Where the University fails to undertake the specific research, or to fully expend the research grant, the research grant or part thereof is required to be returned to the funding body. Under these conditions the payment received in advance may not be recognised until the University meets its obligations in the relevant year.

The Auditor-General has taken the view that these payments should be treated as income in the actual year of receipt and for that reason has qualified the University's financial report. The University does not agree with the interpretation of the nature of the income and believes this treatment distorts the University's performance from year to year.

The University has previously sought external advice from a professional accounting firm independent of the Auditor-General, which confirms the University's interpretation of the standards.

Changes in State of Affairs

In the opinion of the Members of the Senate, there were no significant changes in the state of affairs of the Group during the financial year under review.

Subsequent Events

There has not arisen in the period between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect significantly the operations or results of the Group.

Future Developments

The Group will continue to pursue its primary activities of higher education and research. It will further continue to identify commercial activities that provide opportunities for the Group to expand its primary activities, to further develop its endowment funds to strengthen the long term financial security of the Group, and expand the educational and research activities.

The higher education sector is facing ongoing challenges as a result of both changing market conditions and Commonwealth government policy. The Group continues to develop strategies and initiatives to operate successfully in this environment. This is likely to see ongoing change both within the sector and the Group.

Further information about likely developments in the operations of the Group and the expected results of those operations in future financial years has not been included in this report because disclosure of the information would be likely to result in unreasonable prejudice to the Group.

Environment and Occupational Health

The Group's operations are subject to various environmental regulations under both Commonwealth and State legislation, which sets the minimum requirement the Group entity must meet.

The University has an Environmental Committee, which considers environmental issues on the University's campuses.

The University also has an Occupational Safety and Health Committee which considers regulatory and other obligations in relation to health and safety.

The University has been implementing an Asbestos Management Plan and has had several projects underway to remove and significantly decrease the risk of asbestos on campus. Over the last four years the University has removed all asbestos roofing material.

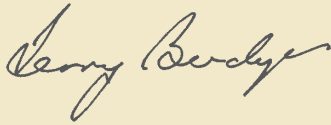
Insurance of Officers

During the financial year, the Group has paid insurance premiums of \$39,631 (2008: \$39,436) in respect of directors' and officers' liability, for current and former directors and officers, including executive officers and secretaries of controlled entities.

Insurance premiums relate to:

- costs and expenses incurred by the relevant directors and officers in defending proceedings; and
- other liabilities that may arise from their position, with the exception of conduct involving a wilful breach of duty or improper use of information or position to gain a personal advantage.

This report is made in accordance with a resolution of the members of the Senate.



T C Budge

Chancellor and Member of Murdoch University Senate

Perth, Western Australia
10 March 2010



Auditor General

INDEPENDENT AUDIT OPINION

To the Parliament of Western Australia

MURDOCH UNIVERSITY FINANCIAL STATEMENTS AND KEY PERFORMANCE INDICATORS FOR THE YEAR ENDED 31 DECEMBER 2009

I have audited the accounts, financial statements, controls and key performance indicators of Murdoch University and the consolidated entity.

The financial statements comprise the Statement of Financial Position as at 31 December 2009, Income Statement and the Statement of Comprehensive Income, Statement of Changes in Equity, and Statement of Cash Flows of the University and the consolidated entity for the year then ended, a summary of significant accounting policies and other explanatory Notes.

The key performance indicators consist of key indicators of effectiveness and efficiency.

University Senate's Responsibility for the Financial Statements and Key Performance Indicators

The University Senate is responsible for keeping proper accounts, and the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards and the Treasurer's Instructions, and the key performance indicators. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements and key performance indicators that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; making accounting estimates that are reasonable in the circumstances; and complying with the Financial Management Act 2006 and other relevant written law.

Summary of my Role

As required by the Auditor General Act 2006, my responsibility is to express an opinion on the financial statements, controls and key performance indicators based on my audit. This was done by testing selected samples of the audit evidence. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion. Further information on my audit approach is provided in my audit practice statement. This document is available on the OAG website under "How We Audit".

An audit does not guarantee that every amount and disclosure in the financial statements and key performance indicators is error free. The term "reasonable assurance" recognises that an audit does not examine all evidence and every transaction. However, my audit procedures should identify errors or omissions significant enough to adversely affect the decisions of users of the financial statements and key performance indicators.

Murdoch University

Financial Statements and Key Performance Indicators for the year ended 31 December 2009

Basis for Qualified Audit Opinion

For the year ended 31 December 2009, the University has reported research grants of \$14.9 million as Other Current Liabilities. As the University effectively controlled these grants as at 31 December 2009, they should have been recognised as income in accordance with the requirements of Australian Accounting Standard AASB 1004 “Contributions”. Accordingly, for the year ended 31 December 2009, Grant Income and the Operating Result are understated by \$1.8 million for the University, Other Current Liabilities are overstated by \$14.9 million, and Retained Surplus is understated by the same amount.

In addition, Australian Accounting Standard AASB 108 “Accounting Policies, Changes in Accounting Estimates and Errors” requires prior period errors to be corrected by restating the 2008 comparative figures in the University’s 31 December 2009 financial statements. The University has not made these retrospective adjustments, and the impact of these errors is that the 31 December 2008 comparative figures for Other Current Liabilities are overstated by \$13.1 million. In addition, Grant Income and the Operating Result are understated by \$2.9 million.

Qualified Audit Opinion

In my opinion,

- (i) except for the effect on the financial statements of the matters referred to in the preceding paragraphs, the financial statements are based on proper accounts and present fairly the financial position of the Murdoch University and the consolidated entity at 31 December 2009 and their financial performance and cash flows for the year ended on that date. They are in accordance with Australian Accounting Standards and the Treasurer’s Instructions;
- (ii) the controls exercised by the University provide reasonable assurance that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions; and
- (iii) the key performance indicators of the University are relevant and appropriate to help users assess the University’s performance and fairly represent the indicated performance for the year ended 31 December 2009.



COLIN MURPHY
AUDITOR GENERAL
12 March 2010

Financial Statements

Income Statement

For the Year Ended 31 December 2009

	Note	Consolidated		University	
		2009 \$000's	2008 \$000's	2009 \$000's	2008 \$000's
Revenue from continuing operations					
Australian government financial assistance					
Australian government grants	5	106,425	112,775	106,423	112,775
HECS-HELP - Australian government payments	5	37,652	35,631	37,652	35,631
FEE-HELP	5	4,035	4,038	4,035	4,038
State and local government financial assistance	6	5,477	5,747	5,477	5,747
HECS-HELP student payments		7,368	7,498	7,368	7,498
Fees and charges	7	52,823	47,913	56,130	50,713
Investment revenue	8	4,297	7,200	3,714	5,020
Consultancy and contract research	9	25,786	27,710	25,073	26,075
Other revenue	10	36,505	27,635	23,669	20,510
Total revenue from continuing operations		280,368	276,147	269,541	268,007
Income from continuing operations					
Investments accounted for using the equity method	40	142	51	-	-
Other investment income	8	3,389	176	2,761	-
Other income	10	2,811	(793)	2,811	(793)
Total income from continuing operations		6,342	(566)	5,572	(793)
Total revenue and income from continuing operations		286,710	275,581	275,113	267,214
Expenses from continuing operations					
Employee related expenses	11	149,206	136,953	147,424	135,246
Depreciation and amortisation	12	13,356	12,261	13,353	12,256
Repairs and maintenance	13	14,260	13,034	13,693	12,705
Borrowing costs	14	720	869	1,423	869
Impairment of assets	15	1,495	331	1,493	295
Investment losses	8	321	4,509	-	2,918
Losses on disposal of assets		118	18	118	18
Other expenses	16	90,519	93,613	86,291	87,554
Total expenses from continuing operations		269,995	261,588	263,795	251,861
Operating result before income tax		16,715	13,993	11,318	15,353
Income tax (expense) / benefit	18	(2,173)	428	(60)	-
Net operating result after income tax for the period		14,542	14,421	11,258	15,353

The Income Statement should be read in conjunction with the accompanying notes.

Statement of Comprehensive Income

For the Year Ended 31 December 2009

	Note	Consolidated		University	
		2009 \$000's	2008 \$000's	2009 \$000's	2008 \$000's
Net operating result after income tax for the period		14,542	14,421	11,258	15,353
Other comprehensive income:					
Gain/(loss) on revaluation of property, plant and equipment – net of tax	25	(13,418)	58,402	(13,418)	58,402
		(13,418)	58,402	(13,418)	58,402
Total comprehensive income		1,124	72,823	(2,160)	73,755

The Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

Statement of Financial Position

As At 31 December 2009

	Note	Consolidated		University	
		2009 \$000's	2008 \$000's	2009 \$000's	2008 \$000's
ASSETS					
Current assets					
Unrestricted cash and cash equivalents	19	43,968	49,718	20,955	25,576
Restricted cash and cash equivalents	19	18,476	26,637	18,476	26,637
Receivables	20	14,138	14,014	13,807	14,070
Inventories	21	1,926	1,570	1,923	1,564
Unrestricted other financial assets	22	954	836	23	-
Other non-financial assets	23	4,430	3,070	4,397	3,036
Total current assets		83,892	95,845	59,581	70,883
Non-current assets					
Receivables	20	900	900	900	900
Unrestricted other financial assets	22	30,131	27,431	30,044	27,364
Investments accounted for using the equity method	40	260	118	-	-
Investment properties	24	152,709	142,158	152,709	142,158
Property, plant and equipment	25	538,956	526,060	538,949	526,051
Deferred tax assets	18(c)	31,981	34,031	-	-
Total non-current assets		754,937	730,698	722,602	696,473
Total assets		838,829	826,543	782,183	767,356
LIABILITIES					
Current liabilities					
Trade and other payables	26	16,848	9,041	14,967	8,479
Borrowings	27	814	1,013	814	1,013
Provisions	28	33,504	35,254	26,678	29,246
Other liabilities	29	135,502	129,497	20,052	21,085
Total current liabilities		186,668	174,805	62,511	59,823
Non-current liabilities					
Borrowings	27	11,205	11,662	26,205	11,662
Provisions	28	4,306	4,550	4,306	4,550
Total non-current liabilities		15,511	16,212	30,511	16,212
Total liabilities		202,179	191,017	93,022	76,035
Net assets		636,650	635,526	689,161	691,321
EQUITY					
Reserves	30	314,653	328,095	314,653	328,095
Retained surplus		321,997	307,431	374,508	363,226
Total equity		636,650	635,526	689,161	691,321

The Statement of Financial Position should be read in conjunction with the accompanying notes.

Statement of Changes in Equity

For the Year Ended 31 December 2009

	Reserves	Retained Surplus	Total
	\$000's	\$000's	\$000's
Consolidated			
Balance at 1 January 2008	269,693	293,010	562,703
Total comprehensive income	58,402	14,421	72,823
Balance at 31 December 2008	328,095	307,431	635,526
Balance at 1 January 2009	328,095	307,431	635,526
Total comprehensive income	(13,418)	14,542	1,124
Transfer (to)/from Reserves	(24)	24	-
Balance at 31 December 2009	314,653	321,997	636,650
University			
Balance at 1 January 2008	269,693	347,873	617,566
Total comprehensive income	58,402	15,353	73,755
Balance at 31 December 2008	328,095	363,226	691,321
Balance at 1 January 2009	328,095	363,226	691,321
Total comprehensive income	(13,418)	11,258	(2,160)
Transfer (to)/from Reserves	(24)	24	-
Balance at 31 December 2009	314,653	374,508	689,161

The Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Statement of Cash Flows

For the Year Ended 31 December 2009

	Note	Consolidated		University	
		2009 \$000's	2008 \$000's	2009 \$000's	2008 \$000's
Cash flows from operating activities					
Australian government grants	5	145,943	152,911	145,941	152,911
State and local government grants		5,477	5,747	5,477	5,747
HECS-HELP - student payments		7,368	7,498	7,368	7,498
OS-HELP (net)	5	(31)	(17)	(31)	(17)
Receipts from student fees and other customers		108,572	103,684	100,130	99,220
Dividends received		1,165	134	1,132	1
Interest received		3,486	7,024	2,764	5,058
Payments to suppliers and employees		(244,270)	(239,415)	(241,577)	(233,255)
Interest and other costs of finance paid		(678)	(857)	(678)	(857)
Income taxes (paid) / refund		(622)	(6,934)	-	-
Net cash provided by / (used in) operating activities	31	26,410	29,775	20,526	36,306
Cash flows from investing activities					
Proceeds from sale of property, plant and equipment		229	306	229	306
Payments for property, plant and equipment and investment property		(47,450)	(40,119)	(47,450)	(40,119)
Proceeds from sale of financial assets		192	79	-	-
Loan from related entities		-	-	15,000	-
Loan to related entities		-	-	(50)	(100)
Net cash provided by / (used in) investing activities		(47,029)	(39,734)	(32,271)	(39,913)
Cash flows from financing activities					
Repayment of borrowings		(840)	(765)	(840)	(765)
Repayment of finance leases		(197)	(148)	(197)	(148)
Initial resident loans received		7,745	2,650	-	-
Net cash provided by / (used in) financing activities		6,708	1,737	(1,037)	(913)
Net increase / (decrease) in cash and cash equivalents		(13,911)	(8,222)	(12,782)	(4,520)
Cash and cash equivalents at the beginning of the financial year		76,355	84,577	52,213	56,733
Cash and cash equivalents at the end of the financial year	19	62,444	76,355	39,431	52,213
Financing arrangement	27				
Non-cash financing and investing activities	31				

The Statement of Cash Flows should be read in conjunction with the accompanying notes.

Notes to the Financial Statements

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1. Statement of significant accounting policies

General statement

The financial statements constitute a general purpose financial statement which has been prepared in accordance with the Australian Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board as applied by the Treasurer's Instructions. Several of these are modified by the Treasurer's Instructions to vary application, disclosure, format and wording.

The Financial Management Act and the Treasurer's Instructions are legislative provisions governing the preparation of financial statements and take precedence over the Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board.

Where modification is required and has a material or significant financial effect upon the reported results, details of that modification and the resulting financial effect are disclosed in the notes to the financial statements.

Modifications or clarifications to accounting standards through the Treasurer's Instructions are to provide certainty and ensure consistency and appropriate reporting across the public sector.

(a) Basis of preparation

The financial statements have been prepared on the accrual basis of accounting using the historical cost convention, modified by the revaluation of land, buildings and infrastructure, investment property and financial assets at fair value through the Income Statement.

The accounting policies adopted in the preparation of the financial statements have been consistently applied throughout all periods presented unless otherwise stated.

The financial statements are presented in Australian dollars and all values are rounded to the nearest thousand dollars (\$'000).

The judgements that have been made in the process of applying the Group's accounting policies that have the most significant effect on the amounts recognised in the financial statements are included at Note 3.

The key assumptions made concerning the future, and other key sources of estimation uncertainty at the year end date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are included at Note 3.

(b) Principles of consolidation

• Subsidiaries

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of the University as at 31 December 2009 and the results of all subsidiaries for the year then ended. The University and its subsidiaries together are referred to in this financial report as the Group or the consolidated entity.

Subsidiaries are all those entities (including special purpose entities) over which the University has the power to govern the financial and operating policies, generally accompanying a shareholding of more than one half of the voting rights.

The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the University controls another entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group.

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

• Associates

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for in the University financial statements using the cost method and in the consolidated financial statements using the equity method of accounting, after initially being recognised at cost.

The Group's share of its associates' post acquisition profits or losses is recognised in the Income Statement, and its share of post acquisition movements in reserves is recognised in reserves. The cumulative post acquisition movements are adjusted against the carrying amount of the investment. Dividends receivable from associates are recognised in the parent entity's Income Statement, while in the consolidated financial statements they reduce the carrying amount of the investment.

When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

(c) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates and amounts collected on behalf of third parties.

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Group and specific criteria have been met for each of the Group's activities as described below. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the sale have been resolved. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Revenue is recognised for the major business activities as follows:

- **Grants (other than research grants), donations, gifts and other non-reciprocal contributions**

Revenue is recognised at fair value when the Group obtains control over the assets comprising the contributions, usually when cash is received.

Other non-reciprocal contributions are recognised at their fair value. Contributions of services are only recognised when a fair value can be reliably determined and the services would be purchased if not donated.

- **Research grant revenue**

Research grant revenue is considered to constitute a reciprocal transfer and therefore recorded in accordance with AASB 118 'Revenue' on the stage of completion method. The stage of completion is measured by reference to total expenditure incurred to date compared with the funding provided. A liability is recognised in the Statement of Financial Position in respect of research grant revenue which is unearned at the year end date.

- **Student fees and charges**

Fees and charges are recognised as income in the year of receipt, except to the extent that fees and charges relate to courses to be held in future periods. Such income is treated as income in advance. Conversely, fees and charges relating to debtors are recognised as revenue in the year to which the prescribed course relates.

- **Interest revenue**

Interest revenue is recognised as it accrues. The effective interest method, which is the rate that discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset is used where applicable.

- **Sale of goods**

Revenue is recognised from the sale of goods and disposal of other assets when the significant risks and rewards of ownership control transfer to the purchaser and can be measured reliably.

- **Dividends**

Dividend revenue is recognised net of any franking credits.

Revenue from distributions from subsidiaries is recognised by the University when the distributions are declared by the subsidiaries. As the University is a tax exempt entity, the University is entitled to claim the franking credits associated with the distributions from the taxation authority.

- **Lease income**

Lease income from operating leases is recognised in income on a straight-line basis over the lease term.

- **Deferred management fees**

Deferred management fees (DMF), relating to the retirement village, are earned whilst the resident occupies the independent living unit or serviced apartment. The DMF revenue on the original loan from the resident is recognised as income on a straight line basis over the resident's expected tenure. Expected tenure is calculated by reference to information issued by the Australian Bureau of Statistics for life expectancy and industry trends regarding rollovers.

The DMF revenue on increases in the market value is recognised on an emerging basis.

Where a rollover occurs prior to estimated tenure duration, the difference between the cash received and the accrued DMF is brought to account as revenue immediately.

(d) Property, plant and equipment

Items of property, plant and equipment are recognised as assets and the cost of utilising assets is expensed (depreciated) over their useful lives. Items of property, plant and equipment costing less than \$5,000 are immediately expensed direct to the Income Statement (other than motor vehicles and artwork, which have no minimum capitalisation limit or where the cost forms part of a group of similar items which are significant in total).

- **Initial recognition and measurement**

All items of property, plant and equipment are initially recognised at cost. For items of property, plant and equipment acquired at no cost or for nominal cost, the cost is their fair value at the date of acquisition.

- **Subsequent measurement**

After recognition as an asset, the revaluation model is used for the measurement of land, buildings, infrastructure and artwork and the cost model for all other property, plant and equipment. Land and artwork are carried at fair value less accumulated impairment losses. Buildings and infrastructure are carried at fair value less accumulated depreciation and accumulated impairment losses. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses.

- **Fair value**

Classes of non-current assets including land, buildings, infrastructure and artworks, measured at fair value, are revalued with sufficient regularity to ensure the carrying amount of each asset in the class does not differ materially from fair value at reporting date. Independent valuations are obtained at least every three years.

Land has been determined on the basis of current use land value for the Murdoch University campus and market land value for all other land.

Buildings and infrastructure are valued at estimated current replacement costs less accumulated depreciation (depreciated replacement cost).

Artworks are valued at market value.

Revaluation increments, on a class of assets basis, are recognised in the asset revaluation reserve except that amounts reversing a decrement previously recognised as an expense are recognised as revenue. Revaluation decrements are only offset against revaluation increments relating to the same class of asset and any excess is recognised as an expense.

- **Cost**

The net book value of library books is based on the cost of acquisitions for three years to the end of the current financial year. The University has adopted a 'rolling depreciation' methodology for library books, whereby acquisitions in the fourth year preceding the reporting year are charged to depreciation.

All other plant and equipment assets are presented at cost less accumulated depreciation and accumulated impairment losses where appropriate.

The Group recognises in the carrying amount of an item of property, plant and equipment the cost of replacing part of such an item when that cost is incurred if it is probable that the future economic benefits embodied with the item will flow to the Group and the cost of the item can be measured reliably. All other costs are recognised in the Income Statement as an expense.

- **Gain/loss on disposal**

The gain or loss on disposal of non-current asset sales is recognised as revenue/expense at the date control of the asset passes to the buyer, usually when an unconditional contract of sale is signed.

The gain or loss on disposal is calculated as the difference between the carrying amount of the asset at the time of disposal and the net proceeds on disposal (including incidental costs).

- **Depreciation**

All non-current assets having a limited useful life are systematically depreciated over their estimated useful lives in a manner that reflects the consumption of their future economic benefits. Land is not depreciated.

The depreciation rates used are as follows:

Computer equipment	25%
Other equipment	12.5%
Buildings and infrastructure	2%
Plant	5%
Motor vehicles	16.67%
Leased plant and equipment	12.5%

Artworks are considered as heritage assets and are anticipated to have very long and indefinite useful lives. Their service potential has not, in any material sense, been consumed during the reporting period. As such, no amount for depreciation has been recognised in respect of works of art.

The basis for depreciation and the depreciation rates are reviewed annually.

(e) Impairment

The carrying amounts of the Group's assets, other than inventories, are reviewed at each year end date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the Income Statement.

The recoverable amount of the Group's investments in held-to-maturity securities and receivables carried at amortised cost is calculated as the present value of estimated future cash flows, discounted at the original effective interest rate (i.e. the effective interest rate computed at initial recognition of these financial assets). Receivables with a short duration are not discounted.

The recoverable amount of other assets is estimated as the greater of fair value less selling costs, and value in use (depreciated replacement cost).

(f) Investment property

Initially, investment property is measured at cost including transaction costs. Cost of enhancements to an existing investment property are capitalised. Costs of day-to-day servicing of an investment property are expensed.

Subsequent to initial recognition, investment property is stated at fair value. Fair value is determined by reference to market-based evidence, which is the amount for which the asset could be exchanged between a knowledgeable willing buyer and a knowledgeable willing seller in an arm's length transaction as at the valuation date.

Gains or losses arising from changes in the fair value of investment property are included as income in the Income Statement in the period in which they arise.

Investment property is de-recognised when it has either been disposed of or when the investment property is permanently withdrawn from use and no future benefit is expected from its disposal. Any gains or losses on de-recognition of an investment property are recognised in the Income Statement in the period of de-recognition.

Land held for development purposes is also classified as investment property.

When an item of property, plant and equipment is transferred to investment property following a change in its use, any differences arising at the date of transfer between the carrying amount of the item immediately prior to transfer and its fair value is recognised in the Income Statement.

If an investment property becomes owner-occupied, it is reclassified as property, plant and equipment and its fair value at the date of reclassification becomes its cost for accounting purposes of subsequent recording.

(g) Investments and other financial assets

The Group classifies its investments and other financial assets in the following categories: financial assets at fair value through profit or loss, loans and receivables and held-to-maturity investments. The classification depends on the purpose for which the investments and other financial assets were acquired. Management determines the classification of its investments at initial recognition and in the case of assets classified as held-to-maturity, re-evaluates this designation at each reporting date.

- **Financial assets at fair value through profit or loss**

This category has two sub-categories: financial assets held for trading, and those designated at fair value through profit or loss on initial recognition. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management. The policy of management is to designate a financial asset if there exists the possibility it will be sold in the short term or the asset is subject to frequent changes in fair value. Assets in this category are classified as current assets if they are either held for trading or are expected to be realised within 12 months of the year end date.

- **Loans and receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Group provides money, goods or services directly to a debtor with no intention of selling the receivable. They are included in current assets, except for those with maturities greater than 12 months after the year end date which are classified as non-current assets. Loans and receivables are included in receivables in the Statement of Financial Position.

- **Held-to-maturity investments**

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Group's management has the positive intention and ability to hold to maturity.

Loans and receivables and held-to-maturity investments are carried at amortised cost using the effective interest method. Realised and unrealised gains and losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are included in the Income Statement in the period in which they arise.

- **Subsidiaries**

Investments in subsidiaries are carried in the University's financial statements at cost less any impairment in value.

- **Other**

In the Group's financial statements, investments in unlisted shares with no active market are carried at cost less any impairment in value.

(h) Inventories

Inventories are valued at the lower of cost and net realisable value with provisions being made for obsolescence where considered necessary. Costs are assigned by the method most appropriate to each particular class of inventory, with the majority being valued on a weighted average basis. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

(i) Provisions

Provisions are liabilities of uncertain timing or amount and are recognised where there is a present legal or constructive obligation as a result of a past event and when the outflow of resources embodying economic benefits is probable and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each year end date.

(j) Employee benefits

- **Annual Leave and Long Service Leave**

The liability for annual and long service leave expected to be settled within 12 months after the year end date is recognised and measured at the undiscounted amounts expected to be paid when the liabilities are settled.

Annual and long service leave expected to be settled more than 12 months after the year end date is measured at the present value of amounts expected to be paid when the liabilities are settled. Leave liabilities are in respect of services provided by employees up to the year end date.

When assessing expected future payments, consideration is given to expected future wage and salary levels including non-salary components such as employer superannuation contributions. In addition, the long service leave liability also considers the experience of employee departures and periods of service.

The expected future payments are discounted using market yields at the year end date on national government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

- **Retirement benefit obligations**

The employees of the Group are entitled to benefits on retirement from superannuation plans elected by the employees. These plans incorporate defined contribution sections only as per AASB 119 'Employee benefits'.

Obligations for contributions to defined contribution plans are recognised as an expense in the Income Statement as incurred.

- **Employee on-costs**

Employee on-costs in relation to long service leave and annual leave are recognised as liabilities and expenses when the employment to which they relate has occurred.

(k) Leases

Leases of property, plant and equipment where the Group, as lessee, has substantially all the risks and rewards of ownership, are classified as finance leases. Finance leases are capitalised at the lease's inception at the lower of the fair value of the leased property and the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in other short-term and long-term payables. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the Income Statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases are depreciated over the shorter of the asset's useful life and the lease term.

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the Income Statement on a straight-line basis, over the period of the lease.

(l) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Trade receivables are due for settlement no more than 30 days.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for impairment of receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial. The amount of the provision is recognised in the Income Statement.

The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in the Income Statement. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited in the Income Statement.

(m) Borrowings

Borrowings are recognised initially at cost, being the fair value of the consideration received. Subsequent to initial recognition, borrowings are stated at amortised cost with any difference between cost and redemption value being recognised in the Income Statement over the period of the liabilities on an effective interest basis.

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

(n) Borrowing costs

Borrowing costs are expensed as incurred unless they relate to the acquisition, construction or production of qualifying assets.

Qualifying assets are assets that take more than 12 months to get ready for their intended use or sale. In these circumstances, borrowing costs are capitalised to the cost of the assets. Where funds are borrowed specifically for the acquisition, construction or production of a qualifying asset, the amount of borrowing costs capitalised is those incurred in relation to that borrowing, net of any interest earned on those borrowings. Where funds are borrowed generally, borrowing costs are capitalised using an effective interest rate method.

(o) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year, which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

(p) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as a current asset or liability in the Statement of Financial Position.

Cash flows are included in the Statement of Cash Flows on a gross basis. The GST components of cash flows arising from investing and financing activities, which are recoverable from, or payable to, the taxation authority, are classified as operating cash flows.

(q) Taxation

• University

The University is an income tax exempt body in Australia. It is subject to foreign income tax for overseas operations.

• Consolidation

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in the Income Statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the year end date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the Statement of Financial Position liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(r) Resident loans

Resident loans, relating to the retirement village, are measured at the principal amount, plus the residents' share of any increase in the market value of the underlying property at year end date less the value of the deferred management fee receivable.

Resident loans are non-interest bearing and are payable at the end of the resident contract. In most cases this is greater than 12 months, however, they are classified as current liabilities because the company does not have an unconditional right to defer settlement.

In practice, the rate at which the company's retirement residents vacate their units, and hence the rate at which the resident loans will fall due for repayment can be estimated on the basis of statistical tables.

• Deferred management fee (DMF) receivable

DMF receivable represents the contractual amount receivable with reference to the underlying resident contract. The company has a contractual right of offset of the DMF receivable against the relevant resident loan.

(s) Cash and cash equivalents

For cash flow statement presentation purposes, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the Statement of Financial Position.

(t) Disaggregated information

The Group discloses revenue and expenses by services as prescribed by Treasurer's Instruction 1101.

(u) Comparative figures

Comparative figures are, where appropriate, reclassified so as to be comparable with the figures represented in the current financial year.

2. Disclosure of changes in accounting policy

(a) Initial application of an Australian Accounting Standard

The Group has applied the following Australian Accounting Standards effective for annual reporting periods beginning on or after 1 January 2009 that impacted on the Group:

AASB 101 'Presentation of Financial Statements' (September 2007). This Standard has been revised and introduces the term 'comprehensive income'. The revised standard also includes a number of terminology changes, changes to the structure of the Statement of Changes in Equity and introduces the Statement of Comprehensive Income. It is now a requirement that owner changes in equity be presented separately from non-owner changes in equity. There is no financial impact as a result of the amendments to this standard.

AASB 2007-10 'Further Amendments to Australian Accounting Standards arising from AASB 101'. This Amending Standard changes the term 'general purpose financial report' to 'general purpose financial statements', where appropriate in Australian Accounting Standards and the Framework to better align with IFRS terminology. There is no financial impact resulting from the application of this standard.

AASB 2009-2 'Amendments to Australian Accounting Standards – Improving Disclosures about Financial Instruments (AASB 4, AASB 7, AASB 1023 & AASB 1038)'. This Standard amends AASB 7 and requires enhanced disclosures about fair value measurements and liquidity risks with respect to financial instruments. There is no financial impact resulting from the application of this standard.

(b) Future impact of Australian Accounting Standards not yet operative

The Group cannot early adopt an Australian Accounting Standard or Australian Accounting Interpretation unless specifically permitted by Treasurer's Instruction 1101 'Application of Australian Accounting Standards and Other Pronouncements'. Consequently, the Group has not applied the following Australian Accounting Standards and Australian Accounting Interpretations that have been issued but are not yet effective. These will be applied from their application date where relevant:

Title	Operative date
AASB 2008-13 'Amendments to Australian Accounting Standards arising from AASB Interpretation 17 – Distributions of Non-cash Assets to Owners [AASB 5 & AASB 110]'. This Standard amends AASB 5 'Non-current Assets Held for Sale and Discontinued Operations' in respect of the classification, presentation and measurement of non-current assets held for distribution to owners in their capacity as owners.	1 July 2009

The following Australian Accounting Standards and Interpretations are not applicable to the Group as they will have no impact:

Title	Operative date
AASB 3 'Business Combinations'	1 July 2009
AASB 127 'Consolidated and Separate Financial Statements'	1 July 2009
AASB 2008-3 'Amendments to Australian Accounting Standards arising from AASB 3 and AASB 127 [AASBs 1, 2, 4, 5, 7, 101, 107, 112, 114, 116, 121, 128, 131, 132, 133, 134, 136, 137, 138, 139 and Interpretations 9 & 107]'	1 July 2009
AASB 2008-6 'Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project AASB 1 & AASB 5'	1 July 2009
AASB 2008-8 'Amendments to Australian Accounting Standards – Eligible Hedged Items [AASB 139]'	1 July 2009
AASB 2008-11 'Amendments to Australian Accounting Standards – Business Combinations Among Not-for-Profit Entities [AASB 3]'	1 July 2009
AASB 2009-4 'Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASB 2 and AASB 138 and AASB Interpretations 9 & 16]'	1 July 2009
AASB 2009-5 'Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASB 5, 8, 101, 107, 117, 118, 136 & 139]'. Under the amendments to AASB 117, leases involving land should be classified as either a finance or operating lease under the general lease guidance in AASB 117. This new requirement is to be applied retrospectively to existing leases unless the necessary information is not available, then it shall be applied on the date of adopting the amendments.	1 January 2010
AASB 2009-7 'Amendments to Australian Accounting Standards [AASB 5, 7, 107, 112, 136 & 139 and Interpretation 17]'	1 July 2009
AASB 2009-8 'Amendments to Australian Accounting Standards – Group Cash settled Share-based Payment Transactions [AASB 2]'	1 January 2010
AASB 2009-9 'Amendments to Australian Accounting Standards – Additional Exemptions for First-time Adopters [AASB 1]'	1 January 2010
AASB 2009-10 'Amendments to Australian Accounting Standards – Classification of Rights Issues [AASB 132]'	1 February 2010
Interpretation 17 'Distributions of Non-cash Assets to Owners'	1 July 2009

3. Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The estimates and assumptions that have a higher risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include:

(i) Key estimates – Impairment

The Group assesses impairment at each reporting date by evaluating conditions specific to the Group that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the assets is determined.

(ii) Key estimates – Artworks, land, buildings and infrastructure

Artworks, land, buildings and infrastructure are measured on a fair value basis and the valuation is determined based on market value for artworks, current use land value for the Murdoch University campus, market land value for all other land and estimated current replacement costs less accumulated depreciation for buildings and infrastructure.

(iii) Key judgement – Resident loans

Residents are entitled to a portion of the revaluation gain on their unit in accordance with their resident contract. The revaluation of the unit is based on expected entry values for each unit as at year end.

(iv) Key judgement – Deferred management fees (DMF)

The DMF is calculated using variables including the average length of stay for units and serviced apartments and an estimate of the average period for a new tenancy.

4. Disaggregated information

The Group operates predominantly in the Australian higher education industry providing full time and part time degree courses as well as non-award courses to onshore and offshore students. The Group also operates the St Ives Retirement Village Murdoch.

	Higher Education		Retirement Village		Eliminations		Consolidated	
	2009 \$000's	2008 \$000's	2009 \$000's	2008 \$000's	2009 \$000's	2008 \$000's	2009 \$000's	2008 \$000's
Revenue from continuing operations								
Australian Government Financial Assistance								
Australian government grants	106,425	112,775	-	-	-	-	106,425	112,775
HECS-HELP - Australian government payments	37,652	35,631	-	-	-	-	37,652	35,631
FEE-HELP	4,035	4,038	-	-	-	-	4,035	4,038
State and local government financial assistance	5,477	5,747	-	-	-	-	5,477	5,747
HECS-HELP student payments	7,368	7,498	-	-	-	-	7,368	7,498
Fees and charges	52,578	47,560	3,095	3,084	(2,850)	(2,731)	52,823	47,913
Investment revenue	3,954	5,445	1,046	1,755	(703)	-	4,297	7,200
Consultancy and contract research	25,786	27,710	-	-	-	-	25,786	27,710
Other revenue	28,732	24,194	7,773	3,441	-	-	36,505	27,635
Total revenue from continuing operations	272,007	270,598	11,914	8,280	(3,553)	(2,731)	280,368	276,147
Income from continuing operations								
Investments accounted for using the equity method	142	51	-	-	-	-	142	51
Other investment income	3,389	176	-	-	-	-	3,389	176
Other income	2,811	(793)	-	-	-	-	2,811	(793)
Total income from continuing operations	6,342	(566)	-	-	-	-	6,342	(566)
Total revenue and income from continuing operations	278,349	270,032	11,914	8,280	(3,553)	(2,731)	286,710	275,581
Expenses from continuing operations								
Employee benefits and on costs	148,384	136,137	822	816	-	-	149,206	136,953
Depreciation and amortisation	13,354	12,256	2	5	-	-	13,356	12,261
Repairs and maintenance	13,698	12,715	562	319	-	-	14,260	13,034
Borrowing costs	720	869	703	-	(703)	-	720	869
Impairment of assets	1,495	331	-	-	-	-	1,495	331
Investment losses	321	4,509	-	-	-	-	321	4,509
Loss on disposal of assets	118	18	-	-	-	-	118	18
Other expenses	85,654	88,695	7,715	7,649	(2,850)	(2,731)	90,519	93,613
Total expenses from continuing operations	263,744	255,530	9,804	8,789	(3,553)	(2,731)	269,995	261,588
Operating result before income tax	14,605	14,502	2,110	(509)	-	-	16,715	13,993
Income tax (expense) / benefit	(128)	(126)	(2,045)	554	-	-	(2,173)	428
Net operating result for the year	14,477	14,376	65	45	-	-	14,542	14,421

5. Australian Government financial assistance
(including HECS-HELP and FEE-HELP)

	Consolidated		University	
	2009 \$000's	2008 \$000's	2009 \$000's	2008 \$000's
(a) Commonwealth Grants Scheme and Other Grants				
Capital Development Pool	3,567	1,000	3,567	1,000
Commonwealth Grants Scheme (CGS) #1	66,769	69,965	66,769	69,965
Equity Support Programs	197	230	197	230
Disability Support Program	227	398	227	398
Indigenous Support Program	564	481	564	481
Learning and Teaching Performance Fund	-	1,689	-	1,689
Workplace Productivity Program	1,995	696	1,995	696
Workplace Reform Program	863	881	863	881
Transitional Cost Program	369	602	369	602
Improving the Practical Component of Teacher Education Initiative	414	428	414	428
Diversity and Structural Adjustment Fund #2	-	220	-	220
Total Commonwealth Grants Scheme and Other Grants	74,965	76,590	74,965	76,590
(b) Higher Education Loan Programs				
HECS - HELP	37,652	35,631	37,652	35,631
FEE - HELP #3	4,035	4,038	4,035	4,038
Total Higher Education Loan Programs	41,687	39,669	41,687	39,669
(c) Scholarships				
Australian Postgraduate Awards	1,808	1,567	1,808	1,567
Commonwealth Accommodation Scholarships #4	1,096	1,246	1,096	1,246
Commonwealth Education Cost Scholarships #4	980	921	980	921
International Postgraduate Research Scholarships	172	264	172	264
Indigenous Access Scholarships	154	135	154	135
Total Scholarships	4,210	4,133	4,210	4,133
(d) DIISR Research				
Institutional Grants Scheme	4,946	5,099	4,946	5,099
Research Infrastructure Block Grants	2,361	2,311	2,361	2,311
Commercialisation Training Scheme	76	79	76	79
Implementation Assistance Program	78	87	78	87
Australian Scheme for Higher Education Repositories	194	269	194	269
Research Training Scheme	9,121	9,403	9,121	9,403
Total DIISR Research	16,776	17,248	16,776	17,248
(e) Other Capital Funding				
Better Universities Renewal Funding	-	7,789	-	7,789
Total Other Capital Funding	-	7,789	-	7,789

5. Australian Government financial assistance
(including HECS-HELP and FEE-HELP)
(continued)

	Consolidated		University	
	2009 \$000's	2008 \$000's	2009 \$000's	2008 \$000's
(f) Australian Research Council (ARC)				
(i) Discovery				
Project	1,560	1,533	1,560	1,533
Fellowships	182	-	182	-
Indigenous Researchers Development	97	-	97	-
Total Discovery	1,839	1,533	1,839	1,533
(ii) Linkages				
Projects	810	1,789	810	1,789
Total Linkages	810	1,789	810	1,789
Total ARC	2,649	3,322	2,649	3,322
(g) Other Australian Government financial assistance				
Research projects	6,518	2,207	6,518	2,207
Non research funding	1,307	1,486	1,305	1,486
Total Other Australian Government financial assistance	7,825	3,693	7,823	3,693
Total Australian Government financial assistance	148,112	152,444	148,110	152,444
#1	Includes the basic CGS grant amount, CGS - Regional Loading, CGS - Enabling Loading, Maths and Science Transition Loading and Full Fee Places Transition Loading.			
#2	Includes Collaboration & Structural Adjustment Program.			
#3	Program is in respect of FEE-HELP for Higher Education only.			
#4	Includes National Priority and National Accommodation Priority Scholarships respectively.			
Reconciliation				
Australian Government grants	106,425	112,775	106,423	112,775
HECS - HELP payments	37,652	35,631	37,652	35,631
FEE-HELP payments	4,035	4,038	4,035	4,038
Total Australian Government financial assistance	148,112	152,444	148,110	152,444
(h) Australian Government Grants Received - Cash Basis				
Commonwealth Grant Scheme and other grants	73,511	75,603	73,511	75,603
Higher Education Loan Programs	40,738	40,879	40,738	40,879
Scholarships	4,348	4,155	4,348	4,155
DIISR Research	16,779	17,248	16,779	17,248
Other Capital Funding	-	7,789	-	7,789
ARC grants - Discovery	1,936	1,646	1,936	1,646
ARC grants - Linkage	853	1,849	853	1,849
Other Australian Government financial assistance	7,778	3,742	7,776	3,742
Total Australian Government grants received - cash basis	145,943	152,911	145,941	152,911
OS-HELP (net)	(31)	(17)	(31)	(17)
Total Australian Government funding received - cash basis	145,912	152,894	145,910	152,894

6. State and local government financial assistance

State government	4,977	5,287	4,977	5,287
Local government	500	460	500	460
Total state and local government financial assistance	5,477	5,747	5,477	5,747

7. Fees and charges

Course fees and charges

Continuing education	79	96	79	96
Fee-paying domestic postgraduate students	1,853	2,113	1,853	2,113
Fee-paying domestic undergraduate students	84	183	84	183
Fee-paying overseas students	38,752	34,712	38,786	34,712
Other domestic course fees and charges	2,347	1,658	2,347	1,658
Total course fees and charges	43,115	38,762	43,149	38,762

Other non-course fees and charges

Amenities and service fees	215	231	215	231
Facilities fees	1,502	1,153	1,502	1,153
Other fees and charges	4,929	5,107	5,097	5,267
Parking fees	607	540	607	540
Rental and lease charges	2,455	2,120	5,560	4,760
Total other fees and charges	9,708	9,151	12,981	11,951

Total fees and charges

	Consolidated		University	
	2009	2008	2009	2008
	\$000's	\$000's	\$000's	\$000's
Total state and local government financial assistance	5,477	5,747	5,477	5,747
Total fees and charges	52,823	47,913	56,130	50,713

8. Investment income and losses

(i) Investment revenue and income

Restricted investment revenue

Interest from bank bills and deposits	1,271	2,619	1,271	2,619
Total restricted investment revenue	1,271	2,619	1,271	2,619

Unrestricted investment revenue

Interest from bank bills and deposits	1,861	4,447	1,311	2,400
Dividends	1,165	134	1,132	1
Total unrestricted investment revenue	3,026	4,581	2,443	2,401

Total investment revenue	4,297	7,200	3,714	5,020
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Other investment income

Change in fair value of financial assets designated as at fair value through profit & loss	3,389	176	2,761	-
Total other investment income	3,389	176	2,761	-

Total investment revenue and income	7,686	7,376	6,475	5,020
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(ii) Investment losses

Other investment losses

Change in fair value of financial assets designated as at fair value through profit & loss	321	4,509	-	2,918
Total other investment losses	321	4,509	-	2,918

Total investment losses	321	4,509	-	2,918
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Net investment revenue and income	7,365	2,867	6,475	2,102
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9. Consultancy and contract research

Research

Contracts	21,145	21,129	21,145	21,129
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Other

Consultancy	4,641	6,581	3,928	4,946
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Total consultancy and contract research	25,786	27,710	25,073	26,075
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	Consolidated		University	
	2009	2008	2009	2008
	\$000's	\$000's	\$000's	\$000's
(i) Investment revenue and income				
<i>Restricted investment revenue</i>				
Interest from bank bills and deposits	1,271	2,619	1,271	2,619
Total restricted investment revenue	1,271	2,619	1,271	2,619
<i>Unrestricted investment revenue</i>				
Interest from bank bills and deposits	1,861	4,447	1,311	2,400
Dividends	1,165	134	1,132	1
Total unrestricted investment revenue	3,026	4,581	2,443	2,401
Total investment revenue	4,297	7,200	3,714	5,020
<i>Other investment income</i>				
Change in fair value of financial assets designated as at fair value through profit & loss	3,389	176	2,761	-
Total other investment income	3,389	176	2,761	-
Total investment revenue and income	7,686	7,376	6,475	5,020
(ii) Investment losses				
<i>Other investment losses</i>				
Change in fair value of financial assets designated as at fair value through profit & loss	321	4,509	-	2,918
Total other investment losses	321	4,509	-	2,918
Total investment losses	321	4,509	-	2,918
Net investment revenue and income	7,365	2,867	6,475	2,102
9. Consultancy and contract research				
<i>Research</i>				
Contracts	21,145	21,129	21,145	21,129
<i>Other</i>				
Consultancy	4,641	6,581	3,928	4,946
Total consultancy and contract research	25,786	27,710	25,073	26,075

10. Other revenue and income

Other revenue

	Consolidated		University	
	2009	2008	2009	2008
	\$000's	\$000's	\$000's	\$000's
Deferred management fee	3,701	3,200	-	-
Donations and bequests	1,391	1,745	601	850
Franking credit refund on dividends received	97	147	85	94
In kind revenue	3,171	-	3,171	-
Non-government grants	179	524	179	524
Other revenue	5,570	5,052	3,632	3,167
Scholarships and prizes	284	292	284	292
Sponsorships income	5,862	833	14	242
Trading income	16,250	15,842	15,703	15,341
Total other revenue	36,505	27,635	23,669	20,510

Other income

Fair value adjustment on investment property	2,737	(1,149)	2,737	(1,149)
Insurance recovery	74	356	74	356
Total other income	2,811	(793)	2,811	(793)

Total other revenue and income

39,316	26,842	26,480	19,717
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11. Employee related expenses

Employee benefits

Academic:

Salaries	58,279	53,942	58,271	53,936
Contribution to superannuation and pension schemes	8,530	7,723	8,529	7,723
Annual leave	920	1,197	920	1,197
Long service leave	1,881	1,555	1,881	1,555
Other	79	(3)	79	(3)

Total Academic	69,689	64,414	69,680	64,408
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Non-academic:

Salaries	61,222	56,013	59,578	54,424
Contribution to superannuation and pension schemes	7,534	6,833	7,457	6,767
Annual leave	378	240	377	243
Long service leave	1,881	2,170	1,879	2,166
Other	114	(7)	114	(7)

Total non-academic	71,129	65,249	69,405	63,593
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Total employee benefits	140,818	129,663	139,085	128,001
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Employee on costs

Academic:

Payroll tax	3,712	3,382	3,712	3,382
Workers compensation	469	253	469	253

Total Academic	4,181	3,635	4,181	3,635
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Non-academic:

Payroll tax	3,711	3,395	3,662	3,350
Workers compensation	496	260	496	260

Total Non-academic	4,207	3,655	4,158	3,610
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Total employee on costs	8,388	7,290	8,339	7,245
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Total employee related expenses	149,206	136,953	147,424	135,246
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12. Depreciation and amortisation

Depreciation

	Consolidated		University	
	2009	2008	2009	2008
	\$000's	\$000's	\$000's	\$000's
Buildings	6,223	5,291	6,223	5,291
Computer equipment	887	849	887	849
General equipment	2,240	1,965	2,237	1,960
Library books	3,427	3,646	3,427	3,646
Motor vehicles	253	233	253	233
Plant and equipment	169	185	169	185
Total depreciation	13,199	12,169	13,196	12,164

Amortisation

Leased plant and equipment	157	92	157	92
Total amortisation	157	92	157	92

Total depreciation and amortisation

13,356	12,261	13,353	12,256
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13. Repairs and maintenance

Buildings and grounds	13,082	11,760	12,552	11,482
Other	1,178	1,274	1,141	1,223
Total repairs and maintenance	14,260	13,034	13,693	12,705

14. Borrowing costs

Finance lease charges	69	44	69	44
Interest paid	651	825	1,354	825
Total borrowing costs	720	869	1,423	869

15. Impairment of assets

Bad debts	394	383	364	380
Doubtful debts	1,101	(52)	1,129	(85)
Total impairment of assets	1,495	331	1,493	295

16. Other expenses

	Consolidated		University	
	2009 \$000's	2008 \$000's	2009 \$000's	2008 \$000's
Administration expenses	6,139	6,440	5,681	6,053
Advertising, marketing and promotions	4,771	4,942	4,552	4,761
Amenities and service fees	317	263	317	263
Audit fees, bank charges, legal costs, insurance and taxes	12,597	12,470	11,323	10,794
Other consulting fees	10,929	12,892	10,948	12,159
Cost of sales	5,225	4,594	5,214	4,577
Donations and sponsorships	963	1,336	926	1,032
Fair value movement in resident loans	1,675	1,655	-	-
General consumables	4,609	4,651	4,201	4,245
Impairment losses	3,171	70	3,221	100
Licence and royalty fees	2,466	1,850	2,466	1,850
Non-capitalised equipment	4,570	5,435	4,569	5,429
Occupancy costs	5,009	3,735	4,883	3,602
Operating lease payments	1,810	2,162	1,724	1,717
Other expenses	3,215	2,249	3,206	2,160
Productivity improvement program costs	654	5,101	654	5,101
Scholarships, grants and prizes	12,310	12,925	12,336	12,911
Telecommunications	1,102	1,011	1,099	1,009
Travel and related staff development and training	8,987	9,832	8,971	9,791
Total other expenses	90,519	93,613	86,291	87,554

17. Trading result

Sales	16,250	15,842	15,703	15,341
Cost of sales:				
Opening inventory	(1,570)	(1,373)	(1,564)	(1,368)
Purchases	(5,581)	(4,791)	(5,573)	(4,773)
	(7,151)	(6,164)	(7,137)	(6,141)
Closing inventory	1,926	1,570	1,923	1,564
Cost of goods sold	(5,225)	(4,594)	(5,214)	(4,577)
Trading result	11,025	11,248	10,489	10,764

The trading result incorporates teaching related commercial ventures including the Veterinary Teaching Hospital, Chiropractic Teaching Clinic and the University Bookshop.

18. Income tax

(a) Income tax (expense) / benefit

	Consolidated		University	
	2009 \$000's	2008 \$000's	2009 \$000's	2008 \$000's
Current	(123)	(617)	(60)	-
Deferred	(2,050)	1,045	-	-
Income tax (expense) / benefit	(2,173)	428	(60)	-

(b) Numerical reconciliation of income tax (expense) / benefit to prima facie tax payable

Operating result from continuing operations before income tax (expense) / benefit subject to income tax	(1,593)	(1,568)	332	-
Tax (expense) / benefit at the Australian tax rate of 30% (2008: 30%)	477	471	(100)	-
Sundry items	38	(43)	40	-
Tax losses brought to account	12	-	-	-
Tax losses not brought to account	(2,700)	-	-	-
Income tax (expense) / benefit	(2,173)	428	(60)	-

(c) Deferred tax assets and liabilities

Recognised deferred tax assets and liabilities

The balance comprises temporary differences attributable to:

Deferred tax assets

Property, plant and equipment	3	5	-	-
Accruals	13	12	-	-
Provisions	38	33	-	-
Resident loans	27,862	30,490	-	-
Resident loans garage	-	34	-	-
Management fee provision	2,026	1,783	-	-
Unearned income	2,053	1,744	-	-
Other	4	10	-	-
	31,999	34,111	-	-

Deferred tax liabilities

Accrued income	(18)	(80)	-	-
	(18)	(80)	-	-

Net tax assets / (liabilities) pursuant to set-off provisions

	31,981	34,031	-	-
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Movements:

Opening balance at 1 January	34,031	32,986	-	-
Credited to the income statement	(2,050)	1,045	-	-
Closing balance at 31 December	31,981	34,031	-	-

18. Income tax (continued)

(d) Deferred tax asset

The balance comprises temporary differences attributable to:

Amounts recognised in operating result

Set-off of accrued income pursuant to set off provisions

Net deferred tax assets

Deferred tax assets to be recovered within 12 months

Deferred tax assets to be recovered after more than 12 months

Consolidated		University	
2009	2008	2009	2008
\$000's	\$000's	\$000's	\$000's
31,999	34,111	-	-
31,999	34,111	-	-
(18)	(80)	-	-
31,981	34,031	-	-
39	(22)	-	-
31,942	34,053	-	-
31,981	34,031	-	-

Movements - Consolidated	PP&E	Accruals	Provisions	Resident Loans	Resident Loan garage
	\$'000	\$'000	\$'000	\$'000	\$'000
At 1 January 2008	5	16	97	30,172	34
Charged/(credited) to the income statement	-	(4)	(64)	318	-
At 31 December 2008	5	12	33	30,490	34
Charged/(credited) to the income statement	(2)	1	5	(2,628)	(34)
At 31 December 2009	3	13	38	27,862	-

Movements - Consolidated	Management Fee Provision	Unearned Income	Tax losses	Other	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
At 1 January 2008	1,515	1,204	-	2	33,045
Charged/(credited) to the income statement	268	540	-	8	1,066
At 31 December 2008	1,783	1,744	-	10	34,111
Charged/(credited) to the income statement	243	309	-	(6)	(2,112)
At 31 December 2009	2,026	2,053	-	4	31,999

(e) Deferred tax liability

The balance comprises temporary differences attributable to:

Amounts recognised in operating result

Accrued income

Set-off of deferred tax liabilities pursuant to set-off provisions

Net deferred tax liabilities

Consolidated		University	
2009	2008	2009	2008
\$000's	\$000's	\$000's	\$000's
(18)	(80)	-	-
(18)	(80)	-	-
18	80	-	-
-	-	-	-

Movements - Consolidated	Accrued Income
	\$'000
At 1 January 2008	(59)
Charged/(credited) to the income statement	(21)
At 31 December 2008	(80)
Charged/(credited) to the income statement	62
At 31 December 2009	(18)

19. Cash and cash equivalents

Unrestricted cash and cash equivalents

Current

Cash at bank and on hand	25,625	17,955	14,230	13,090
Bank bills and deposits	18,343	31,763	6,725	12,486
Total current unrestricted cash and cash equivalents	43,968	49,718	20,955	25,576

Restricted cash and cash equivalents (*)

Current

Bank bills and deposits	18,476	26,637	18,476	26,637
Total current restricted cash and cash equivalents	18,476	26,637	18,476	26,637

Total cash and cash equivalents

	62,444	76,355	39,431	52,213
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* Amounts classed as restricted cash and cash equivalents relate to funds within other liabilities that are to be expended primarily on specific research projects and monies received for capital specific projects.

(a) Reconciliation to cash at end of the year

The above figures are reconciled to cash at the end of the year as shown in the Cash Flow Statement as follows:

Balances as above	62,444	76,355	39,431	52,213
Balance per Cash Flow Statements	62,444	76,355	39,431	52,213

(b) Cash at bank and on hand

These are interest bearing at an average floating interest rate of 3.40% as at 31 December 2009 (2008: 3.97%).

(c) Bank bills and deposits

The bank bills and deposits are bearing average fixed interest rates of 4.98% as at 31 December 2009 (2008: 6.03%). These deposits have an average maturity of 65 days.

	Consolidated		University	
	2009	2008	2009	2008
	\$000's	\$000's	\$000's	\$000's
Unrestricted cash and cash equivalents				
Current				
Cash at bank and on hand	25,625	17,955	14,230	13,090
Bank bills and deposits	18,343	31,763	6,725	12,486
Total current unrestricted cash and cash equivalents	43,968	49,718	20,955	25,576
Restricted cash and cash equivalents (*)				
Current				
Bank bills and deposits	18,476	26,637	18,476	26,637
Total current restricted cash and cash equivalents	18,476	26,637	18,476	26,637
Total cash and cash equivalents	62,444	76,355	39,431	52,213
Balances as above	62,444	76,355	39,431	52,213
Balance per Cash Flow Statements	62,444	76,355	39,431	52,213

20. Receivables

Current

Trade receivables
Less provision for doubtful debts

Other

Total current receivables

Non-current

Loans receivable
Total non-current receivables

Total receivables

Consolidated		University	
2009	2008	2009	2008
\$000's	\$000's	\$000's	\$000's
13,177	13,109	12,839	12,710
(1,642)	(640)	(1,635)	(605)
11,535	12,469	11,204	12,105
2,603	1,545	2,603	1,965
14,138	14,014	13,807	14,070
900	900	900	900
900	900	900	900
15,038	14,914	14,707	14,970

(a) Impaired receivables

Impaired:

Movements in the provision for impaired receivables are as follows:

At 1 January
Provision for impairment recognised during the year
Receivables written off during the year as uncollectible
At 31 December

Consolidated	
2009	2008
\$000's	\$000's
640	693
1,516	370
(514)	(423)
1,642	640

The creation and release of the provision for impaired receivables has been included in 'Impairment of assets' in the income statement. Amounts charged to the provision account are generally written off when there is no prospect of further recovery.

Past due date:

As at 31 December 2009, trade receivables of \$2,797k (2008: \$3,153k) were 90 or more days past due but not impaired. These relate mainly to student debt and to a number of customers for whom there is no recent history of default. The ageing analysis of these receivables is as follows:

Not past due
Past due 30 days
Past due 60 days
Past due 90 or more days

5,480	4,865
1,594	3,472
1,664	979
4,439	3,793
13,177	13,109

The other amounts within receivables do not contain impaired assets and are not past due. Based on credit history, it is expected that these amounts will be received when due.

20. Receivables (continued)

(b) Foreign exchange risk

The carrying amount of the Group's and University's current and non-current receivables are denominated in the following currencies:

	Consolidated		University	
	2009 \$000's	2008 \$000's	2009 \$000's	2008 \$000's
Canadian Dollars	1	9	1	9
Euro	111	7	111	7
Great Britain Pounds	4	-	4	-
Hong Kong Dollars	1	-	1	-
Japanese Yen	-	169	-	169
Malaysian Ringgit	10	15	10	15
Singapore Dollars	21	129	21	129
Thai Baht	-	17	-	17
United Arab Emirates Dirham	4	-	4	-
US Dollars	165	93	165	93
	317	439	317	439
Current receivables	317	439	317	439
Non-current receivables	-	-	-	-
	317	439	317	439

A summarised analysis of the sensitivity of receivables to foreign exchange risk can be found in note 37.

(c) Fair value and credit risk

Current receivables

Due to the short term nature of current receivables, the carrying value is assumed to approximate fair value.

Non-current receivables

Loans receivable

	2009		2008	
	Carrying amount \$000's	Fair Value \$000's	Carrying amount \$000's	Fair Value \$000's
Loans receivable	900	900	900	900
	900	900	900	900

The maximum exposure to credit risk at the reporting date is the higher of the carrying value and fair value of each class of receivables mentioned above. The Group does not hold any collateral as security.

21. Inventories

Current

Bookshop - at cost
 Veterinary Hospital - at cost
 Other - at cost

Total current inventories

22. Unrestricted other financial assets

Current

Financial assets at fair value through profit and loss - Listed securities
 Total current unrestricted other financial assets

Non-current

Shares in subsidiaries - cost
 Shares in other unlisted entities - cost
 Financial assets at fair value through profit and loss - Managed funds
 Total non-current unrestricted other financial assets

Total unrestricted other financial assets

Changes in fair values of other financial assets at fair value through profit or loss are recorded in investment income and investment losses in the income statement (note 8). The maximum exposure to credit risk at the reporting date is the carrying amount of the assets.

23. Other assets

Current

Prepayments

Total other assets

	Consolidated		University	
	2009 \$000's	2008 \$000's	2009 \$000's	2008 \$000's
21. Inventories				
Current				
Bookshop - at cost	1,157	880	1,157	880
Veterinary Hospital - at cost	766	684	766	684
Other - at cost	3	6	-	-
Total current inventories	1,926	1,570	1,923	1,564
22. Unrestricted other financial assets				
Current				
Financial assets at fair value through profit and loss - Listed securities	954	836	23	-
Total current unrestricted other financial assets	954	836	23	-
Non-current				
Shares in subsidiaries - cost	-	-	100	100
Shares in other unlisted entities - cost	110	110	10	10
Financial assets at fair value through profit and loss - Managed funds	30,021	27,321	29,934	27,254
Total non-current unrestricted other financial assets	30,131	27,431	30,044	27,364
Total unrestricted other financial assets	31,085	28,267	30,067	27,364
23. Other assets				
Current				
Prepayments	4,430	3,070	4,397	3,036
Total other assets	4,430	3,070	4,397	3,036

24. Investment properties

Non-current

	Consolidated		University	
	2009 \$000's	2008 \$000's	2009 \$000's	2008 \$000's
Opening balance at 1 January	142,158	143,308	142,158	143,308
Fair value adjustments	2,737	(1,150)	2,737	(1,150)
Transfer from property, plant and equipment	7,814	-	7,814	-
Closing balance at 31 December	152,709	142,158	152,709	142,158

Investment property includes a commercial building that is leased to a third party under an operating lease and the St Ives Retirement Village Murdoch.

(a) Amounts recognised in the Income Statement for the commercial building

Rental income	1,177	1,075	1,177	1,075
Revaluation increment	700	500	700	500
Direct operating expenses	(81)	(47)	(81)	(47)
Total recognised in income statement	1,796	1,528	1,796	1,528

(b) Amounts recognised in the Income Statement for St Ives Retirement Village Murdoch

Fair value adjustment on investment property	2,037	(1,649)	2,037	(1,649)
Total recognised in income statement	2,037	(1,649)	2,037	(1,649)

(c) Valuations

Investment properties are measured on a fair value basis. The 2009 valuation of the commercial building was determined by independent valuer, McGees Property, utilising market based evidence. The 2009 valuation of the St Ives Retirement Village Murdoch was determined by utilising an industry specific valuation model (developed by Ernst and Young), after updating key assumptions in the model. These assumptions were obtained from advice received from Ernst and Young.

(d) Operating leases (as lessor) - Commercial building

The future minimum lease payments under non-cancellable leases are as follows:

Within one year	1,168	1,119	1,168	1,119
Later than one year but not later than five years	5,157	4,940	5,157	4,940
Later than five years	1,421	2,777	1,421	2,777
	7,746	8,836	7,746	8,836

25. Property, plant and equipment

Consolidated

At 1 January 2008

	Land \$000's	Buildings & Infrastructure \$000's	Construction in progress \$000's	Plant \$000's	Computing Equipment \$000's	Other Equipment \$000's	Motor Vehicles \$000's	Artworks \$000's	Library Books \$000's	Leased Plant and Equipment \$000's	Total \$000's
- Cost	-	-	9,382	3,579	9,003	33,264	1,308	-	16,418	586	73,540
- Murdoch Valuation	141,857	264,236	-	-	-	-	-	2,915	-	-	409,008
Accumulated depreciation	-	(5,097)	-	(504)	(7,041)	(23,970)	(360)	-	(5,729)	(102)	(42,803)
Net book amount	141,857	259,139	9,382	3,075	1,962	9,294	948	2,915	10,689	484	439,745

Year ended 31 December 2008

Opening net book amount	141,857	259,139	9,382	3,075	1,962	9,294	948	2,915	10,689	484	439,745
Revaluation increment / (decrement)	17,023	41,380	-	-	-	-	-	-	-	-	58,402
Additions	-	-	31,369	256	1,539	2,525	503	112	3,814	379	40,497
Disposals	-	-	-	-	(4)	(82)	(216)	(22)	-	-	(324)
Transfers to buildings & infrastructure	-	3,887	(3,887)	-	-	-	-	-	-	-	-
Transfers to plant	-	-	(686)	686	-	-	-	-	-	-	-
Depreciation charge	-	(5,291)	-	(185)	(849)	(1,965)	(233)	-	(3,646)	(92)	(12,261)
Closing net book amount	158,880	299,115	36,178	3,832	2,648	9,772	1,002	3,005	10,857	771	526,060

At 31 December 2008

- Cost	-	-	36,178	4,521	10,018	34,712	1,476	3,005	14,503	965	105,378
- Independent Valuation	-	-	-	-	-	-	-	-	-	-	-
- Murdoch Valuation	158,880	299,115	-	-	-	-	-	-	-	-	457,995
Accumulated depreciation	-	-	-	(689)	(7,370)	(24,940)	(474)	-	(3,646)	(194)	(37,313)
Net book amount	158,880	299,115	36,178	3,832	2,648	9,772	1,002	3,005	10,857	771	526,060

25. Property, plant and equipment (continued)

	Land	Buildings & Infrastructure	Construction in progress	Plant	Computing Equipment	Other Equipment	Motor Vehicles	Artworks	Library Books	Leased Plant and Equipment	Total
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
Year ended 31 December 2009											
Opening net book amount	158,880	299,115	36,178	3,832	2,648	9,772	1,002	3,005	10,857	771	526,060
Revaluation increment / (decrement)	31,565	(45,566)	-	-	-	-	-	583	-	-	(13,418)
Additions	4,255	472	35,765	-	935	2,060	350	68	3,548	381	47,834
Disposals	-	(42)	-	(24)	(69)	(105)	(110)	-	-	-	(350)
Transfers to investment property	-	-	(7,814)	-	-	-	-	-	-	-	(7,814)
Transfers to buildings & infrastructure	-	30,632	(30,632)	-	-	-	-	-	-	-	-
Transfers to other equipment	-	-	(3,817)	(422)	-	4,239	-	-	-	-	-
Depreciation charge	-	(6,223)	-	(169)	(887)	(2,240)	(253)	-	(3,427)	(157)	(13,356)
Closing net book amount	194,700	278,388	29,680	3,217	2,627	13,726	989	3,656	10,978	995	538,956
At 31 December 2009											
- Cost	-	-	29,680	4,063	10,408	39,235	1,634	-	14,405	1,346	100,771
- Independent Valuation	194,700	278,124	-	-	-	-	-	3,612	-	-	476,436
- Murdoch Valuation	-	264	-	-	-	-	-	44	-	-	308
Accumulated depreciation	-	-	-	(846)	(7,781)	(25,509)	(645)	-	(3,427)	(351)	(38,559)
Net book amount	194,700	278,388	29,680	3,217	2,627	13,726	989	3,656	10,978	995	538,956

25 Property, plant and equipment (continued)

	Land	Buildings & Infrastructure	Construction in progress	Plant	Computing Equipment	Other Equipment	Motor Vehicles	Artworks	Library Books	Leased Plant and Equipment	Total
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
University											
At 1 January 2008											
- Cost	-	-	9,382	3,579	9,003	33,225	1,308	-	16,418	586	73,501
- Murdoch Valuation	141,857	264,236	-	-	-	-	-	2,915	-	-	409,008
Accumulated depreciation	-	(5,097)	-	(504)	(7,041)	(23,945)	(360)	-	(5,729)	(102)	(42,778)
Net book amount	141,857	259,139	9,382	3,075	1,962	9,280	948	2,915	10,689	484	439,731
Year ended 31 December 2008											
Opening net book amount	141,857	259,139	9,382	3,075	1,962	9,280	948	2,915	10,689	484	439,731
Revaluation increment / (decrement)	17,023	41,380	-	-	-	-	-	-	-	-	58,402
Additions	-	-	31,369	256	1,539	2,525	503	112	3,814	379	40,497
Disposals	-	-	-	-	(4)	(82)	(216)	(22)	-	-	(324)
Transfers to buildings & infrastructure	-	3,887	(3,887)	-	-	-	-	-	-	-	-
Transfers to plant	-	-	(686)	686	-	-	-	-	-	-	-
Depreciation charge	-	(5,291)	-	(185)	(849)	(1,960)	(233)	-	(3,646)	(92)	(12,256)
Closing net book amount	158,880	299,115	36,178	3,832	2,648	9,763	1,002	3,005	10,857	771	526,051
At 31 December 2008											
- Cost	-	-	36,178	4,521	10,018	34,672	1,476	3,005	14,503	965	105,338
- Independent Valuation	-	-	-	-	-	-	-	-	-	-	-
- Murdoch Valuation	158,880	299,115	-	-	-	-	-	-	-	-	457,995
Accumulated depreciation	-	-	-	(689)	(7,370)	(24,909)	(474)	-	(3,646)	(194)	(37,282)
Net book amount	158,880	299,115	36,178	3,832	2,648	9,763	1,002	3,005	10,857	771	526,051

Property, plant and equipment (continued)

	Land	Buildings & Infrastructure	Construction in progress	Plant	Computing Equipment	Other Equipment	Motor Vehicles	Artworks	Library Books	Leased Plant and Equipment	Total
	\$'000's	\$'000's	\$'000's	\$'000's	\$'000's	\$'000's	\$'000's	\$'000's	\$'000's	\$'000's	\$'000's
Year ended 31 December 2009											
Opening net book amount	158,880	299,115	36,178	3,832	2,648	9,763	1,002	3,005	10,857	771	526,051
Revaluation increment / (decrement)	31,565	(45,566)	-	-	-	-	-	583	-	-	(13,418)
Additions	4,255	472	35,765	-	935	2,059	350	68	3,548	381	47,833
Disposals	-	(42)	-	(24)	(69)	(105)	(110)	-	-	-	(350)
Transfers to investment property	-	-	(7,814)	-	-	-	-	-	-	-	(7,814)
Transfers to buildings & infrastructure	-	30,632	(30,632)	-	-	-	-	-	-	-	-
Transfers to other equipment	-	-	(3,817)	(422)	-	4,239	-	-	-	-	-
Depreciation charge	-	(6,223)	-	(169)	(887)	(2,237)	(253)	-	(3,427)	(157)	(13,353)
Closing net book amount	194,700	278,388	29,680	3,217	2,627	13,719	989	3,656	10,978	995	538,949
At 31 December 2009											
- Cost	-	-	29,680	4,063	10,408	39,196	1,634	-	14,405	1,346	100,732
- Independent Valuation	194,700	278,124	-	-	-	-	-	3,612	-	-	476,436
- Murdoch Valuation	-	264	-	-	-	-	-	44	-	-	308
Accumulated depreciation	-	-	-	(846)	(7,781)	(25,477)	(645)	-	(3,427)	(351)	(38,527)
Net book amount	194,700	278,388	29,680	3,217	2,627	13,719	989	3,656	10,978	995	538,949

Valuations of land and buildings

Land, buildings, infrastructure and artworks are measured on a fair value basis, being the amount for which the assets could be exchanged between knowledgeable and willing parties in an arm's length transaction, having regard to the highest and best use of the asset for which other parties would be willing to pay. The valuations as at 31 December 2009 determined by Murdoch take into account the prior year valuations, additions and disposals during the year, depreciation of buildings during the year and market movements. The valuations as at 31 December 2009 determined by independent valuers, McGees Property and Dawson & Ward (land, buildings and infrastructure), Perth Galleries (artworks) and Seva Frangos Art (artworks), are on the basis of current use land value for the Murdoch University campus and market land value for all other land, estimated current replacement costs less accumulated depreciation for buildings and infrastructure and market value for artworks.

26. Trade and other payables

Current

Trade payables	1,652	3,313	1,614	3,719
Current tax liability	76	560	60	-
Accruals and other payables	15,120	5,168	13,293	4,760
Total trade and other payables	16,848	9,041	14,967	8,479

(a) Foreign exchange risk

The carrying amount of the Group's and University's current payables are denominated in the following currencies:

US dollars	6	-	6	-
	6	-	6	-

A summarised analysis of the sensitivity of payables to foreign exchange risk can be found in note 37.

(b) Fair value and credit risk

Current payables

Due to the short term nature of the current payables, their carrying value is assumed to approximate their fair value.

27. Borrowings

Current

Secured

Lease liabilities	265	174	265	174
Western Australian Treasury Corporation *	294	275	294	275
Total current secured borrowings	559	449	559	449

Unsecured

Western Australian Treasury Corporation *	255	564	255	564
Total current unsecured borrowings	255	564	255	564

Total current borrowings

814	1,013	814	1,013
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Non-current

Secured

Lease liabilities	634	541	634	541
Western Australian Treasury Corporation *	9,059	9,353	9,059	9,353
Total non-current secured borrowings	9,693	9,894	9,693	9,894

Unsecured

Loan from wholly owned subsidiary	-	-	15,000	-
Western Australian Treasury Corporation *	1,512	1,768	1,512	1,768
Total non-current unsecured borrowings	1,512	1,768	16,512	1,768

Total non-current borrowings

11,205	11,662	26,205	11,662
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Total borrowings

12,019	12,675	27,019	12,675
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27. Borrowings (continued)

* The loans from Western Australian Treasury Corporation are as follows:

- (a) Law building loan of \$350,643 which is unsecured, interest bearing at a fixed rate of 5.93% and repayable in quarterly instalments by October 2018.
- (b) Student Village loan of \$1,416,922 which is unsecured, interest bearing at a weighted average rate of 5.34% and repayable in quarterly instalments by October 2017.
- (c) Peel Campus loan 1 of \$6,549,609 which is secured by a Guarantee of the Treasurer of the State, interest bearing at a fixed rate of 6.69% and repayable in quarterly instalments by April 2027.
- (d) Peel Campus loan 2 of \$2,803,546 which is secured by a Guarantee of the Treasurer of the State, interest bearing at a weighted average interest rate of 3.50% and repayable in quarterly instalments by July 2017.

	Consolidated		University	
	2009 \$000's	2008 \$000's	2009 \$000's	2008 \$000's
(a) Assets pledged as security				
The carrying amounts of assets pledged as security for current and non-current interest bearing liabilities are:				
Non-current				
<i>Finance leases</i>				
Plant and equipment	995	771	995	771
Total assets pledged as security	995	771	995	771
(b) Financing arrangements				
Unrestricted access was available at balance date to the following lines of credit:				
<i>Bank facilities</i>				
<i>Total facilities available</i>				
Asset finance (Finance leases)	1,500	1,500	1,500	1,500
	1,500	1,500	1,500	1,500
<i>Facilities utilised at reporting date</i>				
Asset finance (Finance leases)	899	715	899	715
	899	715	899	715
<i>Facilities not utilised at reporting date</i>				
Asset finance (Finance leases)	601	785	601	785
	601	785	601	785

(c) Fair value

The fair value of the current and non-current borrowings equals their carrying value, as the impact of discounting is not significant.

28. Provisions

Current

Employee benefits:

	Consolidated		University	
	2009	2008	2009	2008
	\$000's	\$000's	\$000's	\$000's
Annual leave	9,380	8,051	9,350	8,023
Long service leave	12,703	12,428	12,695	12,423
Other	88	126	88	126
Other provisions	11,333	14,649	4,545	8,674
Total current provisions	33,504	35,254	26,678	29,246

Non-current

Employee benefits:

Long service leave	3,624	3,060	3,624	3,060
Other provisions	682	1,490	682	1,490
Total non-current provisions	4,306	4,550	4,306	4,550

Total provisions

37,810	39,804	30,984	33,796
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The provisions above that have been classified as current are done so as there is no unconditional right to defer settlement for at least 12 months after balance sheet date. However, assessments indicate that actual settlement of the liabilities will occur as follows:

Current provisions expected to be settled within 12 months

Employee benefits:

Annual leave	5,460	4,867	5,443	4,850
Long service leave	828	752	826	752
Other	88	126	88	126
Other provisions	10,329	13,705	3,541	7,730
	16,705	19,450	9,898	13,458

Current provisions expected to be settled after more than 12 months

Employee benefits:

Annual leave	3,920	3,184	3,907	3,173
Long service leave	11,875	11,676	11,869	11,671
Other provisions	1,004	944	1,004	944
	16,799	15,804	16,780	15,788

Total current provisions

33,504	35,254	26,678	29,246
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Other provisions

Included in other provisions are amounts for self insurance, Commonwealth support, management fees and productivity improvement program costs. The provisions are based on estimates made from historical information.

28. Provisions (continued)

Movements in provisions

(a) Other provisions

Current

Balance at beginning of year	14,649	13,562	8,674	8,271
Additional provisions	4,014	8,373	3,169	7,448
Amounts used	(6,488)	(4,081)	(6,456)	(3,840)
Unused amounts released	(842)	(3,205)	(842)	(3,205)
Balance at end of year	11,333	14,649	4,545	8,674

Non-current

Balance at beginning of year	1,490	193	1,490	193
Additional provisions	38	1,297	38	1,297
Amounts used	(473)	-	(473)	-
Unused amounts released	(373)	-	(373)	-
Balance at end of year	682	1,490	682	1,490

29. Other liabilities

Current

Deferred research income	14,785	13,514	14,893	13,077
Income in advance	10,741	11,356	3,507	5,330
Other liabilities	1,670	2,665	1,670	2,665
Resident loans	108,324	101,949	-	-
OS-HELP liability	(18)	13	(18)	13
Total current other liabilities	135,502	129,497	20,052	21,085

30. Reserves

Asset revaluation reserve	314,653	328,095	314,653	328,095
Total reserves	314,653	328,095	314,653	328,095

Movement during the year:

(a) Asset revaluation reserve

Balance at beginning of year	328,095	269,693	328,095	269,693
Net revaluation increment / (decrement):				
Land, buildings and infrastructure	(13,418)	58,402	(13,418)	58,402
Transfer to/(from) reserve to retained earnings	(24)	-	(24)	-
Balance at end of year	314,653	328,095	314,653	328,095

31. Reconciliation of profit from ordinary activities to net cash flows provided by operating activities

Profit from ordinary activities after income tax

	Consolidated		University	
	2009 \$000's	2008 \$000's	2009 \$000's	2008 \$000's
Profit from ordinary activities after income tax	14,542	14,421	11,258	15,353
<i>Adjustments for:</i>				
Depreciation and amortisation	13,356	12,261	13,353	12,256
(Gain) / loss on disposal of property, plant and equipment	118	18	118	18
Fair value (gain) / loss on other financial assets	(3,068)	4,333	(2,761)	2,918
Fair value (gain) / loss on investment property	(2,737)	1,149	(2,737)	1,149
Fair value movement in resident loans	1,675	1,655	-	-
Share of net results of associates accounted for using the equity method	(143)	(51)	-	-
Impairment losses	3,171	70	3,221	100
Management fees	55	65	55	65
In-kind revenue	(3,171)	-	(3,171)	-
Other income	(17)	-	(17)	-
<i>Changes in assets and liabilities:</i>				
(Increase) / decrease in receivables	773	(1,306)	265	(2,190)
(Increase) / decrease in inventories	(356)	(196)	(359)	(196)
(Increase) / decrease in other assets	(1,360)	(344)	(1,361)	(333)
(Increase) / decrease in deferred tax assets	2,050	(1,045)	-	-
Increase / (decrease) in payables	6,929	(7,533)	6,507	(896)
Increase / (decrease) in provisions	(1,994)	4,273	(2,812)	3,593
Increase / (decrease) in resident loans	(3,044)	(3,191)	-	-
Increase / (decrease) in other liabilities	(369)	5,196	(1,033)	4,469
Net cash provided by operating activities	26,410	29,775	20,526	36,306
Non-cash investing and financing activities				
Acquisition of plant and equipment by means of finance leases	381	379	381	379
32. Remuneration of auditor				
During the year the following fees were paid for services provided by the Auditor General of WA to the Group.				
<i>Audit services</i>	\$	\$	\$	\$
Auditing of financial reports	247,000	256,300	222,900	218,800
33. Contingent liabilities				
There were no contingent liabilities at reporting date.				

34. Events subsequent to reporting date

There has not arisen in the period between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect significantly the operations or results of the Group.

35. Commitments for expenditure

The following commitments are GST exclusive.

(a) Capital commitments

Capital expenditure contracted for at the reporting date but not recognised as liabilities is as follows:

	Consolidated		University	
	2009 \$000's	2008 \$000's	2009 \$000's	2008 \$000's
Within one year	13,982	15,986	13,982	15,986
Later than one year but not later than five years	52	8,483	52	8,483
Total capital commitments	14,034	24,469	14,034	24,469

(b) Lease commitments

(i) Operating leases

Commitments relating to non-cancellable operating leases are as follows:

Within one year	787	656	787	656
Later than one year but not later than five years	718	689	718	689
Total operating lease commitments	1,505	1,345	1,505	1,345

(ii) Finance leases

Commitments relating to finance leases are as follows:

Within one year	322	222	322	222
Later than one year but not later than five years	704	614	704	614
Later than five years	-	-	-	-
	1,026	836	1,026	836
Less: Future lease finance charges	(127)	(121)	(127)	(121)
	899	715	899	715

Lease liabilities provided for in the financial statements:

Current	265	174	265	174
Non-current	634	541	634	541
Total lease liability	899	715	899	715

(c) Other expenditure commitments

Commitments relating to other expenditure are as follows:

Within one year	360	1,943	360	1,943
Later than one year but not later than five years	474	389	474	389
Total other expenditure commitments	834	2,332	834	2,332

36. Remuneration of senior officers and Senate members

Remuneration of senior officers

The total of fees, salaries, allowances, superannuation and other benefits received or due and receivable for the financial year by senior officers of the University

The number of senior officers other than senior officers reported as members of the Senate, whose total of fees, salaries, allowances, superannuation and other benefits for the financial year, fall within the following bands are:

\$50,001 - \$60,000

\$80,001 - \$90,000

\$100,001 - \$110,000

\$110,001 - \$120,000

\$130,001 - \$140,000

\$150,001 - \$160,000

\$170,001 - \$180,000

\$180,001 - \$190,000

\$190,001 - \$200,000

\$200,001 - \$210,000

\$210,001 - \$220,000

\$220,001 - \$230,000

\$230,001 - \$240,000

\$240,001 - \$250,000

\$250,001 - \$260,000

\$290,001 - \$300,000

\$350,001 - \$360,000

\$360,001 - \$370,000

	Consolidated		University	
	2009	2008	2009	2008
	\$000's	\$000's	\$000's	\$000's
The total of fees, salaries, allowances, superannuation and other benefits received or due and receivable for the financial year by senior officers of the University	2,675	2,351	2,675	2,351
The number of senior officers other than senior officers reported as members of the Senate, whose total of fees, salaries, allowances, superannuation and other benefits for the financial year, fall within the following bands are:				
\$50,001 - \$60,000	1	-	1	-
\$80,001 - \$90,000	-	1	-	1
\$100,001 - \$110,000	-	1	-	1
\$110,001 - \$120,000	-	1	-	1
\$130,001 - \$140,000	1	-	1	-
\$150,001 - \$160,000	-	1	-	1
\$170,001 - \$180,000	-	1	-	1
\$180,001 - \$190,000	-	1	-	1
\$190,001 - \$200,000	-	1	-	1
\$200,001 - \$210,000	2	1	2	1
\$210,001 - \$220,000	3	-	3	-
\$220,001 - \$230,000	1	-	1	-
\$230,001 - \$240,000	-	1	-	1
\$240,001 - \$250,000	1	1	1	1
\$250,001 - \$260,000	1	-	1	-
\$290,001 - \$300,000	-	1	-	1
\$350,001 - \$360,000	-	1	-	1
\$360,001 - \$370,000	2	-	2	-

Remuneration of members of Senate

Names of Persons who were members of Senate during the year are:

Terence Budge (Chancellor)

Eva Skira (Deputy Chancellor)

Professor John Yovich (Vice Chancellor)

Brian Aitken

Janice Bowra

Professor Nick Costa

Associate Professor Lance Fung

Russel Gibbs

Garry Hunt

Tony Iannello

Dr Marian Kemp

Darren Munday

Maxine Murray

Paul Niardone

Associate Professor Pia Broderick

Professor Jacqueline Phillips

Courtney Robertson

Dr Lyndy Scott

Basha Stasak

Dr Stewart Washer

36. Remuneration of senior officers and Senate members (continued)

	Consolidated		University	
	2009 \$000's	2008 \$000's	2009 \$000's	2008 \$000's
The total of fees, salaries, allowances, superannuation and other benefits received or due and receivable for the financial year by members of Senate	857*	798	857*	798
The number of members of Senate whose total of fees, salaries, allowances, superannuation and other benefits for the financial year, fall within the following bands are:				
\$790,001 - \$800,000	-	1	-	1
\$850,001 - \$860,000*	1	-	1	-

* The 2009 remuneration number includes a one-off payment relating to the conversion of prior unclaimed entitlements.

The Vice Chancellor is the only member of Senate that is a senior officer of the University and receives remuneration in that capacity. All other members of Senate serve in an honorary capacity.

37. Financial instruments

Financial Risk Management

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group.

Market risk

Foreign exchange risk

Foreign exchange risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency that is not the Group's functional currency. The Group does have exposure to the international market and therefore is exposed to foreign exchange risk. The Group's current policy is to enter into forward currency contracts to minimise its foreign exchange risk where there is an underlying actual currency exposure. The Group did not enter into any forward currency contract in 2009.

Price risk

A portion of the Group's investments are exposed to fluctuations in the prices of equity securities. The Group's investment policy provides strategies for the minimisation of price risk with the diversification of that risk through various investment managers and ongoing monitoring by the Investment Committee to ensure there is no concentration of risk exposure in any one area.

Cash flow and fair value interest rate risk

The Group is exposed to interest rate risk as it borrows and invests funds at floating interest rates. The risk is managed through maintaining an appropriate mix of borrowings and investments at fixed and floating rates, maintaining an appropriate mix of financial institutions to invest with and setting limits in terms of borrowings and investments.

37. Financial instruments (continued)

Summarised sensitivity analysis

The following table summarises the sensitivity of the Group's financial assets and financial liabilities to interest rate risk.

	Carrying amount \$'000's	Interest rate risk			
		-1%		+1%	
		Result \$'000's	Equity \$'000's	Result \$'000's	Equity \$'000's
2009					
Financial assets					
Cash and cash equivalents	62,444	(624)	(624)	624	624
Financial liabilities					
Borrowings - floating interest rate	4,220	42	42	(42)	(42)
Total increase/(decrease)		(582)	(582)	582	582
2008					
Financial assets					
Cash and cash equivalents	76,355	(764)	(764)	764	764
Financial liabilities					
Borrowings - floating interest rate	4,522	45	45	(45)	(45)
Total increase/(decrease)		(719)	(719)	719	719

The following table summarises the sensitivity of the Group's financial assets and financial liabilities to foreign exchange risk.

	Carrying amount \$'000's	Foreign exchange risk			
		-10%		+10%	
		Result \$'000's	Equity \$'000's	Result \$'000's	Equity \$'000's
2009					
Financial assets					
Accounts receivable in foreign currency	317	(32)	(32)	32	32
Financial liabilities					
Accounts payable in foreign currency	6	(1)	(1)	1	1
Total increase/(decrease)		(33)	(33)	33	33
2008					
Financial assets					
Accounts receivable in foreign currency	439	(44)	(44)	44	44
Financial liabilities					
Accounts payable in foreign currency	-	-	-	-	-
Total increase/(decrease)		(44)	(44)	44	44

37. Financial instruments (continued)

The following table summarises the sensitivity of the Group's financial assets and financial liabilities to price risk.

	Carrying amount \$'000's	Price risk			
		-20%		+20%	
		Result \$'000's	Equity \$'000's	Result \$'000's	Equity \$'000's
2009					
Financial assets					
Listed securities	954	(191)	(191)	191	191
Managed funds	30,021	(6,004)	(6,004)	6,004	6,004
Total increase/(decrease)		(6,195)	(6,195)	6,195	6,195
2008					
Financial assets					
Listed securities	836	(167)	(167)	167	167
Managed funds	27,321	(5,464)	(5,464)	5,464	5,464
Total increase/(decrease)		(5,631)	(5,631)	5,631	5,631

Credit risk

The Group's maximum exposure to credit risk at year end date in relation to each class of recognised financial asset is the carrying amount of those assets indicated in the Statement of Financial Position. The Group's credit risk is spread over a significant number of parties and is concentrated primarily in Australia.

Liquidity risk

Liquidity risk is managed through maintaining adequate cash reserves and borrowing facilities by continuously monitoring forecast and actual cash flows. The following table provides a summary of the financial liabilities maturity on the undiscounted contractual cash flow basis for the Group for 2009 and 2008.

	Carrying amount \$000's	Contractual cash flows \$000's	Maturity		
			1 year or less \$000's	1 to 5 years \$000's	Over 5 years \$000's
2009					
Financial liabilities					
Interest bearing liabilities (Refer note 27)	12,019	18,197	1,535	5,726	10,936
Payables	16,848	16,848	16,848	-	-
2008					
Financial liabilities					
Interest bearing liabilities (Refer note 27)	12,675	19,227	1,762	5,326	12,139
Payables	9,041	9,041	9,041	-	-

37. Financial instruments (continued)

Fair value estimation

The fair values of financial assets and liabilities are determined as follows:

- The fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices;
- The fair value of 'other financial assets' and 'other financial liabilities' are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions;
- Financial assets which include unlisted shares are measured at cost less impairment if no active market exists for those shares to be traded in and no fair value can be determined; and
- The carrying value less impairment provision of trade receivables is a reasonable approximation of their fair values due to the short term nature of trade receivables.
- All other financial assets and financial liabilities are recorded at amortised cost in the financial statements and their carrying value approximates their fair value.

Due to the short term nature of current receivables and current payables, their carrying value is assumed to approximate their fair value.

The carrying amounts and aggregate net fair values of non-current financial assets and liabilities at balance date are:

	Carrying Amount		Fair Value	
	2009 \$000's	2008 \$000's	2009 \$000's	2008 \$000's
Non-current financial assets				
Trade and other receivables	900	900	900	900
Unrestricted other financial assets	30,131	27,431	30,131	27,431
Non-current financial liabilities				
Borrowings	11,205	11,662	11,205	11,662

Fair value measurements recognised in the Statement of Financial Position are categorised into the following levels:

	2009	Level 1 #1	Level 2 #2	Level 3 #3
	\$000's	\$000's	\$000's	\$000's
Non-current financial assets				
Trade and other receivables	900	900	-	-
Unrestricted other financial assets	30,131	30,131	-	-
	31,031	31,031	-	-
Non-current financial liabilities				
Borrowings	11,205	11,205	-	-
	11,205	11,205	-	-
2008				
	2008	Level 1 #1	Level 2 #2	Level 3 #3
	\$000's	\$000's	\$000's	\$000's
Non-current financial assets				
Trade and other receivables	900	900	-	-
Unrestricted other financial assets	27,431	27,431	-	-
	28,331	28,331	-	-
Non-current financial liabilities				
Borrowings	11,662	11,662	-	-
	11,662	11,662	-	-

#1 Level 1 – Quoted prices (unadjusted) in active markets for identical assets and liabilities.

#2 Level 2 – Quoted prices in active markets for similar items or valuation techniques where significant inputs are based on observable market data.

#3 Level 3 – Valuation technique where a significant input is not based on observable market data.

38 Explanatory statement

This statement provides details of any significant variations (i.e. where variation is greater than 10% and \$1m) between budget estimates and actual results for 2009 and between the actual results for 2008 and 2009.

	Note	2009 Actual \$000's	2009 Estimate \$000's	Variance \$000's	2008 Actual \$000's	Actual Variance \$000's
Revenues from continuing operations						
Australian government financial assistance						
		106,425	97,866	8,559	112,775	(6,350)
		37,652	38,159	(507)	35,631	2,021
	a	4,035	2,886	1,149	4,038	(3)
		5,477	5,066	411	5,747	(270)
		7,368	7,991	(623)	7,498	(130)
		52,823	55,589	(2,766)	47,913	4,910
	b	7,686	4,564	3,122	7,376	310
		25,786	28,397	(2,611)	27,710	(1,924)
	c	39,316	30,416	8,900	26,842	12,474
		142	-	142	51	91
		286,710	270,934	15,776	275,581	11,129
Expenses from continuing operations						
		149,206	143,873	5,333	136,953	12,253
		13,356	13,579	(223)	12,261	1,095
	d	14,260	10,641	3,619	13,034	1,226
		720	1,525	(805)	869	(149)
	e	1,495	-	1,495	331	1,164
	f	321	-	321	4,509	(4,188)
		90,637	93,364	(2,727)	93,631	(2,994)
		269,995	262,982	7,013	261,588	8,407

Explanations for variations between the 2009 results and budget estimates for 2009 and actual results for 2009 and 2008.

- (a) The variance to budget estimate is due to a higher than expected number of students taking up FEE-HELP places.
- (b) The investment revenue and income variance to budget estimate is due to improved financial markets and higher than expected dividends received, offset by lower than expected interest rates.
- (c) The variance to budget estimate and 2008 actuals is due to the increases in fair values of the St Ives Retirement Village and other investment property in 2009, higher than expected sponsorships received, and in-kind revenue.
- (d) The variance to budget estimate is largely due to unplanned breakdown maintenance and the bringing forward of backlog maintenance programs.
- (e) The variance to budget estimate and 2008 actuals is due to the increase in the provision for doubtful debts.
- (f) The investment losses variance to 2008 actuals is due to improved financial markets.

39. Investments in controlled entities

Name of entity	Principal activities	Country of incorporation	Class of shares	Ownership interest		Operating result		Contribution to operating result	
				2009	2008	2009	2008	2009	2008
				%	%	\$000's	\$000's	\$000's	\$000's
Parent entity									
Murdoch University		Australia							
Controlled entities									
Murdoch Investments Company Pty Ltd	Investment	Australia	Ordinary	100	100	-	-	-	-
Murdoch Retirement Services Pty Ltd (*)	Retirement Village	Australia	Ordinary	100	100	(4,228)	(1,293)	(4,228)	(1,293)
The University Company Pty Ltd	Investment	Australia	Ordinary	100	100	-	-	-	-
Murdoch Link Pty Ltd	Consulting	Australia	Ordinary	100	100	164	294	164	294
Innovative Chiropractic Learning Pty Ltd	Chiropractic Clinic	Australia	Ordinary	100	100	28	(142)	28	(142)
Murdoch Ventures Pty Ltd	Investment	Australia	Ordinary	100	100	-	-	-	-
Murdoch University Foundation	Trust	Australia	-	100	100	6,716	1,183	6,716	1,183
Murdoch University Veterinary Trust	Trust	Australia	-	100	100	413	(1,138)	413	(1,138)

(*) Murdoch Retirement Services Pty Ltd (MRS) has been provided with a letter of support by Murdoch University due to the net current asset deficiency position. This position is distorted by the resident loans relating to the St Ives Retirement Village of \$108.3 million which are classified as current liabilities. Under Australian Accounting Standards and our policy as per note 1 (r) of the financial statements, the resident loans are required to be recognised as current liabilities as residents have control over when they exit the village, not MRS. Thereby, MRS does not have an unconditional right to defer settlement. The classification of the resident loans as current liabilities operates under the assumption that MRS could be required to repay the entire liability at once. In practice however, this will not occur. Additionally, it is estimated that all payments required would be funded by the cash received from incoming new residents. This has been the situation since the retirement village commenced operations. Based on the above, the University does not expect that it will need to provide any support under this agreement.

40. Investments accounted for using the equity method

Investments in associates

Information relating to associates is set out below.

Name and Principal Activities

Murdoch College Properties Pty Ltd: 45% ownership and voting rights.

The entity leases the land designated for Murdoch College from the University. It carries the loan to build the College and leases this building and the land to Murdoch College Inc.

Carrying value

Murdoch College Properties Pty Ltd

Movement in carrying value

Carrying value at beginning of year

Share of net results of associates

Carrying value at end of year

Results attributable to associate

Share of profit / (loss) from ordinary activities before related income tax

Share of income tax (expense) / benefit

Share of profit / (loss) from ordinary activities after related income tax

Share of retained profit/ (loss) at beginning of year

Share of retained profit / (loss) at end of year

Summary of the performance and financial position of the associate

The aggregate profit / (loss), assets and liabilities of the associate is:

Profit / (loss) from ordinary activities after related income tax expense

Total Assets

Total Liabilities

Consolidated	
2009 \$000's	2008 \$000's
260	118
118	67
142	51
260	118
204	51
(62)	-
142	51
118	67
260	118
318	113
5,833	5,793
(5,141)	(5,532)

As the audit of Murdoch College Properties Pty Ltd is yet to be finalised, the 2009 information above is based on unaudited financial information. The balances disclosed in this note do not have a material impact on the financial statements of Murdoch University.

41. Related parties

(a) Senate members and senior officers

Disclosures relating to Senate members and senior officers are set out in note 36.

(b) Controlled entities

Ownership interests in controlled entities are set out in note 39.

(c) Transactions with related parties

Aggregate amounts included in the determination of operating result from ordinary activities that resulted from transactions with related parties:

	Consolidated		University	
	2009 \$000's	2008 \$000's	2009 \$000's	2008 \$000's
Wholly owned entity				
Consulting	-	-	4,054	4,181
Donations, sponsorships and bequests	-	-	800	700
Interest paid	-	-	703	-
Other fees and charges	-	-	548	458
Rental and lease charges	-	-	3,105	2,640
(d) Outstanding balances				
Aggregate amounts receivable from, and payable to, each class of related parties at balance date:				
Wholly owned entity				
Current receivables	-	-	1,098	281
Inter entity loan receivable	-	-	1,021	420
Inter entity loan payable	-	-	141	-

42. Supplementary financial information

Write-offs

Bad debts written off during the year	516	407	485	405
Property, plant and equipment written off during the year	98	68	98	68
Total write-offs	614	475	583	473

Theft and default

	3	29	3	29
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Losses through theft and default

Where appropriate, reports were made to the police and insurance claims submitted where the value exceeded the excess on the University's insurance policy.

43. Superannuation – UniSuper defined benefit division

The Group currently contributes to the UniSuper defined benefit division (DBD) on behalf of certain employees. The DBD is a defined benefit plan under Superannuation Law but, as a result of amendments in 2006 to Clause 34 of the UniSuper Trust Deed, a defined contribution plan under AASB119 "Employee benefits".

Current Clause 34:

- (a) If, after an actuarial investigation and valuation of UniSuper, the Trustee considers that UniSuper is or may be insufficient to provide benefits payable under the Deed, the Trustee must notify each Employer.
- (b) If, after the next two succeeding actuarial investigations and valuations of UniSuper (made in a period of not less than 4 years) the Trustee still considers that UniSuper is or may be insufficient to provide the benefits payable under the Deed, the Trustee must reduce the benefits (including benefits in the course of payment) payable under Division A and Division B on a fair and equitable basis.
- (c) Notwithstanding anything in this Clause 34, if the Trustee believes that UniSuper is or may be technically insolvent, the Trustee must comply with Superannuation Law.

Previous Clause 34:

The previous Clause 34 of the UniSuper Trust Deed outlined the process UniSuper must undertake (including employer notifications and notice periods) in order to request additional contributions from employers if the UniSuper assets are considered by the Trustee to be insufficient to provide benefits payable under the Deed. At least four years notice that such a request may be made was required. If such a request was agreed to by employers then members must also contribute additional contributions equal to one-half of the rate at which their employer is prepared to contribute. If the employers do not agree to increase contributions the Trustee must reduce benefits on a fair and equitable basis. The Trustee notified employers during 2003 that such a request may be made in the future but it considered this was unlikely at that time.

Financial position of the UniSuper defined benefit division

For comparative information purposes only, the financial position below is applicable to the whole UniSuper DBD incorporating all participating employers, not only Murdoch University.

As at 30 June 2009 the assets of the DBD in aggregate were estimated to be \$1,396 million in deficiency of vested benefits. The vested benefits are benefits which are not conditional upon continued membership (or any factor other than leaving the service of the participating institution) and include the value of CPI indexed pensions being provided by the DBD.

As at 30 June 2009 the assets of the DBD in aggregate were estimated to be \$39 million in deficiency of accrued benefits. The accrued benefits have been calculated as the present value of expected future benefit payments to members and CPI indexed pensioners which arise from membership of UniSuper up to the reporting date.

The vested benefit and accrued benefit liabilities were determined by the Fund's actuary, Russell Employee Benefits, using the actuarial demographic assumptions outlined in their report dated 12 June 2009 on the actuarial investigation of the DBD as at 31 December 2008. The financial assumptions used were:

	Vested benefits	Accrued benefits
Gross of tax investment return	7.25% p.a.	8.50% p.a.
Net of tax investment return	6.75% p.a.	8.00% p.a.
Consumer Price Index	2.75% p.a.	2.75% p.a.
Inflationary salary increases long term	3.75% p.a.	3.75% p.a.

Assets have been included at their net market value, i.e. allowing for realisation costs.

The Defined Benefit Division as at 30 June 2009 is therefore in an "unsatisfactory financial position" as defined by SIS Regulation 9.04. An "unsatisfactory financial position" for a defined benefit fund is defined as when 'the value of the assets of the Fund is inadequate to cover the value of the liabilities of the Fund in respect of benefits vested in the members of the Fund'. The Actuary and the Trustee have followed the procedure required by Section 130 of the SIS Act when funds are found to be in an unsatisfactory financial position.

The actuary currently believes, in respect of the long-term financial condition of the Fund, that assets as at 30 June 2009, together with current contribution rates, are expected to be sufficient to provide for the current benefit levels for both existing members and anticipated new members if experience follows the best estimate assumptions.

44. Acquittal of Australian Government financial assistance (University only)

44.1 DEEWR – CGS and Other DEEWR Grants

	Commonwealth Grants Scheme #1		Indigenous Support Program		Equity Support Program		Disability Support Program		Workplace Reform Program		Workplace Productivity Program		Learning & Teaching Performance Fund	
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programs)	65,315	69,170	564	481	197	230	227	397	863	881	1,995	505	-	1,689
Net accrual adjustments	1,454	796	-	-	-	-	-	-	-	-	-	191	-	-
Revenue for the period	66,769	69,966	564	481	197	230	227	397	863	881	1,995	696	-	1,689
Surplus / (deficit) from the previous year	-	-	-	-	-	-	27	-	-	-	-	-	-	-
Total revenue including accrued revenue	66,769	69,966	564	481	197	230	254	397	863	881	1,995	696	-	1,689
Less expenses including accrued expenses	(66,769)	(69,966)	(564)	(481)	(197)	(230)	(254)	(370)	(863)	(881)	(1,995)	(696)	-	(1,689)
Surplus / (deficit) for reporting period	-	-	-	-	-	-	-	27	-	-	-	-	-	-

#1 Includes the basic CGS grant amount, CGS - Regional Loading, CGS - Enabling Loading, Maths and Science Transition Loading and Full Fee Places Transition Loading.

44.1 DEEWR – CGS and Other DEEWR Grants (continued)

	Capital Development Pool		Improving Practical Component of Teacher Education Initiative		Transitional Cost Program		Diversity and Structural Adjustment Fund #2		Total	
	2009 \$000's	2008 \$000's	2009 \$000's	2008 \$000's	2009 \$000's	2008 \$000's	2009 \$000's	2008 \$000's	2009 \$000's	2008 \$000's
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programs)	3,567	1,000	414	428	369	602	-	220	73,511	75,603
Net accrual adjustments	-	-	-	-	-	-	-	-	1,454	987
Revenue for the period	3,567	1,000	414	428	369	602	-	220	74,965	76,590
Surplus / (deficit) from the previous year	-	-	-	-	-	-	120	-	147	-
Total revenue including accrued revenue	3,567	1,000	414	428	369	602	120	220	75,112	76,590
Less expenses including accrued expenses	(3,362)	(1,000)	(414)	(428)	(369)	(602)	(2)	(100)	(74,789)	(76,443)
Surplus / (deficit) for reporting period	205	-	-	-	-	-	118	120	323	147

#2 Includes Collaboration and Structural Adjustment Program.

44.2 Higher Education Loan Programs

	HECS-HELP (Australian Government payments only)		FEE-HELP #3			Total	
	2009 \$000's	2008 \$000's	2009 \$000's	2008 \$000's	2009 \$000's	2008 \$000's	
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programs)	36,188	37,057	4,550	3,822	40,738	40,879	
Net accrual adjustments	1,464	(1,426)	(515)	216	949	(1,210)	
Revenue for the period	37,652	35,631	4,035	4,038	41,687	39,669	
Surplus / (deficit) from the previous year	-	-	-	-	-	-	
Total revenue including accrued revenue	37,652	35,631	4,035	4,038	41,687	39,669	
Less expenses including accrued expenses	(37,652)	(35,631)	(4,035)	(4,038)	(41,687)	(39,669)	
Surplus / (deficit) for the reporting period	-	-	-	-	-	-	

#3 Program is in respect of FEE-HELP for Higher Education only.

44.3 Scholarships

	Australian Postgraduate Awards		International Postgraduate Research Scholarships		Commonwealth Education Costs Scholarships #4		Commonwealth Accommodation Scholarships #4		Indigenous Access Scholarships		Indigenous CECS Enabling		Indigenous CAS Enabling		Total	
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programs)	1,808	1,567	284	301	932	902	1,082	1,150	154	131	66	65	22	39	4,348	4,155
Net accrual adjustments	-	-	(112)	(37)	(7)	(46)	(4)	57	-	4	(11)	-	(4)	-	(138)	(22)
Revenue for the period	1,808	1,567	172	264	925	856	1,078	1,207	154	135	55	65	18	39	4,210	4,133
Surplus / (deficit) from the previous year	(1,364)	(1,425)	-	-	-	-	-	-	-	-	40	-	29	-	(1,295)	(1,425)
Total revenue including accrued revenue	444	142	172	264	925	856	1,078	1,207	154	135	95	65	47	39	2,915	2,708
Less expenses including accrued expenses	(1,450)	(1,506)	(172)	(264)	(925)	(856)	(1,078)	(1,207)	(154)	(135)	(95)	(25)	(47)	(10)	(3,921)	(4,003)
Surplus / (deficit) for the reporting period	(1,006)	(1,364)	-	-	-	-	-	-	-	-	-	40	-	29	(1,006)	(1,295)

#4 Includes National Priority and National Accommodation Priority Scholarships respectively.

44.4 DIISR Research

Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programs)

Net accrual adjustments

Revenue for the period

Surplus / (deficit) from the previous year

Total revenue including accrued revenue

Less expenses including accrued expenses

Surplus / (deficit) for the reporting period

Institutional Grants Scheme	Research Training Scheme		Infrastructure Grants		Assistance Program		Commercialisation Training Scheme		Higher Education Repositories		Total		
	2009 \$000's	2008 \$000's	2009 \$000's	2008 \$000's	2009 \$000's	2008 \$000's	2009 \$000's	2008 \$000's	2009 \$000's	2008 \$000's			
4,946	5,099	9,121	9,403	2,361	2,311	81	87	76	79	194	269	16,779	17,248
-	-	-	-	-	-	(3)	-	-	-	-	-	(3)	-
4,946	5,099	9,121	9,403	2,361	2,311	78	87	76	79	194	269	16,776	17,248
-	-	-	-	-	-	-	-	98	55	210	84	308	139
4,946	5,099	9,121	9,403	2,361	2,311	78	87	174	134	404	353	17,084	17,387
(4,542)	(5,099)	(9,121)	(9,403)	(2,361)	(2,311)	(78)	(87)	(16)	(36)	(232)	(143)	(16,350)	(17,079)
404	-	-	-	-	-	-	-	158	98	172	210	734	308

44.5 Other Capital Funding

Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programs)

Net accrual adjustments

Revenue for the period

Surplus / (deficit) from the previous year

Total revenue including accrued revenue

Less expenses including accrued expenses

Surplus / (deficit) for the reporting period

Better Universities Renewal Funding	2008 \$000's
-	7,789
-	-
-	7,789
5,459	-
5,459	7,789
(2,933)	(2,330)
2,526	5,459

44.6 Australian Research Council Grants

(a) Discovery

	Projects		Fellowships			Indigenous Researchers Development			Total	
	2009 \$000's	2008 \$000's	2009 \$000's	2008 \$000's	2009 \$000's	2008 \$000's	2009 \$000's	2008 \$000's	2009 \$000's	2008 \$000's
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programs)	1,642	1,646	192	-	102	-	1,936	-	1,936	1,646
Net accrual adjustments	(82)	(113)	(10)	-	(5)	-	(97)	-	(97)	(113)
Revenue for the period	1,560	1,533	182	-	97	-	1,839	-	1,839	1,533
Surplus / (deficit) from the previous year	982	556	-	-	-	-	982	-	982	556
Total revenue including accrued revenue	2,542	2,089	182	-	97	-	2,821	-	2,821	2,089
Less expenses including accrued expenses	(1,369)	(1,107)	-	-	(6)	-	(1,375)	-	(1,375)	(1,107)
Surplus / (deficit) for the reporting period	1,173	982	182	-	91	-	1,446	-	1,446	982

Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programs)

Net accrual adjustments

Revenue for the period

Surplus / (deficit) from the previous year

Total revenue including accrued revenue

Less expenses including accrued expenses

Surplus / (deficit) for the reporting period

(b) Linkages

	International		Projects			Total		
	2009 \$000's	2008 \$000's	2009 \$000's	2008 \$000's	2009 \$000's	2008 \$000's	2009 \$000's	2008 \$000's
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programs)	-	-	853	1,849	853	1,849	1,849	1,849
Net accrual adjustments	-	-	(43)	(60)	(43)	(60)	(60)	(60)
Revenue for the period	-	-	810	1,789	810	1,789	1,789	1,789
Surplus / (deficit) from the previous year	23	23	1,302	1,933	1,325	1,956	1,956	1,956
Total revenue including accrued revenue	23	23	2,112	3,722	2,135	3,745	3,745	3,745
Less expenses including accrued expenses	(23)	-	(663)	(2,420)	(686)	(2,420)	(2,420)	(2,420)
Surplus / (deficit) for the reporting period	-	23	1,449	1,302	1,449	1,325	1,325	1,325

Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programs)

Net accrual adjustments

Revenue for the period

Surplus / (deficit) from the previous year

Total revenue including accrued revenue

Less expenses including accrued expenses

Surplus / (deficit) for the reporting period

44.7 OS-HELP

	OS-HELP	
	2009	2008
	\$000's	\$000's
Cash Received during the reporting period	176	92
Cash Spent during the reporting period	(207)	(109)
Net Cash received	(31)	(17)
Cash Surplus / (deficit) from the previous period	13	30
Cash Surplus / (deficit) for reporting period	(18)	13

Cash Received during the reporting period
 Cash Spent during the reporting period
 Net Cash received
 Cash Surplus / (deficit) from the previous period
 Cash Surplus / (deficit) for reporting period

Key Performance Indicators

In 2007, the University launched its Strategic Plan 2007–2010, with main goals including education, research, student profile, and resource management. Strategic goals imply particular outcomes: the extent to which these have been achieved is assessed using appropriate key performance indicators (KPIs). KPIs to support the goals of the new strategic plan are under development; in light of data lag and development and approval lead time, agreed KPIs relating to the University's core goals of teaching and learning and research as expressed in the *Desired Outcomes* of the 2003–2007 Strategic Plan are presented here.

Constraints on the availability of data resulted in incomplete presentation of information for 2009. Therefore KPIs that depend on data that is not available are presented for the period ending 2008.

Teaching and Learning Outcomes

Strategic Plan Goal A: To provide quality contemporary education which empowers the students of today to live and work in the world of tomorrow

Desired Outcome (i):

To maintain student satisfaction with the quality of teaching within the top 20% of the Australian public universities, as measured by the Course Experience Questionnaire.

Desired Outcome (ii):

To maintain the rate of student satisfaction with the quality of teaching above 80%, as measured by unit surveys.

Desired Outcome (iii):

To increase the percentage of graduates who demonstrate their commitment to lifelong learning by undertaking further study.

Desired Outcome (iv):

To increase the percentage of graduates who are able to gain their preferred employment to within 2% of the state average.

Effectiveness Indicators

1. Perceived Quality of Teaching – Course Experience Questionnaire

The University participates in the annual national Course Evaluation Questionnaire conducted by Graduate Careers Australia (GCA). In 2008, the number of graduates surveyed was 2,176, of whom 1,113 responded. The survey had a response rate of 51% compared to the national response rate of 48%. The survey is administered to all graduates six months after the completion of their course. The survey asks graduates to rate various aspects of their recently completed course. Scale scores for both good teaching and enhancement of generic skills are based on 6 items each, with a third measure, overall satisfaction, based on a single item. The scale used is a five-point scale ranging from 1 – strongly disagree – to 5 – strongly agree. Students who record scores of 3, 4 and 5 are defined as broadly agreeing with the statements.

CEQ Scale: Percentage Broadly Agree

Year of Survey		Good Teaching	Generic Skills	Overall Satisfaction
2005	Murdoch	88.2	90.2	92.7
	WA	83.9	89.2	90.2
	National	82.1	88.2	89.5
2006	Murdoch	89.1	90.3	93.8
	WA	84.7	89.2	90.1
	National	82.6	88.0	89.2
2007	Murdoch	87.1	90.2	91.5
	WA	85.6	90.1	90.8
	National	83.6	88.6	89.4
2008	Murdoch	86.9	88.5	90.2
	WA	85.1	89.3	89.5
	National	82.9	87.4	88.1

Comment:

The table shows that Murdoch University continues to receive scores above State and National averages in Good Teaching and Overall Satisfaction but has slipped behind on Generic Skills.

2. Student Evaluation of Units

The University requires its units to be regularly surveyed. Provided ten or more students are enrolled, each unit is surveyed at least once every two years, with many units surveyed more frequently than this. From Semester 2, 2005 all unit surveys have been administered online. In 2009, out of 54,047 questionnaires issued, 21,997 were completed.

This indicator is based on the students' response to the statement: "Overall I was satisfied with the quality of the unit" and is expressed as a percentage of the "valid" responses (i.e. after missing responses and "Unable to Judge" responses have been removed).

	2005	2006	2007	2008	2009
Overall Agree*	86%	86%	86%	86%	86%
Survey Response Rate	50%	50%	47%	45%	41%

* The "Overall Agree" measure is the percentage of students who respond "Strongly Agree", "Agree", or "Slightly Agree" on the 6-point scale (compared to the other response options of "Slightly Disagree", "Disagree" and "Strongly Disagree").

2008 rate has been updated to reflect valid percentage.

Comment:

The table shows that the University has maintained student satisfaction with units above 85% over the past five years. These percentages are broadly in agreement with the CEQ survey outcomes shown in the previous KPI. While "quality of the unit" and "quality of teaching" do not coincide, the latter is a major determinant of the former, so that the strong results presented in the table provide support for achievement of the target expressed in Desired Outcome (ii).

3. Graduate Study Outcomes

The University participates in the annual national Graduate Destination Survey conducted by GCA. The survey is administered to all graduates after the completion of their course.

The survey asks students about their employment and study status as at 30th April the year following their course completion. Mid year graduates are asked about their status as at 30th October.

The data presented below measure successful outcomes in terms of a graduate continuing to study.

Year of Survey		Full time Study	Part time Study	Not Studying	Total % Studying	Number of Respondents	Number Surveyed	Response Rate
2005	Murdoch	22.4%	8.0%	69.6%	30.4%	1,340	2,454	54.6%
	WA	21.4%	8.4%	70.2%	29.8%	10,670	19,470	54.8%
	National	20.0%	8.4%	71.5%	28.5%	110,707	198,003	55.9%
2006	Murdoch	17.1%	7.0%	75.9%	24.1%	1,223	2,110	58.0%
	WA	17.3%	7.7%	75.0%	25.0%	11,300	19,963	56.6%
	National	20.1%	8.1%	71.8%	28.2%	115,601	205,139	56.4%
2007	Murdoch	16.5%	6.7%	76.8%	23.2%	1,457	2,668	54.6%
	WA	17.9%	7.9%	74.2%	25.8%	11,584	20,808	55.7%
	National	18.4%	7.9%	73.7%	26.3%	116,963	205,756	56.7%
2008	Murdoch	14.9%	6.2%	78.9%	21.1%	1,238	2,261	54.8%
	WA	16.9%	7.7%	75.4%	24.6%	11,071	19,772	56.0%
	National	17.8%	7.2%	75.0%	25.0%	119,447	211,873	56.4%

Comment:

In 2008 the percentage of graduates continuing in full time or part time study declined, a trend also observed in the state and national figures. This data provides tangential support for the target expressed in Desired Outcome (iii) because of the short time elapsed between graduation and survey.

4. Graduate Employment Outcomes

This indicator is based on domestic graduates, i.e. those with permanent residence or citizenship status. This follows the typical approach taken by GCA, intended to provide analysis of employment figures based on a more cohesive group with a higher response rate.

The percentage of graduates in their work mode of choice is those who are employed either full time, or part-time and not seeking full time, as a proportion of all graduates who are available for work at the time of the survey. Of the 1,873 domestic graduates who were asked to complete the GDS, 1,034 (55.2%) supplied usable responses.

Year of survey		Full time employment	Part time employment	Unavailable for employment	Unavailable for employment due to FT study	Unemployed	% Graduates in their work mode of choice*
2005	Murdoch	53.5%	16.4%	3.1%	20.6%	6.4%	81.7%
	WA	56.9%	14.5%	2.5%	20.3%	5.8%	83.4%
	National	59.5%	14.6%	3.2%	17.8%	4.9%	84.6%
2006	Murdoch	57.0%	18.1%	6.4%	14.4%	4.1%	84.3%
	WA	59.5%	16.4%	4.6%	15.4%	4.1%	85.9%
	National	58.5%	16.3%	4.1%	17.1%	4.0%	85.9%
2007	Murdoch	60.7%	15.7%	4.7%	14.6%	4.3%	87.0%
	WA	62.5%	14.6%	4.3%	15.1%	3.4%	89.4%
	National	60.7%	15.2%	4.6%	15.6%	3.9%	87.2%
2008	Murdoch	56.1%	20.6%	5.9%	13.2%	4.2%	86.4%
	WA	62.2%	15.6%	4.1%	14.8%	3.3%	89.9%
	National	61.0%	15.1%	5.1%	14.9%	3.9%	88.0%

Note:

In previous Annual Reports, 'Unavailable for Employment due to Full time Study' was embedded with 'Unavailable for Employment'. This is now separated to give a clearer picture of graduate destinations.

*Work mode of choice indicates the percentage of graduates in full time work, or in part time work not seeking full time as a percentage as those available for work. Graduates in full time study are considered to be not available for full time work.

Comment:

The percentage of Murdoch graduates in their work mode of choice declined. While "work mode of choice" does not align precisely with "preferred employment" (the target expressed in Desired Outcome (iv)), improving performance in one suggests improving performance in the other.

Efficiency Indicators

5. Ratios of EFTSL per teaching staff FTE, and successful EFTSL per teaching staff FTE

The ratios of EFTSL (Equivalent Full Time Student Load) per teaching staff FTE and successful EFTSL per teaching staff FTE provide indicators of teaching efficiency.

Staff size is measured in Full Time Equivalent units. Part-time staff are measured as a fraction of FTE according to the proportion of the working week for which they are employed. These units of measure allow for the fact that not all staff and students are full time at the University. Academic Staff may be classified as 'Teaching Only', 'Teaching and Research', 'Research Only' or 'Other'. DEEWR defines these measures and classifications for the universities. Only academic staff associated with Academic Organisational Units and designated as 'Teaching Only' or 'Teaching and Research' have been included in this indicator. 'Successful load' is the sum of all load with a passing result. 'Total load' is the sum of all load being undertaken by coursework students. The research load has been excluded from this calculation.

This indicator is calculated using data submitted by the University to the DEEWR Student and Staff Data Collections. The load figures are as at 31 August and the staff figures include both Casual and Full time/Fractional Full time data as at 31 December of previous year and 31 March, respectively.

	2005	2006	2007	2008	2009
Total Non-Research Load (EFTSL)	8,839	9,152	10,064	11,072	11,913
Successful Load (EFTSL)	7,173	7,256	8,106	8,884	9,493
Teaching Staff (FTE)	459	487	494	484	527
Total Load / Teaching Staff	19.3	18.8	20.4	22.9	22.6
Successful Load / Teaching Staff	15.6	14.9	16.4	18.3	18.0

Comment:

There is an improving trend in the successful load per teaching staff FTE since 2005. Successful load is linked with student perceptions of teaching quality.

6. Ratios of total operating and teaching related expenditure to total load (EFTSL)

Operating and teaching related expenditure, because it encompasses the provision of teaching and related services to all students, is defined as total University expenditure less research grant expenditure. The total equivalent full time student load includes teaching and research training load.

The average expenditure per unit of EFTSL is dependent on and will vary according to the discipline mix taught by a university. Clinical and laboratory based sciences are more expensive to teach than classroom based disciplines.

This indicator is calculated using data submitted by the University to the DEEWR Student and Finance Collections. The total load figure is as at 31 August of each year. The comparative expenditure figures have been indexed to 2009 prices using the higher education cost adjustment factors published by DEEWR.

	2005	2006	2007	2008	2009
Total Load (EFTSL)	9,424	9,788	10,720	11,725	12,543
Total Expenditure less Research (\$000)	168,763	181,569	194,657	220,550	225,319
Total Expenditure less Research / EFTSL	17,907	18,550	18,158	18,810	17,964

Comment:

In 2009, the decline in Total Expenditure less Research per EFTSL is due to disproportionate increase in Total Expenditure less Research and Total Load.

Research Outcomes

Strategic Plan Goal B: To contribute to the knowledge, well-being and sustainability of society by conducting high quality multidisciplinary research and development

Desired Outcome (i):

To increase research productivity as measured by the Research Funding allocation and rank.

Desired Outcome (ii):

To increase research income to \$40 million by 2007.

Desired Outcome (iii):

To increase the number of postgraduate research student completions per 10 staff FTE.

Effectiveness and Efficiency Indicators

In assessing research performance the quantum (of income, publications, completions) provides a measure of effectiveness, while the rate at which staff achieve the quantum provides a measure of efficiency. In what follows, it is convenient to present the quantum and the rate side by side.

7. Research Funding: A National Comparison

The desired outcome to increase research productivity as measured by the research funding allocation and rank demonstrates the University's high national standing in terms of research productivity. Research income per academic researcher is an indicator of a productive research culture and the ability of the University to increase its external funding base for research, and is a more appropriate measure for ranking than mere total funding.

Block research funding consists of funds allocated by DEEWR under the Research Training Scheme, the Institutional Grants Scheme, and the Research Infrastructure Block Grants program. Allocations are determined using formulas based on relative performance in research income, higher degree completions, higher degree load, and publications. The block research funding indicator tabulates total block grants for each publicly funded Australian university, which are then ranked according to block research funding per academic researcher.

Current year information is not available because DEEWR has not as yet published the national 2009 staff statistics.

Research Funding Allocations per Research Staff FTE 2005–2008

	Rank 2005	Rank 2006	Rank 2007	Rank 2008	Block Research Allocation RTS+IGS+RIBG 2008	Research Active ² Staff FTE 2008	Funds / FTE 2008
The University of Melbourne	3	3	1	1	130,381,356	2,931	44,484
The University of Sydney	2	2	3	2	116,496,092	2,722	42,798
The University of Western Australia	4	4	2	3	62,586,602	1,530	40,906
The University of Adelaide	1	1	4	4	57,999,731	1,437	40,362
The University of Queensland	7	7	5	5	104,575,987	2,851	36,680
The University of New South Wales	5	5	6	6	86,629,480	2,406	36,006
The Australian National University	14	9	8	7	66,204,298	1,868	35,441
Murdoch University	8	8	9	8	16,814,027	507	33,164
University of Tasmania	6	6	7	9	28,749,981	878	32,745
Monash University	12	14	14	10	84,275,253	2,918	28,881
The University of New England	11	15	13	11	12,549,278	436	28,783
Charles Darwin University	17	13	10	12	6,381,724	230	27,747
The University of Newcastle	13	11	12	13	26,530,143	962	27,578
University of Wollongong	9	10	11	14	21,812,310	806	27,062
Flinders University of South Australia	10	12	15	15	19,309,262	772	25,012
Macquarie University	15	16	16	16	20,263,804	871	23,265
Curtin University of Technology	19	17	17	17	22,093,355	1,000	22,093
James Cook University	16	18	18	18	14,306,076	649	22,043
Southern Cross University	23	21	20	19	5,382,003	260	20,700
Swinburne University of Technology	20	19	19	20	9,633,518	476	20,238
RMIT University	25	22	21	21	20,836,376	1,072	19,437
University of Technology, Sydney	22	24	23	22	17,033,399	881	19,334
La Trobe University	18	20	22	23	20,008,500	1,067	18,752
University of Western Sydney	24	25	27	24	12,061,668	676	17,843
Queensland University of Technology	27	28	25	25	22,615,837	1,268	17,836
Griffith University	21	23	24	26	21,521,570	1,211	17,772
Deakin University	29	26	26	27	15,920,783	916	17,381
University of South Australia	30	29	29	28	17,474,294	1,086	16,091
Victoria University	28	30	30	29	7,630,021	483	15,797
University of Ballarat	31	31	31	30	2,851,206	191	14,928
Edith Cowan University	34	32	32	31	6,715,939	463	14,505
University of Canberra	26	27	28	32	4,658,211	327	14,245
Central Queensland University	33	33	34	33	4,076,955	363	11,231
Charles Sturt University	32	34	33	34	6,141,461	577	10,644
University of Southern Queensland	36	35	35	35	3,566,697	394	9,053
University of the Sunshine Coast	37	37	36	36	940,323	173	5,435
Australian Catholic University	38	38	37	37	2,264,898	420	5,393
University of Notre Dame Australia	35	36	38	38	438,643	144	3,046
Australian Maritime College *	16	26	36	-	-	-	-
TOTAL					1,099,731,061	38,222	28,772

² Academic staff with a Research only or a Teaching and Research contract

Comment:

This KPI shows the intensity of nationally and internationally competitive research activity within each university. The table shows that Murdoch University has performed consistently and creditably amongst Australian universities over the past four years.

* Australian Maritime College integrated with the University of Tasmania in 2008.

8. Research Income per 10 Research Staff FTE

The most tangible indicator of research performance is research income, which the University has targeted for improvement. The following indicators present the total research income and research income per 10 staff FTE, the latter providing a productivity perspective.

These indicators are calculated using data submitted by the University to the DEEWR Staff Data Collections and the University's financial records, including records of subsidiary entities where research income is derived. Only academic staff level B and above associated with Academic Organisational Units and designated as 'Research Only' or 'Teaching and Research' have been included in this indicator. A rolling three year staff average has been used.

	2005	2006	2007	2008	2009
Research Income (\$000's)	24,388	35,889	35,285	40,835	45,145
Research Staff (FTE)	368	373	386	389	392
Research Income per 10 FTE (\$000's)	663	962	914	1,048	1,151

Comment:

Both Research Income and Research Income per 10 FTE exhibit an increasing trend. The target level set out in Desired Outcome (ii) was maintained in 2009.

9. Higher Degree by Research Completions per 10 Research Staff FTE

Yet another indicator of research strength is activity in training new researchers. The number of research students is provided in the summary statistics section of the Annual Report.

This indicator is calculated using data submitted by the University to the DEEWR Student and Staff Data Collections. Only academic staff level B and above associated with Academic Organisational Units and designated as 'Research Only' or 'Teaching and Research' have been included in this indicator. A rolling three year staff average has been used.

	2004	2005	2006	2007	2008
Research Staff (FTE)	367	368	373	386	389
Masters by Research Completions	14	11	21	12	11
Doctorate by Research Completions	88	81	87	76	73
Masters Completions per 10 FTE	0.4	0.3	0.6	0.3	0.3
Doctorate Completions per 10 FTE	2.4	2.2	2.3	2.0	1.9
Total Completions per 10 FTE	2.8	2.5	2.9	2.3	2.2

Comment:

The rate of Completions per 10 FTE exhibits a slow decline because a lower number of Completions coincided with a higher number of Research Staff.

10. Number of Publications per 10 Staff FTE

Another indicator of research productivity is the number of publications per 10 research staff FTE, based on data submitted by the University to the DEEWR Research and Staff Data Collections. The numbers of publications for all categories except book chapters are adjusted to remove the contribution of non-Murdoch staff: for example, if a publication is co-authored by one Murdoch staff member with a collaborator who is not on Murdoch's staff, the publication is included with a weighting of 0.5. For book chapters the contribution is calculated using the DEEWR formula to give a value no higher than 5 which represents the contribution to the book. The Research Publications data collection date of 30 June makes it necessary to report the 2009 results in the next year's annual report.

	2004	2005	2006	2007	2008
Research Staff (FTE)	367	368	373	386	389
Books and Monographs	6.4	7.7	10.0	10.3	13.1
Refereed Journal Articles and Book Chapters	293.9	357.7	356.0	308.7	343.0
Published Conference Papers	62.8	97.9	98.6	93.0	84.0
Books and Monographs per 10 FTE	0.2	0.2	0.3	0.3	0.3
Refereed Journal Articles and Book Chapters per 10 FTE	8.0	9.7	9.5	8.0	8.8
Published Conference Papers per 10 FTE	1.7	2.7	2.6	2.4	2.2

Comment:

In 2008, the numbers of publications is increasing.

Characteristics of the student population

Summary Statistics

Student Enrolments

Level	2005	2006	2007	2008	2009
Higher Degree Research	835	894	902	903	872
Higher Degree Coursework	583	610	800	875	1,005
Other Postgraduate	855	969	1,118	1,231	1,348
Undergraduate	10,953	11,484	12,346	13,366	14,332
Non-Award	277	314	348	395	250
Total	13,503	14,271	15,514	16,770	17,807

Broad Field of Study	2005	2006	2007	2008	2009
Agriculture, Environmental and Related Studies	474	454	475	532	546
Architecture & Building		5	19	26	18
Creative Arts	1,035	933	1,057	1,204	1,310
Education	1,817	1,991	2,043	2,069	2,258
Engineering and Related Technologies	274	317	377	431	573
Health	1,104	1,366	1,675	1,800	1,872
Information Technology	728	675	716	791	801
Management and Commerce	2,280	2,478	2,785	3,377	3,625
Natural and Physical Sciences	1,634	1,688	1,745	1,779	1,762
Non-Award	277	314	348	395	250
Society and Culture	3,880	4,050	4,274	4,366	4,792
Total	13,503	14,271	15,514	16,770	17,807

Student Load (EFTSL)

Level	2005	2006	2007	2008	2009
Higher Degree Research	585	637	656	654	629
Higher Degree Coursework	288	308	452	555	619
Other Postgraduate	420	460	551	598	630
Undergraduate	8,010	8,245	8,904	9,860	10,560
Non-Award	121	139	157	165	104
Total	9,424	9,788	10,720	11,831	12,543

Broad Field of Study	2005	2006	2007	2008	2009
Agriculture, Environmental and Related Studies	285	276	290	329	343
Architecture and Building		4	14	15	9
Creative Arts	790	689	785	950	1,022
Education	1,227	1,316	1,361	1,364	1,451
Engineering and Related Technologies	205	231	275	317	370
Health	879	1,070	1,317	1,510	1,568
Information Technology	482	444	465	520	541
Management and Commerce	1,661	1,737	1,996	2,494	2,694
Natural and Physical Sciences	1,150	1,179	1,230	1,246	1,241
Non-Award	121	139	157	165	104
Society and Culture	2,624	2,703	2,831	2,921	3,199
Total	9,424	9,788	10,720	11,831	12,543

Completions

Level	2004	2005	2006	2007	2008
Higher Degree Research	107	91	109	88	84
Higher Degree Coursework	182	136	107	172	214
Other Postgraduate	381	413	517	647	654
Undergraduate	2,276	2,197	2,150	2,083	2,459
Total	2,946	2,837	2,883	2,990	3,411

Broad Field of Study	2004	2005	2006	2007	2008
Agriculture, Environmental and Related Studies	165	117	100	89	103
Architecture and Building				1	4
Creative Arts	304	301	236	208	368
Education	368	397	380	431	381
Engineering and Related Technologies	25	24	33	66	85
Health	123	152	232	290	366
Information Technology	216	171	117	119	117
Management and Commerce	540	479	616	641	838
Natural and Physical Sciences	377	383	346	346	377
Society and Culture	828	813	823	799	772
Total	2,946	2,837	2,883	2,990	3,411

Staff – Full Time Equivalent (FTE)

Staff Function	2005	2006	2007	2008	2009
Teaching Only	116	133	135	147	172
Research Only	64	76	90	86	85
Teaching and Research	361	375	385	373	394
Other	19	21	16	21	22
Non-Academic	824	832	854	856	893
Total	1,383	1,437	1,481	1,483	1,565

Student Load (EFTSL) per Teaching Staff FTE

	2005	2006	2007	2008	2009
Load/FTE Ratio*	19	18	19	19	18

*Excludes offshore student load

Offshore student load to be deducted for Load/FTE Ratio	507	549	1053	1816	2135
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Equity Student Statistics (Enrolments)

Broad Field of Study	2005	2006	2007	2008	2009
Aboriginal & Torres Strait Islander					
Agriculture, Environmental and Related Studies	4	3	3	4	4
Creative Arts	9	10	9	12	8
Education	29	22	30	33	36
Engineering and Related Technologies	1				
Health	7	12	14	18	14
Information Technology	6	3	3	3	1
Management and Commerce	6	7	8	10	10
Natural and Physical Sciences	8	7	14	17	13
Society and Culture	99	105	71	79	134
Non-Award	0	0	0	2	0
Total	169	169	152	178	220
Female					
Agriculture, Environmental and Related Studies	256	245	274	295	303
Architecture & Building			8	10	9
Creative Arts	648	550	649	744	806
Education	1,384	1,553	1,656	1,698	1,883
Engineering and Related Technologies	46	53	61	78	106
Health	739	918	1,137	1,213	1,227
Information Technology	117	105	111	132	125
Management and Commerce	1,218	1,356	1,532	1,919	2,131
Natural and Physical Sciences	906	934	937	979	1,002
Society and Culture	2,524	2,587	2,695	2,769	2,995
Non-Award	165	195	223	245	134
Total	8,003	8,496	9,283	10,082	10,721
Rural					
Agriculture, Environmental and Related Studies	59	48	54	58	57
Architecture & Building			1	3	2
Creative Arts	41	43	45	52	47
Education	211	245	276	271	286
Engineering and Related Technologies	24	20	26	25	40
Health	115	174	239	259	236
Information Technology	31	29	38	30	26
Management and Commerce	104	111	107	91	82
Natural and Physical Sciences	119	131	116	124	123
Society and Culture	239	256	270	263	267
Non-Award	1	2	3	22	5
Total	944	1,059	1,175	1,198	1,171

Broad Field of Study	2005	2006	2007	2008	2009
Isolated					
Agriculture, Environmental and Related Studies	26	33	35	37	35
Architecture & Building			1	2	1
Creative Arts	19	23	25	23	24
Education	158	168	171	156	170
Engineering and Related Technologies	13	7	11	13	7
Health	23	33	29	45	37
Information Technology	23	25	26	22	13
Management and Commerce	49	52	51	34	26
Natural and Physical Sciences	63	78	84	73	85
Society and Culture	116	122	123	117	112
Non-Award	1	1	0	6	1
Total	491	542	556	528	511

Low Socio-Economic Status					
Agriculture, Environmental and Related Studies	119	106	121	141	141
Architecture & Building			3	6	2
Creative Arts	155	148	153	153	161
Education	586	670	690	697	747
Engineering and Related Technologies	83	87	92	101	114
Health	174	256	346	402	401
Information Technology	165	135	158	149	148
Management and Commerce	357	400	369	333	309
Natural and Physical Sciences	341	382	360	371	387
Society and Culture	877	983	999	981	1,120
Non-Award	7	5	11	20	6
Total	2,864	3,172	3,302	3,354	3,536

Non-English Speaking Background					
Agriculture, Environmental and Related Studies	8	8	6	5	6
Architecture & Building				1	0
Creative Arts	4	11	14	11	10
Education	16	21	30	40	35
Engineering and Related Technologies	7	14	18	20	19
Health	14	22	37	42	43
Information Technology	23	23	25	23	19
Management and Commerce	42	52	53	70	58
Natural and Physical Sciences	36	56	58	59	39
Society and Culture	69	104	136	132	106
Non-Award	3	4	5	4	8
Total	222	315	382	407	343

Broad Field of Study	2005	2006	2007	2008	2009
People with a Disability					
Agriculture, Environmental and Related Studies	18	15	14	32	28
Architecture & Building			1	1	2
Creative Arts	49	34	38	40	42
Education	91	79	69	105	104
Engineering and Related Technologies	11	9	9	14	26
Health	25	36	35	49	73
Information Technology	28	23	22	36	34
Management and Commerce	57	56	45	74	64
Natural and Physical Sciences	63	57	63	104	121
Society and Culture	301	284	280	351	401
Non-Award	2	3	3	2	5
Total	645	596	579	808	900

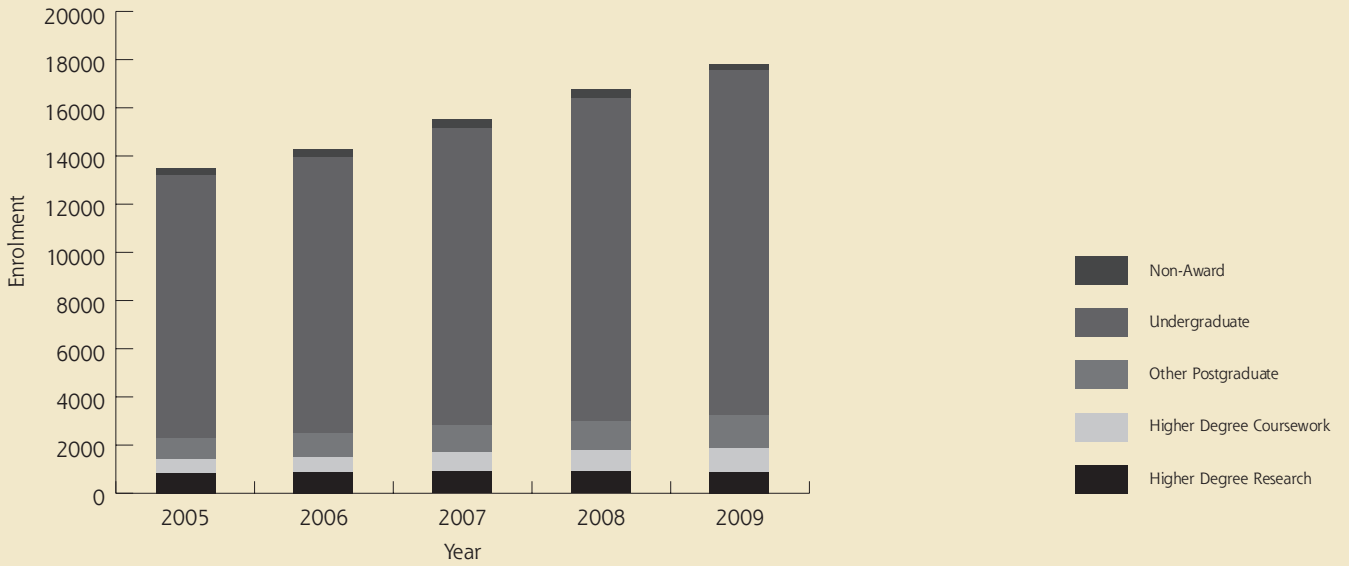
Summary (Percent of Population)					
Total Student Enrolments	13,503	14,271	15,514	16,770	17,807
Aboriginal & Torres Strait Islanders	1.3%	1.2%	1.0%	1.1%	1.2%
Female	59.3%	59.5%	59.8%	60.1%	60.2%
Rural	7.0%	7.4%	7.6%	7.1%	6.6%
Isolated	3.6%	3.8%	3.6%	3.1%	2.9%
Low Socio-Economic Status	21.2%	22.2%	21.3%	20.0%	19.9%
Non-English Speaking Background	1.6%	2.2%	2.5%	2.4%	1.9%
People with a Disability	4.8%	4.2%	3.7%	4.8%	5.1%

Report of Operations

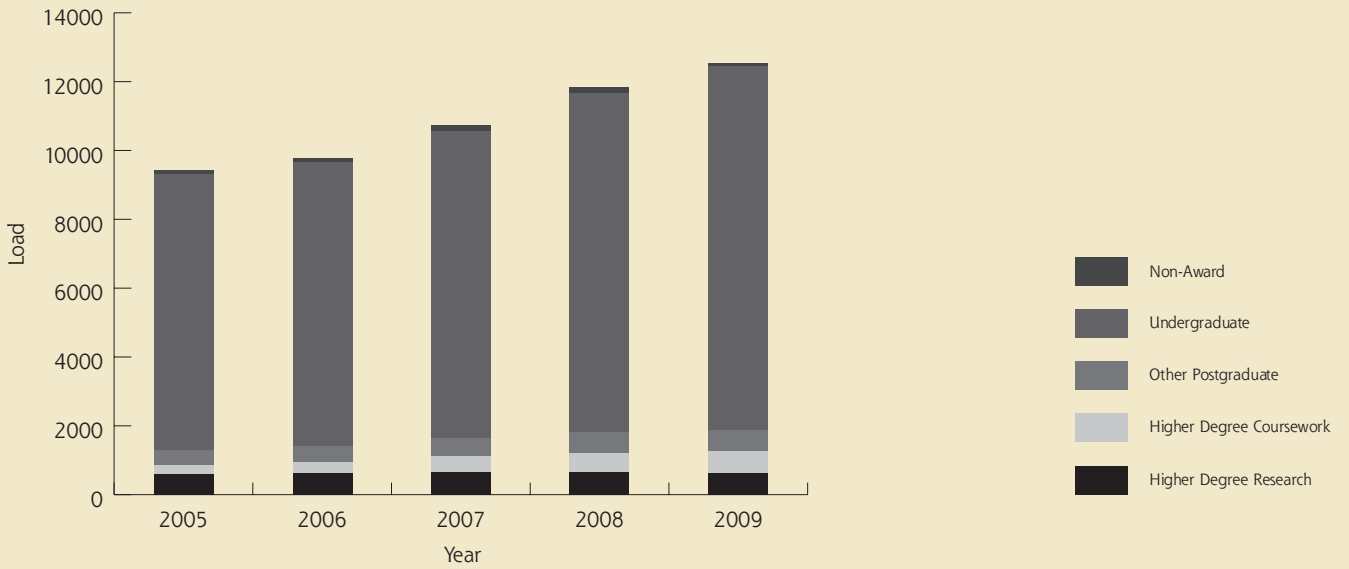
Commonwealth Grant Scheme and Load

	2005	2006	2007	2008	2009
Funding Agreement Load (EFTSL)					
Target	6,620	7,094	7,353	7,645	7,587
Actual	6,625	6,869	7,132	7,185	7,591
Variance (EFTSL)	5	-224	-221	-460	4
Variance (%)	0.08%	-3.16%	-3.01%	-6.01%	0.05%
Undergraduate Target Load (EFTSL)					
Target	6,345	6,909	7,153	7,430	7,372
Actual	6,399	6,608	6,815	6,836	7,112
Variance (EFTSL)	54	-301	-338	-594	-260
Variance (%)	0.85%	-4.36%	-4.73%	-8.00%	-3.53%
Funding Sources					
Commonwealth Grants (\$000's)	110,952	119,040	149,198	152,444	148,017
Commonwealth Grants (at 2009 prices) (\$000's)	120,039	126,388	155,264	155,569	148,017
Outside Research Grants & Donations (\$000)	18,270	25,040	37,096	34,495	31,750
Commonwealth Grants per EFTSL (at 2009 prices)	18,119	18,399	21,770	21,651	19,500
Total Commonwealth Grants as a Percentage of Total Income	57%	57%	50%	55%	52%
External Research Funding (at 2009 prices)					
Number of Competitive Research Grants	150	148	165	135	113
Value of Competitive Research Grants (\$000's)	9,273	13,308	12,161	9,838	8,624
Value of Non-Competitive Grants (\$000's)	17,111	24,797	24,689	30,563	30,933
Total Research Grants (\$000's)	26,385	38,104	36,850	40,401	39,557
Index	1.082	1.062	1.041	1.021	1.000
Higher Education Indexation Number	1.021	1.040	1.061	1.082	1.105

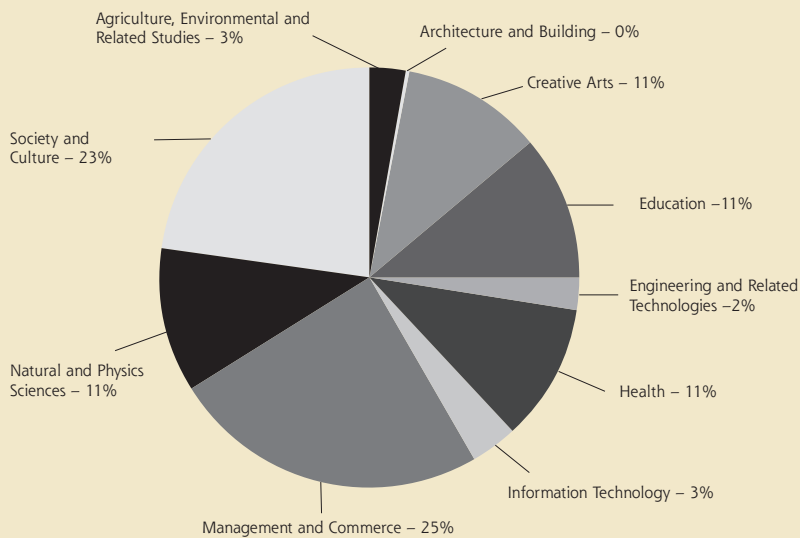
Enrolment by Year & Level



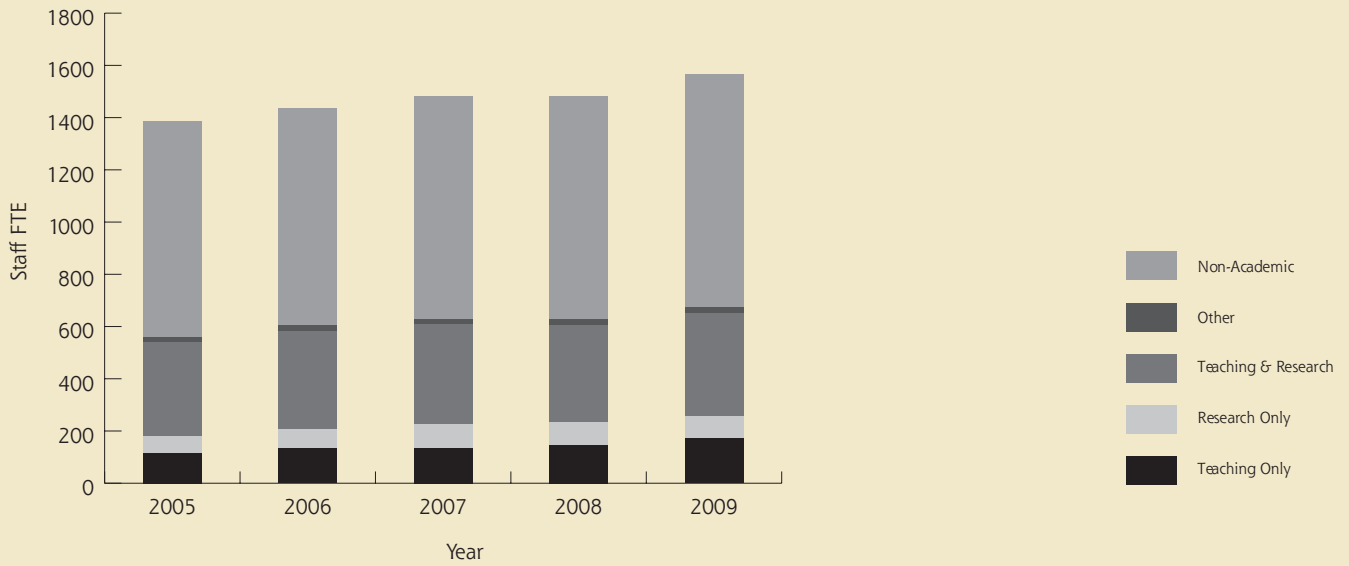
Load (EFTSL) by Year & Level



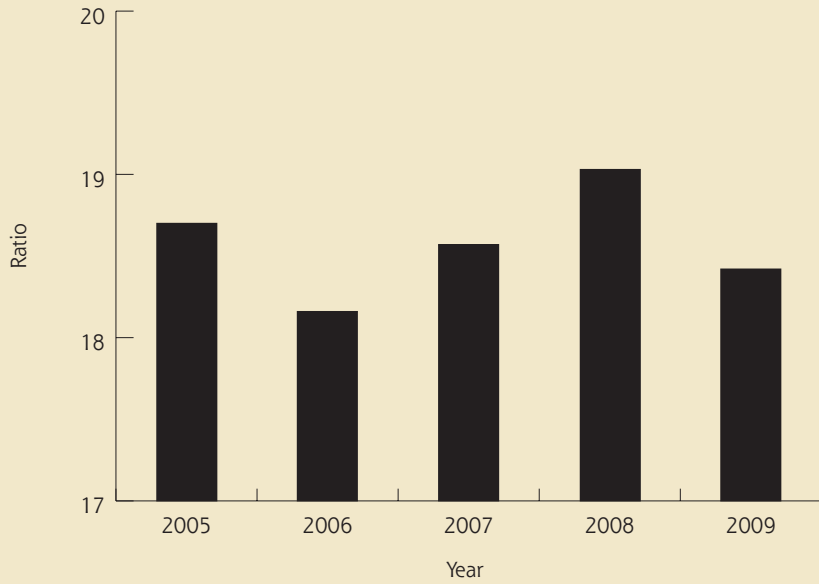
Completions by Broad Field of Education – 2008



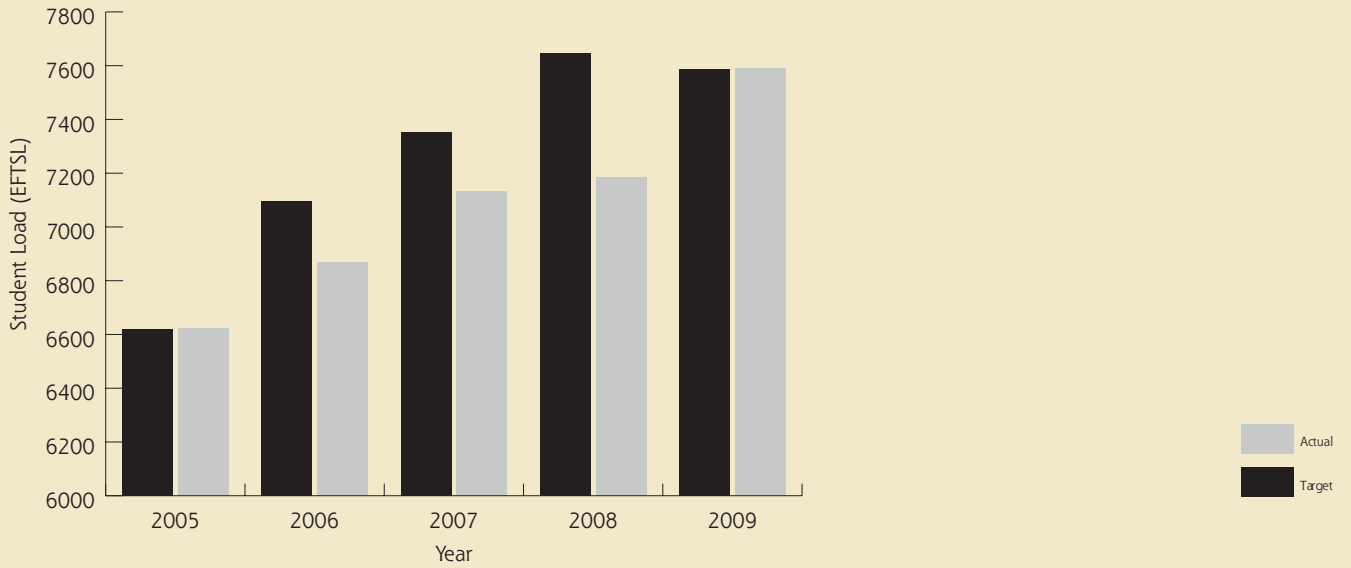
Staff FTE by Function & Year



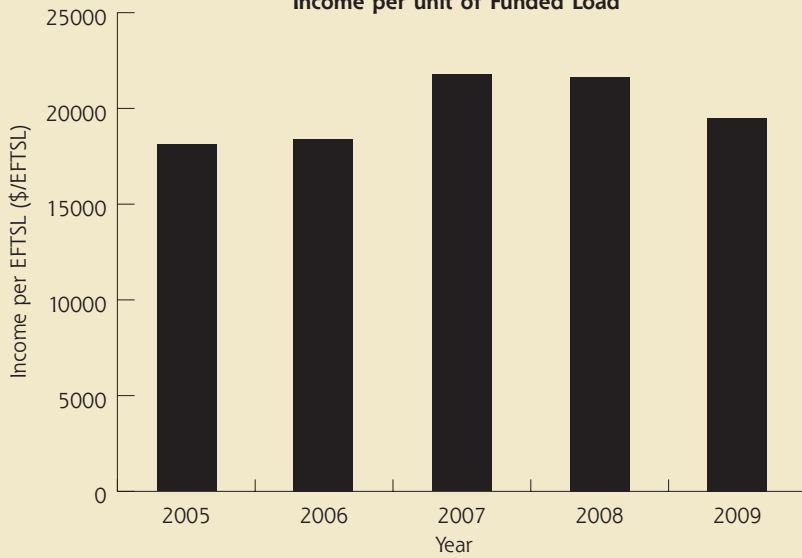
Student Load (EFTSL) per Teaching Staff FTE



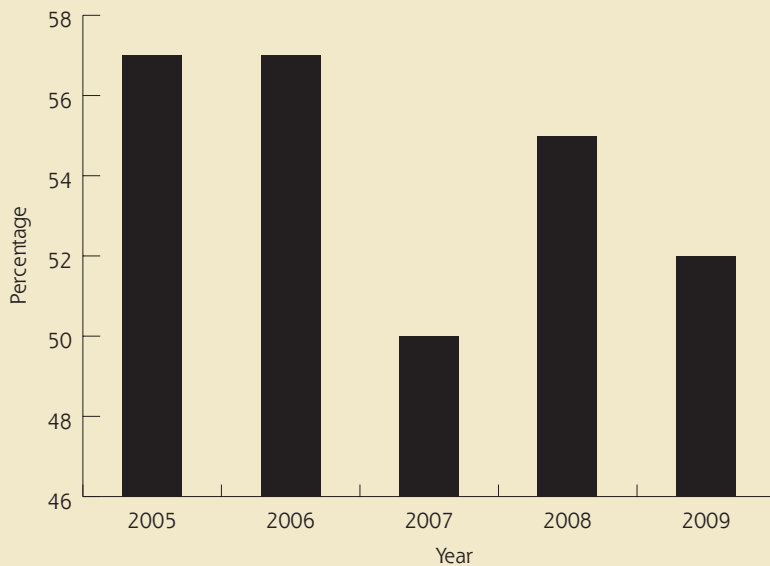
Target & Actual Funding Agreement Load



**Commonwealth Grant Scheme¹
Income per unit of Funded Load**



Commonwealth Grant Scheme¹ as Percentage of Total Income



¹ Commonwealth Grant Scheme includes Commonwealth Contribution (Funding Agreement) plus student Contribution (HECS)

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