

MACQUARIE
UNIVERSITY



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Annual Report
2009



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Annual **REPORT**

For the period 1 January 2009 to 31 December 2009

The Hon Verity Firth, BA, LLB MP
Minister for Education and Training
Parliament House, Sydney

Dear Minister,

The Council of Macquarie University has the honour to submit the Annual Report of Macquarie University for the year ended 31 December 2009. The report has been prepared for presentation to Parliament in accordance with the *Annual Reports (Statutory Bodies) Act 1984* and the *Public Finance and Audit Act 1983*.

Yours faithfully,



The Hon Michael Egan
Chancellor



Professor Steven Schwartz
Vice-Chancellor

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Macquarie UNIVERSITY

Established in 1964 with a founding mission to serve the needs of industry and the community, Macquarie University was always envisioned to be a unique institution in the Australian higher education setting.

Macquarie's 126 hectare park-like campus belies its setting within the high-technology corridor of Sydney's north-west. This location enables the University to establish close relationships with some of the world's most successful companies, many of whom are located in the University's research park, and allows a collaborative approach to research and teaching to ensure Macquarie graduates are highly sought-after and command high starting salaries. It also provides Macquarie students with first-class internship opportunities with world leading companies from a range of industries.

Macquarie is on track to becoming one of Australia's leading research universities. Vice-Chancellor Professor Steven Schwartz has articulated the goal that by 2014 – the University's 50th anniversary – Macquarie will be among the top eight research universities in Australia and among the top 200 in the world.

In 2009 Macquarie moved a step closer to the realisation of this goal by achieving its highest ranking in the Shanghai Jiao Tong University Academic Rankings of World Universities, where it was considered alongside Group of Eight research intensive institutions. Between 2003 and 2009 Macquarie has moved up 60 places in these rankings; we are currently ranked 264th in the world, in the top 40 universities in the Asia-Pacific region and ninth in Australia.

2008 was a year of change and transformation for Macquarie University: 2009 was a year to consolidate these changes. As Macquarie settled in with a new academic structure, significant work was undertaken to re-structure the undergraduate curriculum and continue work on campus rejuvenation.

Macquarie's values

We are **ethical**. Ethical behaviour is paramount. We aim to promote a collegial community and to foster a culture within the University that is responsible, respectful and reflective.

We pride ourselves on being **enquiring**, open to new ideas, new ways of thinking and new ways of ensuring we create a sustainable institution.

We are always **creative** in our response to opportunities and challenges.

We are **inclusive**. Inclusiveness is about making the system fairer and providing access to everyone, no matter what their background, who has potential to benefit from higher education.

We are **agile**. Agility is our willingness and our ability to be responsive, to listen and act, and not to be bound to traditional approaches where these no longer work.

And lastly, we are **committed to excellence**. This is the standard to which we aspire in everything we do. We are asked to offer our best even when something less may be acceptable to others; and to always uphold the standards relevant to our discipline or practice.

These values are what Macquarie University stands for. We bring these values to life in everything we do.

Charter and aims

The *Macquarie University Act 1989* sets out the charter of the University. The Act provides that the functions of the University, within the limits of its resources, include:

- the provision of facilities for education and research of university standard;
- the encouragement of the dissemination, advancement, development and application of knowledge informed by free inquiry;
- the provision of courses of study or instruction across a range of fields, and the carrying out of research, to meet the needs of the community;
- the participation in public discourse;
- the conferring of degrees, including those of Bachelor, Master and Doctor, and the awarding of diplomas, certificates and other awards;
- the provision of teaching and learning that engage with advanced knowledge and inquiry;
- the development of governance, procedural rules, admission policies, financial arrangements and quality assurance processes that are underpinned by the values and goals referred to in the functions set out above, and that are sufficient to ensure the integrity of the University's academic programs.

University **GOVERNANCE**

Report by Members of Council

The members of the Council present their report on the consolidated entity consisting of Macquarie University and the entities it controlled at the end of, or during, the year ended 31 December 2009.

Members

The following persons were members of the Council of Macquarie University during 2009:

The Hon Michael Egan
Professor Steven Schwartz – Vice-Chancellor
Professor Julie Fitness – Vice-President, Academic Senate
Dr Malcolm Irving, AM – Deputy Chancellor
Mr Andrew Bissett
Ms Maxine Brodie
Professor Anne Burns
Professor Max Coltheart, AM
Associate Professor Pamela Coutts
Ms Elizabeth Crouch
Dr Marilyn Dodkin
The Hon Patricia Forsythe
Mr Greg Jones
Dr John Lincoln, AM – Emeritus Deputy Chancellor
Mr Greg Lindsay, AO
Mr Warren Mundine
The Hon Sandra Nori
Ms Amy Smith

The term of office of Mrs Pamela Kenny was extended to 22 April 2009 by resolution of the Council on 10 December 2008.

Meetings of members

Information about the numbers of meetings of the members of Macquarie University's Council, each Committee of Council and committees reporting to Council held during the year ended 31 December 2009, and the number of meetings attended by each member, appears on page 15 of this report.

Principal activities

During the year, the principal continuing activities of the consolidated entity consisted of:

- (a) the provision of facilities for education and research of university standard;
- (b) the encouragement of the dissemination, advancement, development and application of knowledge formed by free enquiry;
- (c) the provision of courses of study or instruction across a range of fields, and the carrying out of research, to meet the needs of the community;
- (d) the participation in public discourse;
- (e) the conferring of degrees, including those of Bachelor, Master and Doctor, and the awarding of diplomas, certificates and other awards;
- (f) the provision of teaching and learning that engage with advanced knowledge and enquiry;
- (g) the development of governance, procedural rules, admission policies, financial arrangements and quality assurance processes that are underpinned by the values and goals referred to in the functions set out in this subsection, and that are sufficient to ensure the integrity of the University's academic programs.

There were no significant changes in the nature of the University's activities during the year.

The following companies were incorporated during the year:

- MU Property Investment Company No. 3 Pty Limited
- MUH Operations Pty Limited
- MUH Operations No. 2 Limited

The following companies were lodged in the University's Register of Commercial Activities during the year:

- MU Property Investment Company No. 3 Pty Limited
- MUH Operations Pty Limited
- MUH Operations No. 2 Limited

The University's shareholding in the joint venture companies Macquarie University Private Hospital Pty Limited, MUPH Clinic Pty Limited and MUPH Hospital Pty Limited increased to 100 per cent.

No companies were deleted from University's Register of Commercial Activities during the year.

Review of operations

The activities of the Council of Macquarie University during 2009 included:

- receipt of the Vice-Chancellor's yearly report on progress against the objectives contained in *Macquarie@50* and against 2009 Key Performance Indicators;
- receipt of the Vice-Chancellor's Report to each meeting of Council, covering major strategic items, external developments and general issues of note, including selected projects and goals related to the objectives contained in *Macquarie@50*;
- approval of increases in HECS and full fee rates effective from 2010;
- review of the Vice-Chancellor's performance;
- receipt of regular reports on progress against the initiatives detailed in the *Macquarie University Campus Masterplan* and projects under development in the Development and External Relations portfolio area;
- approval of key compliance reports including the *Macquarie University 2008 Annual Report*, the *Animal Ethics Committee 2008 Annual Report* and the *Audit and Risk Committee 2008 Annual Report*;
- approval of the *2010 Consolidated Budget* and *2010 Capital Management Plan*;
- approval of a review of the University's records management systems.

Significant changes in state of affairs

In 2009, the Council resolved on the following changes in its affairs:

- review of the terms of reference, membership and financial delegation authorities for the Finance and Facilities and Audit and Risk committees;
- review of the results of the *2009 University Council Self-Evaluation Survey*;
- improvements to its record-keeping practices;
- extension of the *Academic Senate Transitional Rules* to ensure the legal constitution of the Senate during 2010 while amendments are effected to the Macquarie University By-law 2005 to reflect the new four-Faculty academic structure taking effect from 1 January 2009.

Matters subsequent to the end of the financial year

There have been no subsequent events of significance announced by the University since the end of 2009.

Likely developments and expected results of operations

There have been no future developments of significance reported since the end of 2009.

Environmental regulation

The significant environmental regulations to which the University is subject are as follows:

- *Environment Protection and Biodiversity Conservation Act 1999* (Cwlth);
- *Environmental Planning and Assessment Act 1979* (NSW);
- *Environmental Planning and Assessment (Affordable Housing) Act 2000* (NSW);
- *Environmental Planning and Assessment (Infrastructure and Other Planning Reform) Act 2005* (NSW);
- *Environmental Trust Act 1998* (NSW);
- *Environmentally Hazardous Chemicals Act 1985* (NSW);
- *Heritage Act 1977* (NSW);
- *National Greenhouse and Energy Reporting Act 2007* (Cwlth);
- *Native Vegetation Act 2003* (NSW);
- *Noxious Weeds Act 1993* (NSW);
- *Ozone Protection Act 1989* (NSW);
- *Threatened Species Conservation Act 1995* (NSW);
- *Waste Avoidance and Resource Recovery Act 2001* (NSW);
- *Water Management Act 2000* (NSW);
- *Water Management Amendment Act 2000* (NSW).

Insurance of officers

The University holds two insurance policies covering Members of Council and officers of the University. They are:

- Professional Liability Insurance: covers all professional, consulting, research and teaching activities (and any activities associated therewith), undertaken by the University or its Affiliates, including the provision of and/or the facilitation of all recognised student activities.
- Directors and Officers Protection: covers University and Affiliate persons for their legal liability arising out of their conduct as officers of the University. It includes any Chancellor, Deputy Chancellor, Vice-Chancellor, Deputy Vice-Chancellor, Registrar, Bursar, Member of Council, Member of Senate, Member of a Regulatory Board or Committee, University Secretary and any employee who is concerned in, or takes part in, the management of the University.

Legal proceedings on behalf of the University

Significant legal proceedings by or against the University which were conducted in 2009 and were handled by the Office of General Counsel were as follows:

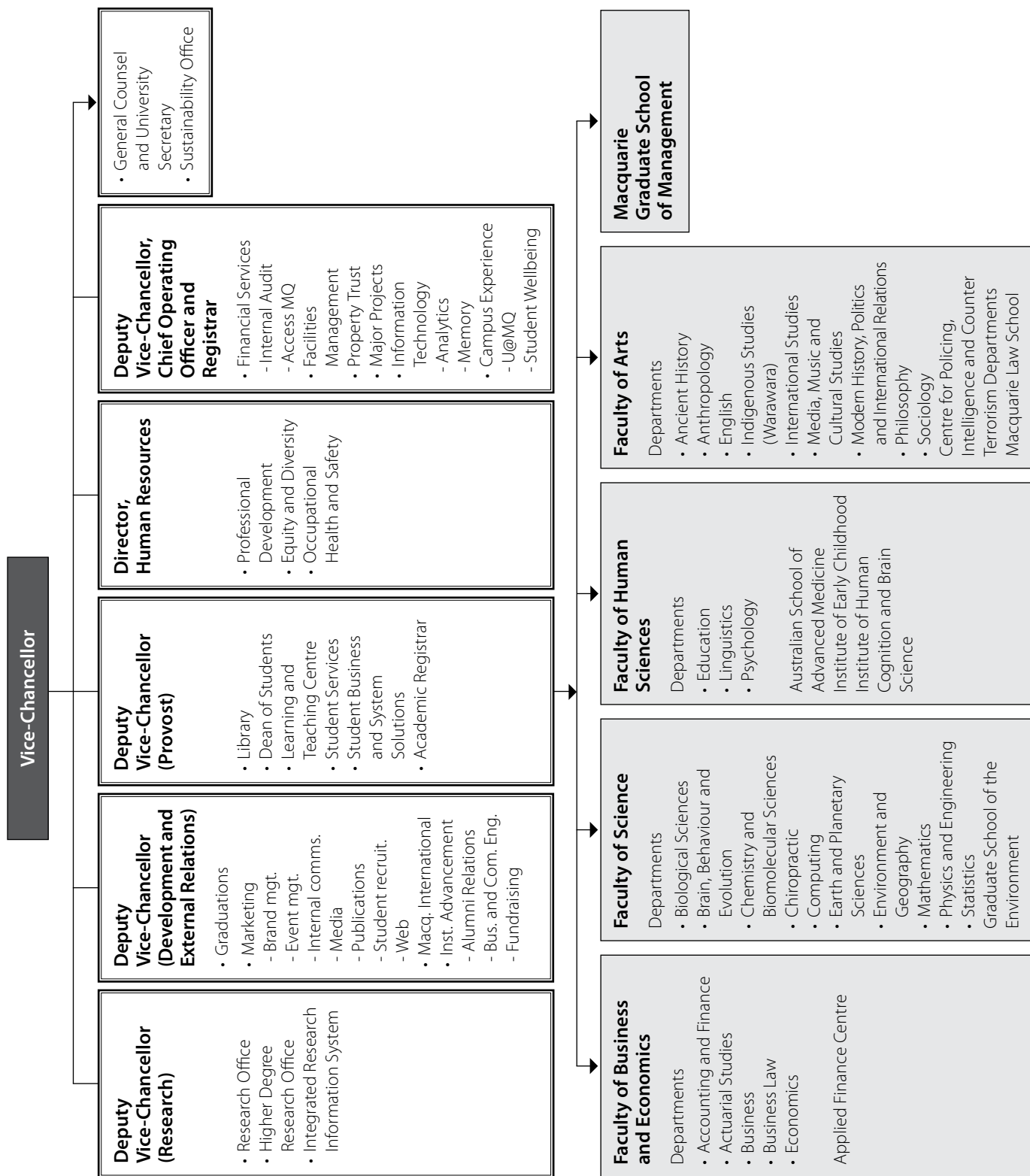
1. Supreme Court appeal from decision of Administrative Decisions Tribunal (ADT) brought by former student in respect of a claim under the Anti-Discrimination Act 1977 was defended and concluded in favour of the University.
2. Supreme Court proceedings brought by the former Vice-Chancellor are continuing and defended but in respect of a dispute limited in scope to one category of documents.
3. The defence in defamation proceedings against a former employee was conducted by the University's insurer and concluded in favour of the Defendant.

This report is made in accordance with a resolution of the members of the Macquarie University Council.



Michael Rueben Egan
Chancellor
Member of the Macquarie University Council
North Ryde, NSW
25 February 2009

Organisation chart



Principal office bearers

Visitor

Her Excellency the Governor of New South Wales

Chancellor

The Hon Michael Rueben Egan, BA *Syd.*, FAICD

Deputy Chancellor

Dr Malcolm Geoffrey Irving, AM, BCom *NSW*,
HonDLitt *Macq.*, FAICD, FCPA, FSIA

Emeritus Deputy Chancellor

His Honour Dr John Francis Lincoln, AM, HonLLD *Macq.*

Vice-Chancellor

Professor Steven Schwartz, BA *C.U.N.Y.*, MS *Syr.*,
PhD *Syr.*, FASSA

Deputy Vice-Chancellor (Provost)

Professor Judyth Sachs, BA *Qld.*, PhD *Qld.*, MA *WMich.*

Deputy Vice-Chancellor (Research)

Professor James A Piper, BSc *Otago*, PhD *Otago*, FOSA, FAIP

Deputy Vice-Chancellor, Chief Operating Officer

Mr Paul William Bowler, BSc *Lough.*, MA *Leic.*, MBA *Cran.*
(until April 2009)

Dr Peter Dodd, BCom *NU*, DipEd *NU*, MCom *Qld.*,
MSc *Rochester*, PhD *Rochester* (from July 2009)

Deputy Vice-Chancellor (Development and External Relations)

Ms Caroline Trotman, BA *Canberra*, GDip (AppFin) *Securities Institute of Australia*, MBA *Macq.*

Pro Vice-Chancellor (Social Inclusion)

Professor Gail Whiteford, BAppSc *Curtin*, MHtSc *UniSA*,
PhD *UniSA*

Vice-President of the Academic Senate

Professor Julie Fitness, BA *Canterbury*, MA *Canterbury*,
PhD *Canterbury*

University Librarian

Ms Maxine Brodie, BA DipEd *Syd.*, DipLib *NSW*,
MBA *Macq.*, ALIA

Chief Financial Officer

Mr P John Gorman, BBus *Kuring-gai*, MBA *Rochester*,
FCPA, FTIA

Director, Human Resources

Mr Timothy J Sprague, BSc *Syd.*, DipEd *Syd.*, MCom *NSW*

Executive Director, Campus Experience

Ms Deidre Anderson, BArts, MA *VU*, PGCert Athlete
Counselling *AIS PGDipSocSc Latrobe*,

University Secretary, General Counsel and Registrar

Ms Judith Trembath, BJuris LLB *UNSW*, Dip Int. Law *ANU*,
MAICD, ACIS

Director, Office of Facilities Management

Mr Tony Johansson, BEng *UNSW*, MEngSc *UNSW*, MBA *NE*

Director, Marketing

Ms Kathryn J Vozella, BComm (Public Relations) *Canberra*

Executive Director, Macquarie International

Ms Alison Taylor, BBus *Newcastle (NSW)*, BA *Macq.*,
MCom *UNSW*

Chief Information Officer

Mr Marc Bailey, BMath (CompSci) *UOW*

Academic Registrar

Mr Colin Hawkins, BCom *UNSW*

Executive Deans of Faculties

Faculty of Arts

Professor John Simons, BA (Hons) *Aberystwyth*,
Cert Pal *Aberystwyth*, PhD *Exeter*, FHEA, FRSA, FZSL

Faculty of Business and Economics

Professor Mark Gabbott, BA (Hons) *Essex*, MSc *Imperial College*,
PhD *Stir.*, DTS LGTB

Faculty of Human Sciences

Professor Janet Greeley, BSc (Hons) *Nfld.*, MA *Toronto*,
PhD *Toronto*

Faculty of Science

Professor Stephen M Thurgate, BSc *ANU*, GradDipEd *Canberra*,
C.A.E., MSc *ANU*, PhD *Murd.*

Macquarie Graduate School of Management

Associate Professor Bill McGaw, BA AEd *Qld.*, BA *Macq.*,
MA *Macq.*

Macquarie University Council

(Membership as at 31 December 2009)

Macquarie University Council is the governing authority of the University, established under Part 3 of the Macquarie University Act 1989. Under Part 4 of the Act, the Council acts for and on behalf of the University in the exercise of the University's functions, has the control and management of the affairs and concerns of the University, and may act in all matters concerning the University in such manner as appears to the Council to be best calculated to promote the object and interests of the University.

Members of Council

The Chancellor

Appointed pursuant to Section 9(1)(b) of the Act

The Hon Michael Rueben Egan, BA *Syd.*, FAICD
Current term to 31 December 2010
Elected Chancellor to 26 February 2010

The Vice-Chancellor

Appointed pursuant to Section 9(1)(a)(ii) of the Act

Professor Steven Schwartz, BA *C.U.N.Y.*, MS *Syr.*,
PhD *Syr.*, FASSA

The Vice-President of the Academic Senate

Appointed pursuant to Section 9(1)(a)(iii) of the Act

Professor Julie Fitness, BA *Canterbury*, MA *Canterbury*
PhD *Canterbury*

Appointed by the Minister for Education and Training

Pursuant to Section 9(1)(b) of the Act

Ms Elizabeth Anne Crouch, BEc *Macq.*, GAICD
Current term to 31 December 2011

The Hon Patricia Forsythe, BA DipEd *Newcastle (NSW)*
Current term to 31 December 2010

Mr Gregory Mackenzie Jones, BA *Macq.*, MA *Macq.*
Current term to 31 December 2011

The Hon Sandra Christine Nori, BEc *Syd.*
Current term to 31 December 2010

Mr Warren Mundine Hon DUni *Sthn Cross*, FAIM MAICD
Current term from 22 April 2009 to 31 December 2011

Appointed by Council

Pursuant to Section 9(1)(c) of the Act

Dr Malcolm Geoffrey Irving, AM, BCom *NSW*,
HonDLitt *Macq.*, FAICD, FCPA, FSIA
Current term to 31 December 2010
Elected Deputy Chancellor to 23 March 2010

Elected by and from the Academic Staff

Pursuant to Section 9(1)(d) of the Act

Professor Anne Cecily Howell Burns, BA *Wales*, GradDip TESOL
Sydney CAE, MA *Macq.*, PhD *Macq.*
Current term to 31 December 2010

Professor Max Coltheart, AM, MA *Syd.*, DSc *Macq.*, FASSA
Current term to 31 December 2009

Associate Professor Pamela Coutts, BSc DipEd *Syd.*, BA (Hons)
Macq., PhD *Macq.* MAPsS
Current term to 31 December 2010

Elected by and from the Non-academic Staff

Pursuant to Section 9(1)(e) of the Act

Ms Maxine Brodie, BA DipEd *Syd.*, DipLib *NSW*,
MBA *Macq.* AALIA
Current term to 31 December 2009
Re-elected for another three year term until
31 December 2012

Elected by and from the Students of the University

Pursuant to Section 9(1)(f)(i) of the Act

Ms Amy Smith
Current term to 21 May 2010

Appointed by Council

Pursuant to Section 9(1)(g) of the Act

Dr Marilyn Dodkin, BA *NE.*, MA *Syd.*, PhD *Macq.*
Current term to 31 December 2009

Mrs Pamela Vivien Kenny, BA *ANU*, MA *Macq.*,
DipTertiaryEd *NE*
Current term to 22 April 2009

His Honour Dr John Francis Lincoln, AM, HonLLD *Macq.*
Current term to 31 December 2009

Mr Greg Lindsay, AO, BA *Macq.*, DipTchg *STC*
Current term to 31 December 2010

Mr Andrew Bissett, BCom *Macq.*, MCom *Macq.*, MBA *Macq.*
Current term 23 April 2009 to 30 June 2011



Committees of and reporting to Council

Audit and Risk Committee

(Established by resolution of Council)

The role of the Audit and Risk Committee is to assist the University Council in discharging its responsibilities relating to the management of audit and risk across the University and with regard to each of its business enterprises and controlled entities.

Ms E A Crouch (Chair)
 Mr A Bissett
 Mr D J Docherty
 Dr M Dodkin
 The Hon P Forsythe
 Mr J Wigglesworth
 The Chancellor*
 The Deputy Chancellor*

* The Chancellor and Deputy Chancellor are members of the Committee by virtue of their office, in accordance with the provisions of By-law 21 of the Macquarie University By-law 2005

Discipline Committee

(Established in accordance with the Student Misconduct and Discipline Rules)

In accordance with rule 6(4) of the *Student Misconduct and Discipline Rules*, the role of the Discipline Committee is to investigate matters which involve any question as to breach of discipline or misconduct of any kind by any student, or by a candidate at any University examination.

The Deputy Chancellor (Chair)	(ex officio)
The Vice-Chancellor	(ex officio)
The Vice-President of the Academic Senate	(ex officio)

The Executive Deans of the following Faculties:

- Arts – Professor J Simons
- Business and Economics – Professor M Gabbott
- Human Sciences – Professor J Greeley
- Science – Professor S Thurgate

A Student Member of Senate nominated by Senate

Finance and Facilities Committee

(Established by resolution of Council)

The role of the Finance and Facilities Committee is to assist the University Council in fulfilling its responsibilities relating to the acquisition, development and maintenance of University buildings and grounds, and the financial and investment planning, policy and performance of the University and each of its business enterprises and controlled entities.

Dr M G Irving (Chair)
His Honour Dr J F Lincoln (Deputy Chair)
The Chancellor[^] (ex officio)
The Deputy Chancellor*[^] (ex officio)
The Vice-Chancellor (ex officio)
Chairperson of the Audit and Risk Committee (ex officio)
Mr G M Jones
Mr G J Lindsay
The Hon S C Nori

Note: The CFO was appointed to serve until such time as the COO was appointed.

* The current Deputy Chancellor (Dr M G Irving) is a Member and Chair of the Finance and Facilities Committee independently of holding the Office of Deputy Chancellor

[^] The Chancellor and Deputy Chancellor are members of the Committee by virtue of their office, in accordance with the provisions of By-law 21 of the Macquarie University By-law 2005

Honorary Awards Committee

(Established by resolution of Council)

The role of the Honorary Awards Committee is to assist the University Council in exercising its functions under section 16 of the *Macquarie University Act 1989* and the *Courses and Degrees Rules* with regard to the conferral of honorary degrees.

The Chancellor (Chair)* (ex officio)
The Deputy Chancellor* (ex officio)
The Vice-Chancellor (ex officio)
The Vice-President of Academic Senate (ex officio)
Ms M Brodie
Dr J Dickson
His Honour Dr J F Lincoln
Professor E More
Professor J Sachs
Professor F Yusuf

* The Chancellor and Deputy Chancellor are members of the Committee by virtue of their office, in accordance with the provisions of By-law 21 of the Macquarie University By-law 2005

Nominations Committee

(Established by resolution of Council pursuant to the provisions of By-law 14 of the Macquarie University By-law 2005)

The role of the Nominations Committee is to assist the University Council in fulfilling its responsibilities with regard to the appointment of members of the Council under sections 9(1)(b), 9(1)(c) and 9(1)(g) of the *Macquarie University Act 1989*.

The Chancellor (Chair) (ex officio)
The Vice-President of Academic Senate (ex officio)
The Vice-Chancellor (ex officio)

A member of Council who is not in the same category of office of member as the office in respect of which the Committee is convening

Remuneration Committee

(Established by resolution of Council)

The role of the Remuneration Committee is to review the performance of the Vice-Chancellor and other members of the Executive on an annual basis, and to review and determine the level of remuneration of the position of Vice-Chancellor and that of other positions of the Executive annually.

The Chancellor (Chair) [^]	(ex officio)
The Deputy Chancellor [^]	(ex officio)
The Vice-Chancellor	(ex officio)
The Vice-President of Academic Senate	(ex officio)
The Chair of the Finance and Facilities Committee*	(ex officio)

* The Deputy Chancellor is currently Chair of the Finance and Facilities Committee

[^] The Chancellor and Deputy Chancellor are members of the Committee by virtue of their office, in accordance with the provisions of By-law 21 of the Macquarie University By-law 2005

Standing Committee on Appeals

(Established by Resolution of Council)

The role of the Standing Committee on Appeals is to assist the Council in fulfilling its responsibilities under the Student Misconduct and Discipline Rules with regard to appeals against decisions and/or penalties handed down by the Discipline Committee.

The Chancellor (Chair)*	(ex officio)
The Deputy Chancellor*	(ex officio)
Professor M Coltheart	
Associate Professor P Coutts	
Mr G M Jones	

* The Chancellor and Deputy Chancellor are members of the Committee by virtue of their office, in accordance with the provisions of By-law 21 of the Macquarie University By-law 2005. The Deputy Chancellor does not attend meetings of the Standing Committee on Appeals as the Deputy Chancellor is the Chair of the Discipline Committee.

Academic Senate

Academic Senate is the principal academic body of the University. Senate makes recommendations to Council on certain academic matters, such as degree rule changes and proposals for new awards. Other powers are delegated to it by Council, such as approving of examination results and completion of degree requirements.

The Academic Senate is assisted in its work by a number of committees, including the Coursework Studies Committee, the Higher Degree Research Committee and the Academic Program Committee.

In 2009 Senate was involved in a number of issues of wide-ranging significance, including playing a role in the implementation of the new undergraduate curriculum, and in the development and adoption of new University policies.

2009 was a year of transitional membership of the Academic Senate, due to the academic restructure and subsequent changes to the Academic Senate Rules affecting the Macquarie University By-law 2005. The transitional arrangements were extended until 31 December 2010 or until such earlier time as the Council otherwise resolves.

Members of the Academic Senate 2009

The Vice-Chancellor
The Deputy Vice-Chancellors
The Pro-Vice-Chancellor
The Vice-President of the Academic Senate
Professor Julie Fitness
The Deputy Vice-President of the Academic Senate
Professor Peter Radan
The Executive Deans of Faculties

Two members elected by each Faculty

Faculty of Arts
Professor Martina Mollering
Professor Peter Radan
Faculty of Business and Economics
Professor Greg Elliot
Mr Joseph Macri
Faculty of Human Sciences
Professor Julie Fitness
Associate Professor Jane Torr
Faculty of Science
Professor Richie Howitt
Professor Bernard Mans

Three students

Ms Amelia Ditcham
Mr Samuel Horner
Ms Karina Luzia

Secretary: The Academic Registrar

Members' attendance at meetings

	COUNCIL		AUDIT AND RISK COMMITTEE#		DISCIPLINE COMMITTEE#		FINANCE AND FACILITIES COMMITTEE#		STANDING COMMITTEE ON APPEALS#		REMUNERATION COMMITTEE	
	A	B	A	B	A	B	A	B	A	B	A	B
The Hon Michael Egan	7	7(7)					7	8(8)			2	2(2)
Professor Steven Schwartz	7	7(7)					7	8(8)			2	2(2)
Associate Professor Julie Fitness	6	7(7)									1	2(2)
Dr Malcolm Irving AM	6	7(7)	4	6(6)	4	5(5)	8	8(8)			2	2(2)
Mr Andrew Bissett	5	7(5)	2	6(2)								
Ms Maxine Brodie	7	7(7)										
Professor Anne Burns	3	7(7)										
Professor Max Coltheart AM	6	7(7)							1	1(1)		
A/Professor Pamela Coutts	6	7(7)							1	1(1)		
Ms Elizabeth Crouch	6	7(7)	6	6(6)			7	8(8)				
Dr Marilyn Dodkin	7	7(7)	5	6(6)								
The Hon Patricia Forsythe	6	7(7)	5	6(6)								
Mr Greg Jones	4	7(7)					7	8(8)	1	1(1)		
Mrs Pamela Kenny	2	7(2)										
Dr John Lincoln	6	7(7)					5	8(8)				
Mr Greg Lindsay AO	5	7(7)					7	8(8)				
Mr Warren Mundine	1	7(5)										
The Hon Sandra Nori	5	7(7)					8	8(8)				
Ms Amy Smith	6	7(7)							0	2(2)		

Notes: The Honorary Awards and Nominations committees did not meet in 2009.

A special meeting of Council was held in 2009; bringing the total to seven.

Committee includes members who are not members of Council. Data is for Council members only.

A Number of meetings attended.

B Number of meetings held (Number of meetings eligible to attend).

RESEARCH

Macquarie University's ambition is to rank amongst the top 200 research intensive universities in the world by 2014. The University has a clearly defined strategy articulated in the Research Strategic Plan 2009–2011.

The strategy contains five key elements, which are:

1. To establish at Macquarie a pervasive research culture across all areas of the University
2. To achieve international and national prominence in research in selected Concentrations of Research Excellence (COREs)
3. To maximise research outcomes by maintaining the number of high quality higher degree research commencing candidates, and by increasing completions
4. To be a significant contributor to the nation's economic, social, cultural and environmental wellbeing
5. To increase Macquarie's international research collaborations, outreach and global impact

Research funding

Macquarie has world leading researchers who attract significant funding to the University through competitive research grants and negotiated research contracts. Following a period of rapid growth in external research funding, research income has been comparatively steady over the past two years. In 2009 Macquarie's external research funding included \$33.4 million of research grants and contracts, and \$24.7 million of research block grants (Commonwealth government). We anticipate significant increases based on a highly successful application round to the ARC and the NHMRC in 2009 for funding commencing 2010. Our strong investment in new research-focused staff through the CORE recruitment strategy over the past three years has resulted in significant increases in grant application and success rates. Rapid expansion of medical research is expected following the foundation and recruitment of staff into the Australian School of Advanced Medicine.

Research partnerships

In 2009 the Office of Commercialisation reviewed its focus to include development of enterprise partnerships, an initiative which is designed to increase collaboration with (and funding from) Australian industry, state and local government, and the community. Highlights in development of partnerships include expansion of academic positions co-funded by the Anglo-Australian Observatory, and an agreement with CSIRO to fund a new chair in wireless communications, commencing 2010. The University has also significantly enhanced its participation in Cooperative Research Centres, specifically in ongoing activity in the Capital Markets CRC, major new activity in the Hearing CRC, and re-funding of the Environmental Biotechnology CRC announced late in 2009. The University is also a major partner in ARC Centres of Excellence (CUDOS, CQCT) and in the National Climate Adaptation Research Facility.

Research publications

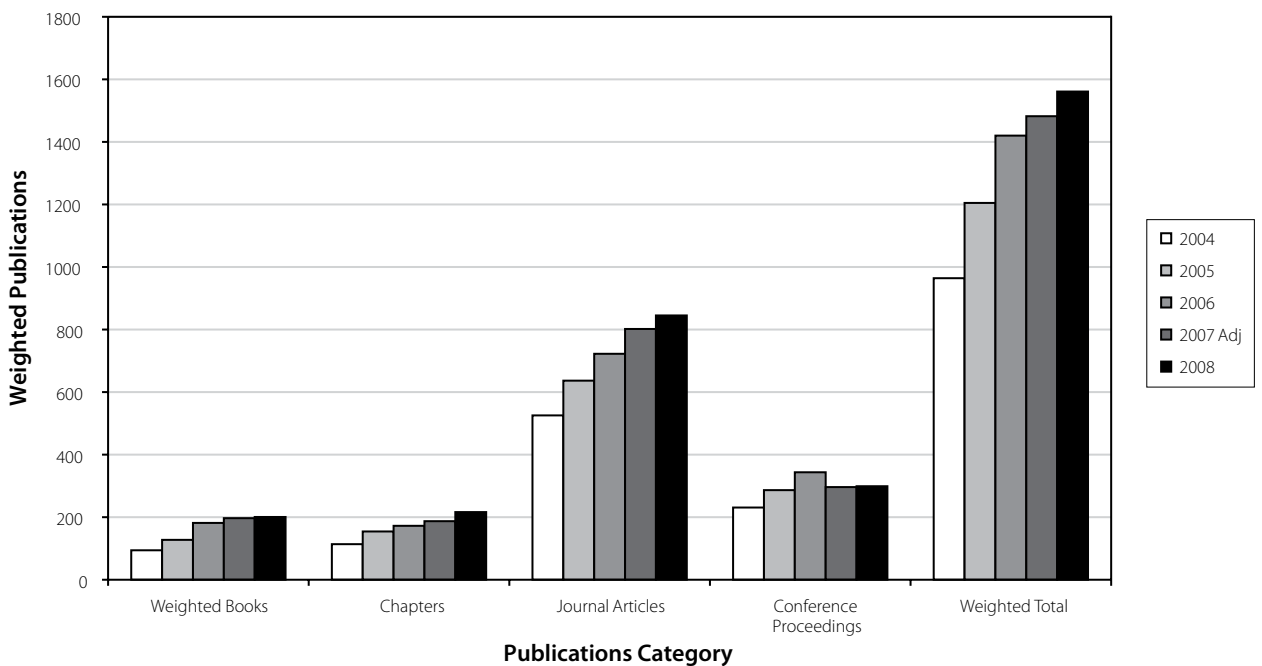
Macquarie researchers are prolific authors, producing books, book chapters and journal articles at a rate that is considerably above the national average over the last few years. The University has seen continued growth in these categories of publications performance over the period from 2004 to 2008.

This continued growth is demonstrated by Figure 1 (below), which represents publications reported for 2004 to 2008 (adjusted in 2007 for under-reporting consequent upon a change in procedure). In the key measure of refereed research publications per FTE based on 2008 data Macquarie ranks second only to the ANU of all Australian universities.

Research quality

In the Excellence in Research for Australia (ERA) trial assessment of research quality conducted in 2009, Macquarie University scored the maximum 'five' rating in two disciplines (Physics and Earth Sciences) in the Physics, Chemistry and Earth Sciences cluster and ranked 'four' in three key Humanities and Creative Arts (HCA) sub-disciplines (Philosophy, Linguistics and Religion, and Religious Traditions). In 13 of 18 HCA sub-discipline areas the University ranked higher than the national average and 12 were above the world average in research quality.

Figure 1: Weighted publications (DEST/DEEWR proxies) adjusted for unreported publications





Higher degree research enrolments and completions

Macquarie's higher degree research training program is strategically focused and retains sufficient flexibility to ensure high achieving applicants are rewarded in terms of candidature places and scholarships. Our targeted higher degree research scholarship program rewards both candidates and successful researchers working in our priority areas. Our research training performance, in full-time equivalent terms, continues to grow satisfactorily. Steady increases in higher degree research enrolments and completions continue, as is demonstrated by Figures 2 and 3 (below). Higher degree research enrolments have increased by 70 per cent in the period from 2002 to 2009, rising from 1051 to 1796 enrolments, while completions have risen over 100 per cent in the same period – from 104 completions in 2002, to 215 completions in 2009. The University is now within the top ten Australian Universities in (weighted) completions. Major improvements of the HDR program management, both centrally in the University and within the faculties, have resulted in steadily increasing approval ratings in the national Postgraduate Research Experience Questionnaire. Notable enhancements in 2009 included formal launch of the postgraduate research supervisor register and adoption of online progress reporting. The University's commitment to enhancing its HDR program is exemplified by ongoing major commitment of funding to support the Macquarie University Research Excellence Scholarships scheme for both domestic and international research students; over 200 new MQRES scholarships were offered in 2009.

Figure 2: Higher degree research student enrolments

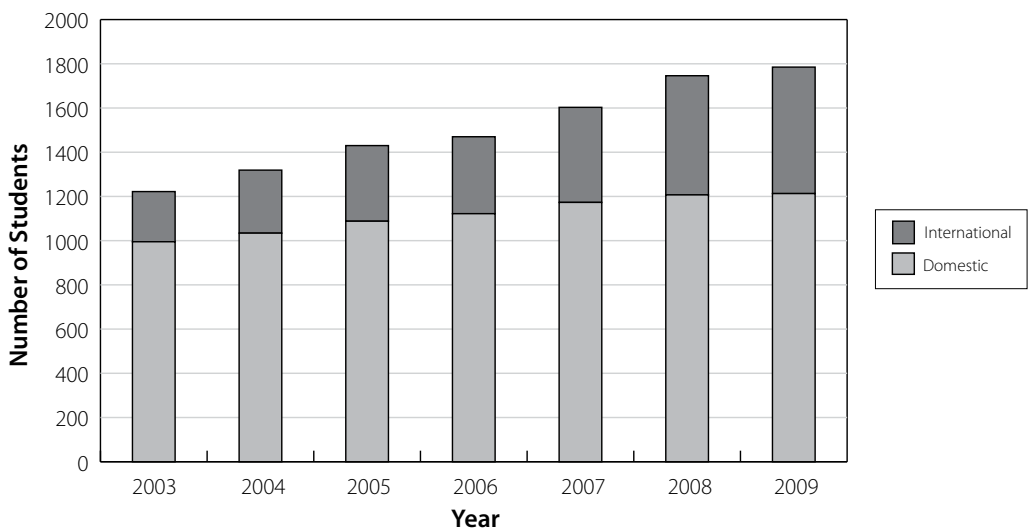
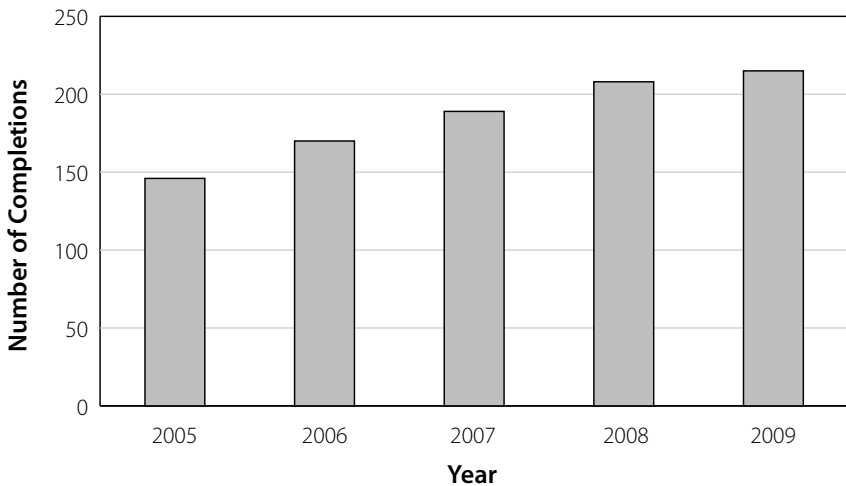


Figure 3: Higher degree research student completions



Research excellence recognised

- Dr Paul Beggs, a Macquarie University environmental health expert, was awarded a Eureka Prize for medical research in recognition of his exploration of the relationship between climate change, asthma and allergies. His work is the first in the world to link increased worldwide asthma with climate change.
- Professor Jennifer Bowes, Associate Dean Research for the Faculty of Human Sciences and Director of the Children and Families Research Centre, completed a seven year study of the consequences for children of the type and quality of child care that they receive, with a particular focus on the effect of multiple care settings. The major finding of the research was that child care factors were important when predicting whether children will be happy and well adjusted when they go to school.
- Five prestigious ARC Future Fellowships were awarded to researchers for Macquarie University projects. Dr Matthew Kosnik, Dr Richard Mildren, Dr James Rabeau, Dr Anthony Dosseto and Dr John Alroy will take up their four year fellowships in 2010, working in fields from paleobiology and climate change, to lasers and quantum microscopy.
- Founding director of the Macquarie University Centre for Emotional Health, Professor Ron Rapee, received the Distinguished Career Award in recognition of his outstanding contributions to cognitive behaviour research and therapy at the Australian Association for Cognitive and Behaviour Therapy 2009. Rapee is an internationally recognised scholar working primarily in the areas of anxiety disorders, prevention and early intervention of anxiety and depression and the development of effective treatment programs.

Macquarie's Tall Poppies

Macquarie University's Dr Kira Westaway was named most outstanding scientist for New South Wales and the Australian Capital Territory at the 2009 Young Tall Poppy Science Awards, an award she shared with Dr Michael Valenzuela from the University of New South Wales.

Westaway, who is an ARC postdoctoral fellow in the Department of Environment and Geography, received a medal as well as \$1500 at a gala evening held to celebrate the awards.

PHOTO: YOUNG TALL POPPY AWARDS 2009



She is known for her research into the 'hobbit' *Homo floresciensis*. She received the award for her work using bone evidence at archaeological sites to reconstruct and date the events experienced by early humans. The work provides archaeologists with a better understanding of how our early ancestors lived and died.

Two other Macquarie University researchers also received Young Tall Poppy awards:

- Dr James Rabeau, senior lecturer and ARC Fellow in the Department of Physics, whose research covers the fabrication, measurement and applications of nano diamonds which can be used in a wide range of applications in science and technology such as encryption; and
- Dr Joshua Madin, who lectures in Biological Sciences and whose research looks at how storms and the waves they generate shape coral reef communities on the Great Barrier Reef.

Concentrations of Research Excellence

In 2009, Macquarie appointed 35 new research-focused staff as part of the second round of the Concentrations of Research Excellence (CORE) recruitment strategy. The 18 COREs are:

Ancient Cultures team

The Ancient Cultures team at Macquarie University is unique in its breadth of coverage and integration of source studies with historical research. The team researches Mediterranean and Near Eastern antiquity from Predynastic Egypt through classical Greece and Rome to Late Antiquity and Byzantium. Each of the key areas is advancing through major projects including excavation (Egypt), inscriptions, numismatics, prosopography (Rome), papyrology (Early Christianity), and editing and translation (Late Antiquity and Silk Road).

Animal Behaviour team

The research conducted by this team combines insights from sensory, physiological and cognitive processes with genetic and comparative analyses. The goal of this uniquely integrative approach is to understand animal behaviour at all levels, from mechanism to evolution.

Astronomy and Astrophysics team

Macquarie University is a highly active, rapidly growing centre of astronomical research excellence and is in close proximity to both the Anglo-Australian Observatory and the Australia Telescope National Facility. The developing links offer valuable synergies and opportunities for collaborations in astronomy and astronomical instrumentation, and astrophotonics. Current research strengths include wide-field astronomy, optical, infrared and radio studies of planetary nebulae and supernova remnants, stellar proper motions, and theoretical studies of shock-waves, star formation and black holes.

Biomolecular Frontiers team

The Biomolecular Frontiers team is an interactive, multidisciplinary network of researchers undertaking world-class research in the fields of proteomics, glycomics, genomics, biotechnology and chemical biology related to cell (human, animal, plant and microbe) biology, human disease biomarker discovery, agri-food quality trait discovery, microbial physiology and pathogenicity, gene transfer systems, protein post-translational modifications and expression, and bioinformatics. The Biomolecular Frontiers team is underpinned and closely aligned to the state-of-the-art research infrastructure provided by the Australian Proteome Analysis Facility (APAF).

Climate Risk team

The Climate Risk team examines the impacts of climate variability and change using the diverse expertise of a multidisciplinary group with capability in climatology, water, coastal processes, geomorphology, ecology, economics, law and governance, social policy, planning and risk analysis. Climate risk focuses on those risks associated with climate change in an environment of increasing vulnerability. The challenge is how to quantify and assess climate change associated risks for key sectors such as water, food, biodiversity, economies, financial markets and national security.

Cognitive Science team

The Macquarie Centre for Cognitive Science (MACCS) carries out research and research training in cognitive science with particular emphasis on three general domains of cognition: belief, visual cognition and language. A major thrust of the MACCS research program is to carry out studies of people with acquired or developmental disorders of one or other of these domains as a way of learning more about the normal processes of cognition.

Earth and Planetary Evolution team

Macquarie University's interdisciplinary approach to understanding the complex evolution of the Earth makes it unique globally. By integrating information across traditional discipline boundaries including geochemistry, geophysics, geodynamics and tectonics, Macquarie has become a world-leader in mapping the Earth in four dimensions. Our cutting-edge isotope, geochemical and experimental instrumentation and our strong industry collaborations attract leading local and international geoscientists.

Ecology and Evolution team

Exceptionally interesting and important science will arise over the next couple of decades through bridging from molecular technologies and biological detail, up to world-scales in space and geology-scales in time. The ecology and evolution team is a coalition of research groups and individual researchers working on projects as diverse as identifying leading dimensions of ecological variation among plant species and working towards understanding the basis for them and researching the ecology of marine plant–animal interactions.

Emotional Health team

The principal aims of this team are to conduct research into the understanding, treatment and prevention of emotional distress, including anxiety, depression and related disorders, and to promote positive emotional health. Research interests of team members focus on emotional difficulties across the lifespan. The team has developed several novel interventions through its research clinic.

Financial Risk team

This team focuses on the financial implications of risk. Risks include those arising out of global capital market fluctuations, climate change, market risks, foreign exchange, financial statements, longevity, retirement, health, default, bankruptcy and regulatory risk. These risks affect all sectors of society: individuals, corporations, governments and regulatory authorities. The key research agenda for the team is to better understand, integrate, manage and price financial risks to allow their efficient and equitable distribution within our economic system.

Language Sciences team

This team brings a combination of theoretical, experimental and computational approaches to the investigation of live issues in the production and comprehension of languages across the human lifespan. Among the central issues are: how human language is processed in the brain; how language develops in normal children; and the nature of language disorders in children and adults. Their research takes a cross-linguistic and cross-disciplinary approach to the study of human language, with an emphasis on bridging linguistic theories and the findings of experimental studies of language acquisition and use.

Lasers and Photonics team

The internationally leading researchers in Macquarie University's Lasers and Photonics team pursue a broad range of experimental and theoretical studies in lasers, optics, photonics and optoelectronics. Their aim is to address fundamental questions and develop new optical technologies useful for applications such as medical diagnosis and therapy, high-resolution imaging and sensing, and microfabrication.

Legal Governance team

This team researches legal governance and regulatory problems facing governments, businesses, and communities in the new world order. These include global and national governance, environmental sustainability, corporate social responsibility, and the medico-legal challenges of human health. The team builds upon Macquarie Law's established reputation for cross-disciplinary research in the fields of international, public and private law. Their research reaches out to the legal profession, business, governments and NGOs requiring expertise in legal governance in Australia and worldwide.

Neuroscience, Vascular Sciences and Surgery team

This team researches the effects of the brain on the cardiovascular and respiratory systems; and also the effects of the cardiovascular system upon the brain. The multidisciplinary team of researchers includes

neuroscientists, biomedical engineers, cardiovascular specialists and surgeons. Their scope of applications is translational; from molecular biology to the bedside and operating room. Their objective is to advance knowledge in neurovascular sciences and to train graduates in super specialty surgery and medicine.

Quantum Information Science and Security team

This team combines physics, mathematics, computer science, engineering and biochemistry to engage in novel research towards deepening our understanding in quantum science and technology. Quantum information science is driving a wide range of new technologies such as quantum computers, quantum materials, quantum cryptography, quantum simulations and quantum algorithms and the addition of experimental quantum expertise will open up exciting new routes for interdisciplinary research.

Social, Cultural and Political Change team

This team is a cross-disciplinary group with expertise in the history of media, culture and politics and a research agenda that explores the intersections between them. Their focus is on the history of the press, radio and film, and on the representations of history in various media, on feminist and postcolonial studies, on culturally constructed notions of gender and sexuality, and on literary history and critical theory; and on historically informed accounts of political culture, citizenship and public opinion.

Social Inclusion team

The Social Inclusion team is an interdisciplinary group of researchers from disciplines such as anthropology, sociology, philosophy, cultural studies, and human geography. Team members undertake social, cultural and philosophical research into contemporary social justice issues including research into the social, cultural, economic, and political determinations of inclusion and exclusion, particularly in the context of globalisation. Issues such as race, ethnicity, class, gender, age, place, and globalisation are explored from a variety of disciplinary and methodological perspectives.

Wireless Communications team

This team undertakes complementary research activities related to wireless communications, which range from transistor circuits for radios, through to issues related to telecommunications networking, to transmission via optical and radio propagation. The specialist expertise within the team provides a niche capability in the understanding of the interplay between components in telecommunications systems. They are especially interested in research of relevance to partners in industry and other research institutions.

Learning and **TEACHING**

Macquarie University's Learning and Teaching Plan 2008–2012, Internationalisation Strategy, and Technology in Learning and Teaching Plan lay the foundation for equipping Macquarie students to engage with the global community as independent, lifelong learners.

The Learning and Teaching Plan sets out a framework for teaching excellence with seven goals which provide the benchmarks for world-class learning and teaching:

1. Developing and supporting quality teaching practice
2. Ensuring quality and continual improvement in curriculum and teaching
3. Fostering student engagement with the University and the community, and graduate capability
4. Supporting research-enhanced learning and teaching
5. Recognising and rewarding excellence and innovation in teaching and learning
6. Promoting diversity, equity and international awareness
7. Supporting student learning

New academic structure

In January 2009 Macquarie implemented an ambitious reorganisation and simplification of the University's academic structure, with nine divisions replaced by four faculties.

The new structure allows Macquarie to strengthen and develop learning, teaching and research. The simpler, more flexible structure also promotes more effective cross-disciplinary and multi-disciplinary approaches to learning and problem solving, teaching and research.

Faculty of Arts

Department of Ancient History
Department of Anthropology
Department of English
Department of Indigenous Studies – Warawara
Department of International Studies
Department of Media, Music, and Cultural Studies
Department of Modern History, Politics and International Relations
Department of Philosophy
Department of Sociology
Macquarie Law School
Policing, Intelligence and Counter Terrorism (PICT)

Faculty of Business and Economics

Applied Finance Centre
Department of Accounting and Finance
Department of Actuarial Studies
Department of Business
Department of Business Law
Department of Economics
Macquarie Graduate School of Management

Faculty of Human Sciences

Australian School of Advanced Medicine
Department of Education
Department of Linguistics
Department of Psychology
Institute of Early Childhood
Institute of Human Cognition and Brain Science

Faculty of Science

Department of Biological Sciences
Department of Brain, Behaviour and Evolution
Department of Chemistry and Biomolecular Sciences
Department of Chiropractic
Department of Computing
Department of Earth and Planetary Sciences
Department of Environment and Geography
Department of Mathematics
Department of Physics and Engineering
Department of Statistics
Graduate School of the Environment

New curriculum

In 2008 Macquarie undertook a restructure and renewal of the University's undergraduate curriculum to focus on issues such as: What is a Macquarie degree? What learning outcomes and capabilities should our students have? What are the learning experiences we want our students to have? The new curriculum will be implemented in 2010, and is future oriented, focusing on what students require to become global citizens.

The new curriculum broadens the experience and expertise of Macquarie graduates, to better prepare them for the next stage in their career and to meet employers' demand for well-rounded and workplace-prepared graduates. The curriculum renewal refined the number of degrees available, reducing 113 degrees to 60.

The new curriculum will introduce students to areas outside of their department and faculty through people and planet units. People units help students to understand the world through learning about the challenges of modern society. Planet units allow students to look at the physical environment in its fullest sense. Students will also complete a capstone unit in the final stages of their studies, these units bring together all the related areas of learning that students have completed throughout their study to develop problem-solving skills and prepare the student for life as a graduate. As part of the Macquarie degree from 2012, students will apply their disciplinary skills and graduate capabilities in participation units either locally, regionally or internationally.

Extensive communication to current students and staff within the University accompanied the development of the new curriculum. Briefing sessions were held in late 2009 to bring current students up-to-date with the new curriculum and the choices available to them. Many current students will remain in the old curriculum to complete their degree, but all were given the option to transfer to the new dynamic curriculum. A comprehensive website was also launched by the Dean of Students to provide advice on student options and detailed information about the new curriculum.

The postgraduate coursework curriculum will be reviewed over 2010 for implementation in 2012.

Quality teaching

World-class graduates require quality teachers and Macquarie University teachers are among the best in their fields. This has been recognised nationally through the Australian Learning and Teaching Council (ALTC) Awards.

In 2009 six Macquarie University staff were awarded citations from the ALTC for their contribution to teaching and learning. The citations recognise those who have made a significant contribution to the quality of tertiary student learning. The contributions of Macquarie staff recognised in 2009 range from developing innovative courses, programs and activities to pioneering groundbreaking teaching methods.

- **Dr Ayse Bilgin** (Department of Statistics): For enhancing learning and teaching in statistics through different assessment tools, timely feedback and learning support that encourages independent learning.
- **Dr Jennifer Cornish** (Department of Psychology): For promoting passion for biological psychology which has increased student understanding and interest in the field of neuroscience and the neurobiology of mental illness.
- **Dr Jennifer Duke-Yonge** (Department of Philosophy): For a commitment to fostering Communities of Enquiry across diverse learning contexts, through the development, implementation and promotion of reflective, research-based student engagement strategies.
- **Associate Professor Antonina Harbus** (Department of English): For excellence in fostering academic skills in first-year students from diverse backgrounds through the provision of an engaging, equitable, and well-structured learning environment.
- **Dr Mira Kim** (Department of Linguistics): For motivating and inspiring students to learn through passionate teaching and research efforts.
- **Radha Pathy** (Department of Psychology): For demonstrating a supportive, holistic approach to nurture student development by embracing student diversity, engaging their interest and motivating their performance for academic success.

Teams from Macquarie University also won two Australian Learning and Teaching Council Leadership Grants:

- **Dr Leigh Wood** (lead): For the project *A National discipline-specific professional development program for lecturers and tutors in the Mathematical Sciences*.
- **Professor Judyth Sachs** (lead): For the project *Social, communicative and interpersonal leadership in the context of Peer Review*.

A further indication of Macquarie's excellent learning and teaching is demonstrated in the success of three Macquarie students in the inaugural Prime Minister's Australia Asia Endeavour Awards:

- **Ms Lesley Branagan** will complete her Master of Applied Anthropology through studying at the University of Delhi and undertaking fieldwork in Rajasthan
- **Mr Shaun Star** will undertake part of his Bachelor of Commerce–Marketing and Bachelor of Laws with the National Law School of India, and
- **Mr Sevan Thomassian** will undertake a research project at the University of Hong Kong as part of his Master of Applied Finance

The Teaching Quality Indicators Steering Group focused on the quality of teaching by developing teaching and teacher standards. These standards support Macquarie's learning and teaching values by providing a framework through which these values can be achieved. The next step of this project will be a broad sector-based evaluation to test the effectiveness of the standards in enhancing the quality of learning and teaching at both the institutional and individual levels.

Students

Macquarie University graduates are lifelong learners, with the skills and competencies to succeed in the dynamic and changing world of work. They are capable of engaging in local and global communities with energy and integrity. As leaders in their professional fields, they are ethically, socially and environmentally aware.

Student enrolments

In 2009 the number of students enrolled at Macquarie University was 35,274, an increase of 2489 (7.6 per cent) over the 32,785 students in 2008. The increases were mainly in higher degree research and bachelor degrees, but were partly offset by decreases in non-award courses.

The University's total equivalent full-time student load in 2009 was 24,837, an increase of 2388 (10.6 per cent) over 2008. Of the total student load, 21 per cent was in higher degree and 72 per cent in bachelor degree (including honours) programs.

STUDENT ENROLMENTS 2009 ¹	
<i>Type of attendance</i>	
Full-time	23,305
Part-time	11,969
<i>Gender</i>	
Female	19,805
Male	15,469
Total	35,274

ENROLMENTS BY PROGRAM LEVEL 2009 ¹	
Doctorate by research	1487
Professional Doctorate	196
Masters Degree by research	115
Masters Degree by coursework	8069
Other postgraduate programs	2079
Postgraduate total	11,946
Bachelor Degrees (including honours)	21,591
Other undergraduate degrees	361
Non-award and enabling degrees	1376
Undergraduate total	23,328

ENROLMENTS BY HOME LOCATION 2009 ¹	
North-East Asia	7913
South-East Asia	1438
South and Central Asia	651
Americas	1106
Oceania and Antarctica	58
Africa and the Middle East	292
Northern and Western Europe	783
Southern and Eastern Europe	155
International total	12,396
Domestic total	22,878

STUDENT LOAD ² BY DISCIPLINE 2009 ¹	
Agriculture, environmental and related studies	226
Architecture and building	16
Creative arts	1218
Education	1560
Engineering and related technologies	131
Health	721
Information technology	684
Management and commerce	9501
Natural and physical sciences	2672
Society and culture	8107
Total	24,837

STUDENT AWARDS 2009 ³	
Higher Doctorate	1
Honorary Award	10
Non-professional Doctorate by research	143
Professional Doctorate	46
Masters Degree by research	24
Masters Degree by coursework	3076
Other postgraduate programs	1204
Postgraduate total	4493
Bachelor Degrees (including honours)	4363
Other undergraduate degrees	41
Undergraduate total	4404

1 Source: Preliminary calendar year data as at 5 January 2010. Individual figures may not add up to totals due to rounding.

2 Equivalent full-time student load.

3 Source: AMIS data as at 11 January 2010.

Note: The definition of student enrolments in this Annual Report is the same as 2007–2008 but is slightly changed compared with 2002–2006. In 2002–2006 a student who enrolled in two different course levels between semesters in the year was counted as two enrolments. In this Annual Report a student with multiple enrolments will be counted only once in the latest enrolled course. The approach of each student being counted once is consistent with the method adopted by government agencies and other universities for comparative analysis.

Internationalisation

At the end of 2009 international students accounted for 34.8 per cent of the total student population. Macquarie International's programs attracted over 11,000 international students from 117 countries, with another 1118 students enrolled in the various offshore programs in China, Hong Kong, Japan, Korea, Malaysia and Singapore.

The University has maintained its competitive position in the sector in 2009. Macquarie is ranked among Australia's top nine universities (Shanghai Jiao Tong University Academic Rankings of World Universities, 2009) and the MBA program is recognised as one of the finest in the world (The Economist 2009 Full Time MBA rankings).

As part of Macquarie's commitment to internationalisation and innovation, Macquarie International offers a range of opportunities to all Macquarie students to enhance their skills and experience, including student exchange, internship placements, overseas volunteer programs, and the sector leading Global Leadership Program.

Macquarie's international research reputation has grown in recent years and is supported by the appointment of a Director of Higher Degrees Research Marketing and Development in 2007. In 2009 there were 70 cotutelle agreements and two joint PhD agreements from 51 universities in 22 countries. Thirty-four per cent of all 391 commencing higher degree research students were international students.

Macquarie International introduced measures to increase the efficiency of its operations and redirect resources to improve the quality of its services. In 2009 it achieved a budget surplus of \$2.09 million, with international fee income of \$161 million, representing a 14 per cent growth from 2008.

In 2009 Macquarie International participated in the International Student Barometer, a risk management tool which measures the key drivers of international student satisfaction and ensures improved services. The results of the International Student Barometer will be used to improve and enhance the student experience.

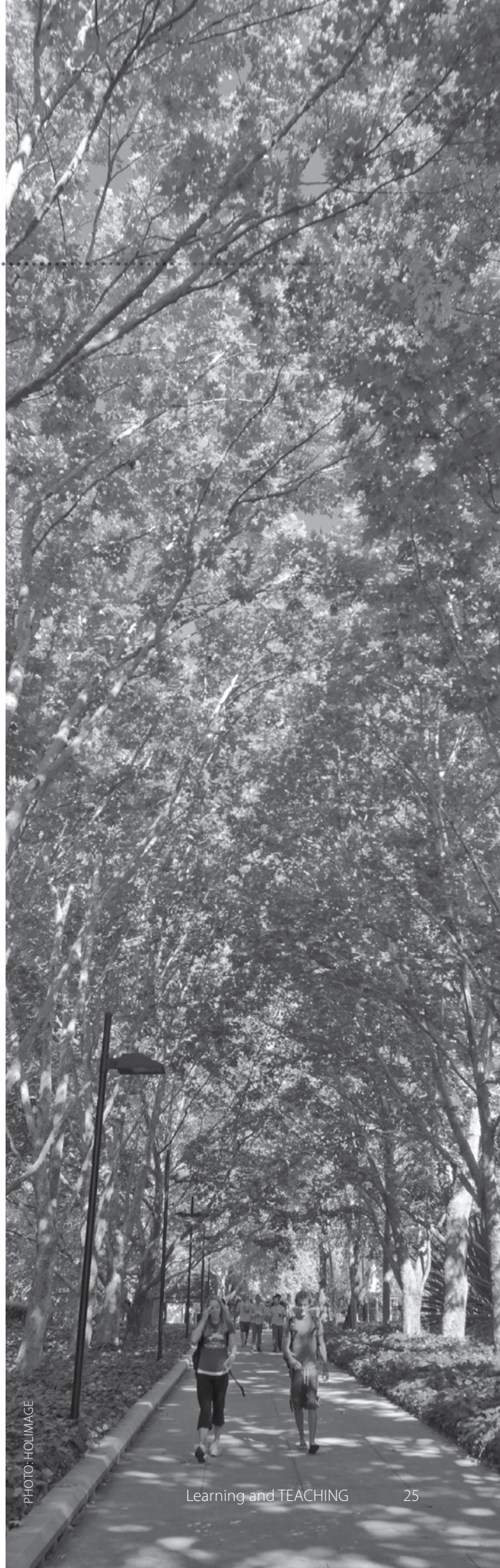


PHOTO: HOLIMAGE

Business, community engagement and **ALUMNI**

Macquarie University values establishing external partnerships that strengthen opportunities for enterprise and innovation, and contribute to the development of the local, national and international community. 2009 saw a number of new partnerships established as well as the development and expansion of existing partnerships.

Industry partnerships

The Australian Hearing Hub

Macquarie University was successful in 2008 with a bid to the Higher Education Endowment Fund for \$40 million funding to establish the Australian Hearing Hub. The project, with an estimated capital cost of \$140 million and a planned completion by 2012, will see Australia's leading organisations dedicated to helping the hearing impaired locate in the Australian Hearing Hub.

One in six Australians have hearing loss and thus the Hearing Hub has enormous potential to advance research of benefit to the Australian community. It will deliver research, education and training outcomes, building capacity through new staff and increased numbers of students attracted to the University, and by way of collaboration with the partner organisations. It will do this at the highest international level of excellence.

Cochlear

Cochlear Limited, a global leader in implantable hearing solutions, will move its headquarters and principal manufacturing facilities to Macquarie University by 2010. Cochlear will be aggregating their research and development, testing, clean room manufacture, warehouse and distribution into one building of 26,000 square metre gross floor area of campus-style accommodation. The Cochlear Head Office will be the only integrated research-manufacture distribution facility in Australia. Construction of this facility began in 2009, with the bulk excavation works complete in October of that year.

As a part of the process, Cochlear will establish new research collaboration initiatives with Macquarie. The relationship will help enhance research and teaching in audiology, computing, electrical engineering and cognitive science.

Engineering Industry Partnership Program

Electronic Engineering at Macquarie has developed an Engineering Industry Partnership Program to promote and facilitate engagement with industry, especially local industry. The partnership benefits students in a number of ways:

by involving practicing engineers in teaching and curriculum development; through the provision of equipment and facilities; and by providing internships, work experience placements, scholarships and prizes. Industry benefits by having early access to graduates who have useful and relevant skills.

In 2009, Altium, Avaya Australia and BAE Systems Australia – industry leaders in products, services and solutions for information technology and defence industries – became new members of the program. The partnerships have resulted in project sponsorships, including the sponsorship of Australia's first *For Inspiration and Recognition of Science and Technology (FIRST) Robotics Competition* team started at Macquarie University. These engagements will afford Macquarie University students opportunities for practical application of their studies that can only happen through industry exposure.

Members alongside Altium, Avaya Australia and BAE Systems include: BCS Innovations; CISRA; CSIRO; Datacom; EMC Corporation; Honeywell; the Institute of Instrumentation, Control and Automation; Mimix Broadband; OEM Technology Solutions; and Optus.

GE Healthcare

In early 2008, the Australian School of Advanced Medicine at Macquarie and GE Healthcare, part of the General Electric Company, formed a partnership in medical research to tackle brain diseases including hypertension and arteriovenous malformations (AVMs).

Approximately \$831 million is spent annually in Australia on the prevention and treatment of hypertension, which affects an estimated 600 million people worldwide. While AVMs are not common – the incidence is about one diagnosis per 100,000 people per year – they are the most common cause of intercerebral haemorrhage for people under 40 and therefore are of particular concern to younger people.

GE Healthcare is making a significant contribution at Macquarie by supporting neuroscience in an ongoing partnership with the Australian School of Advanced Medicine. GE Healthcare has designated Macquarie one of its major luminary research sites around the world along with the Karolinska Institute in Stockholm, Imperial College London, Oxford University and the European Cancer Centre in Milan.

Institutional advancement

Established in late 2007, the Office of Institutional Advancement's mission is to engage the University's alumni, business and community partners in creating a strong future for Macquarie. The Office builds relationships and coordinates fundraising to create significant new revenue streams for new facilities, research, teaching, professorial chairs and student scholarships.

The Macquarie University Foundation was launched in November at an official function at Government House, Sydney. Ten of Australia's most prominent business and community leaders serve as the Committee of Patrons, with Mr Maurice Newman AC as honorary Chair. Representing a diversity of skills and expertise, the patrons generously donate their time and resources to support the University's fundraising efforts.

In July, the University Council established the Joan and John Lincoln Society, named after His Hon Dr John Francis Lincoln AM and his late wife Joan. The Society honours the University's elder statesmen and women, particularly those who have communicated their intention to leave a bequest to the University. Chancellor The Hon Michael Egan launched the Society at a special event in October attended by more than 300 people. An exciting program of Society activities has been planned for 2010.

In 2009 other significant achievements included:

- conducting the annual Macquarie Graduate School of Management Alumni Appeal
- launching Macquarie's advancement magazine – Macquarie Matters; new advancement and fundraising websites; and other resources

- finalising essential Advancement infrastructure including staffing, systems and support services
- enhancing the Advance relationship management software to support prospect research; rolling out Advance to a number of units across the University; significantly improving the quality of data; and introducing online giving
- acquiring new gifts and bequests, with negotiations well advanced for two new Chairs

Alumni Relations

With 110,000 graduates in more than 100 countries, a major aim in 2009 was to find innovative ways of connecting with alumni. Macquarie Alumni Relations developed a social media strategy, with new alumni groups on LinkedIn, Facebook, Twitter and Macquarie's own Alumni Web Community. The enhanced online presence gives alumni more networking opportunities, while a new monthly newsletter keeps them up-to-date with Macquarie news.

Other achievements included:

- new alumni benefits, including discounted subscriptions to *Time* and *Newsweek*
- Twenty-two successful partnerships in the Macquarie Ambassadors mentoring program
- many successful events, including the popular Annual Parliament House luncheon featuring the former ABC foreign correspondent, prize-winning documentary-maker and best-selling author, Jeff McMullen
- Sixteen alumni scholarships and prizes for students and a record number of nominations for the 2009 Alumni Awards for Distinguished Service

Community engagement

Community engagement is integral to all Macquarie programs, and 2009 saw enthusiastic participation in many cultural and recreational activities.

The Macquarie University Art Gallery curated 14 exhibitions and hosted tours of the sculpture park, with the University's many other museums and collections open to the public.

Movies@Macquarie brings together the latest research with popular films. In 2009 viewers gained rare insight into films dealing with issues such as gambling, health care and gender studies. The observatory held two astronomy open nights for approximately 1000 people. It also invited the public to join professional astronomers for Friday night tours of the evening sky.

The Macquarie University Singers performed throughout the year; the University's orchestra-in-residence, the Balmain Sinfonia, gave four concerts; and the popular series of free concerts, 'Music on Winter Sundays', attracted more than 1500 audience members.

The Science Partnership

Launched in 2007 with the New South Wales Department of Education and Training, the Science Partnership is designed to positively influence young people's attitudes towards studying science, technology, engineering and mathematics subjects. Along with Macquarie, the project involves the Peninsula Community of Schools (PCS) which is working to develop and implement innovative teaching and learning practices within these curriculum areas.

During 2009 the successful partnership between Macquarie University and the PCS was recognised by two separate organisations. The partnership was acknowledged by the Department of Education and Training with its annual Ministerial Award – the Cohesive Community School Award – for the development of a collaborative learning community across years K–12. The second award was the inaugural NAB Schools First Impact award which recognises effective school and community partnerships that help improve student outcomes. The partnership was one of 68 learning communities across Australia that were each awarded \$50,000 to develop their existing school and community partnership.

A travelling road show that focused on science, technology, engineering and mathematics activities for K–2 students was offered for the first time in 2009 as a way of engaging younger students in these areas of learning. This year also saw the introduction of robotics to PCS schools as a vehicle for innovative teaching and learning in years K–2 and

5–10. Over 3500 students used robotics in their classrooms throughout the year. Other 2009 highlights included the continuation of the Peer Tutoring Program, where Macquarie University students assist Year 9 students with practical and stimulating projects, and the Teacher Professional Learning Program, where high school teachers work with Macquarie University academics to devise new ways to enhance professional learning and pedagogy of science, technology, engineering and mathematics.

Making Up Lost Time in Literacy

The Making Up Lost Time In Literacy (MULTILIT) initiative is directed by Professor Kevin Wheldall from the Macquarie University Special Education Centre. MULTILIT researches and develops more effective ways of teaching low-progress readers who are experiencing difficulties in learning literacy skills.

In 2009 MULTILIT was recognised as an important plank in the Commonwealth and State Government strategies to address literacy skills difficulties in primary aged students and was selected as the one-to-one literacy intervention of choice for the National Partnerships Program for Literacy and Numeracy. In New South Wales about 150 schools were targeted in this joint program, more than 70 per cent of whom selected literacy as their focus area. Of these schools about two-thirds have selected MULTILIT from a suite of program options. This initiative resulted in increased training activity over 2009, with MULTILIT implementation occurring at the school level right across the state.

In a Productivity Commission Report (*Overcoming Indigenous Disadvantage*) released in July, MULTILIT and MINILIT (a MULTILIT program for younger students) were specified as two of four programs showing evidence of addressing Indigenous disadvantage in the area of literacy. The Steering Committee for the Review of Government Service Provision provides regular reporting against key indicators of Indigenous disadvantage, one of which is to halve the gap in reading, writing and numeracy achievements for children within a decade. MULTILIT is proud to be involved, and recognised for its part to play, in addressing entrenched disadvantage for Indigenous Australians.

Research and development continued on a number of fronts in 2009 with the release of another program – MULTILIT Word Attack Skills Extension – towards the end of the year, providing more resources for teachers and others to take students to a higher level of literacy attainment. A highlight of the year was the induction of MULTILIT founder and director, Professor Kevin Wheldall, into the Macquarie University Innovators Hall of Fame.

Infrastructure and **FACILITIES**

Macquarie University is investing in a number of infrastructure projects to ensure the University campus features the facilities required to attract and retain the best students and staff, to support world-class research, and to enter into partnerships with like-minded companies to support and further the research aims of the University.

Major projects

The Faculty of Arts building refurbishment

The Australian Film and Television School (AFTRS) building was completed in 1988 and was vacated by AFTRS in July 2008 following negotiations with the University to purchase the property.

The Faculty of Arts was identified by the University as the new custodians of the facility due to their affinity with the buildings offering of specialised facilities such as film and radio studios; and theatres.

The refurbished building was successfully handed over to the Faculty of Arts at the end of July.

Learning and Research Centre

The Learning and Research Centre will represent a new generation of library design, creating a centre full of dynamic, collaborative and open spaces for learning. Construction commenced in October 2008 on a new Learning and Research Centre, with the \$90.76 million project scheduled for completion at the end of 2010. 2009 saw substantial work on the project continue, with the structure near completion.

Macquarie University Hospital

Due for completion in mid 2010, the Macquarie University Hospital is a \$200 million project that will deliver training, medical research and quality patient care in select specialty areas.

Construction began in 2007, and proceeded throughout 2008 and 2009 ensuring that the hospital is on track to open its doors to patients in 2010. As the first private teaching hospital to be located on a university campus in Australia, it will combine excellence in clinical care, medical education and research. The hospital will complement teaching and research already offered at Macquarie.

The hospital will be the first facility in Australasia to utilise what is the world's most effective radiosurgery treatment. Gamma Knife radiosurgery is used to treat brain tumours and brain disorders, but it does so without being invasive. It delivers a dose of gamma radiation to the target area with surgical precision, and without affecting surrounding healthy tissue.

The hospital will also accommodate the University's new medical school, the Australian School of Advanced Medicine,

which delivers postgraduate programs in specialty and sub-specialty fields, working in partnership with the Royal Australasian College of Surgeons.

Station precinct

Macquarie University has entered into a joint venture to lead the development of the 90,000m² of commercial office floor space which will include ground level retail and community space. The Station North development is located on the corner of Waterloo and Herring Roads and is among the most valuable sites in Macquarie Park/North Ryde area. The proposed development comprises high quality office space in a number of multi-storey towers, basement car parking and a ground plane that will provide retail and landscaped connections to the University. The site will be developed by a joint venture between Macquarie University and GPT.

The University is currently undertaking detailed site analysis in support of a preferred concept design to enable a Project Development Plan to be completed.

University housing

The University will be delivering University Housing – Stage 3 on campus for occupancy in the first semester of 2013. The project will consist of approximately 1000 beds and have a mixed configuration of room numbers with associated common rooms. The buildings will be located north of the Aquatic Centre and enjoy magnificent views of the University park-like grounds and beyond to Sydney's CBD.

In 2009 the University reviewed the functional brief via further engagement with various university stakeholders. The functional brief will then identify key project benchmarks for the future development of the next stage of University Housing. It is anticipated the revised functional brief will be completed in early 2010.

Campus Hub

Following the institution of Wally's Walk and the central courtyard, Macquarie is now undertaking planning associated with a revitalisation of the central retail and student services function, the Campus Hub. Planning will continue through 2010.

It is intended that a revitalised hub will recreate visual linkages to the campus amenity to the west, and articulate the axis from the planned campus green in the east through to the aquatic centre and university housing in the west.

SUSTAINABILITY

Macquarie University's sustainability vision is to be ecologically sound, socially just and economically viable in all of its activities.

This means:

- As an institution Macquarie functions as a sustainable community, embodying responsible consumption of energy, water, food, products and transport.
- Macquarie University actively supports sustainability in the local community and region.
- Macquarie students leave the University prepared to contribute as working citizens to an environmentally healthy and equitable society.
- Macquarie University has a reputation for being the place to learn, to work and to connect with the local and global community.
- The University actively seeks to meet the changing social, environmental and economic conditions to reduce the impact of climate change upon the environment.

Governance

Key advances made during 2009 include:

- The creation of three new positions across the University to support the change towards sustainability: Biodiversity Planner, Sustainable Transport Officer and Arboretum Coordinator. These positions took the total sustainability team to eight.
- The development of new policies and procedures including a Resource Management Policy, a Water Management Procedure and a Fair Trade policy.
- Existing purchasing documents were completely revised to incorporate the principles of sustainability.
- The inclusion of sustainability as a standing agenda item in major committee meetings within the Faculty of Human Sciences and the Faculty of Business and Economics.

Increasing resource recovery and efficiency

Actions undertaken in order to improve resource use across campus included:

Waste:

- A new one bin waste system was implemented midway through 2009. This system diverts a minimum of 70 per cent of waste from landfill and captures biomass energy created through any landfill waste. It converts the biomass into usable energy to operate the plant facility and will soon provide energy to the surrounding areas. More information is available at www.mq.edu.au/sustainability/wastesite/.

- Continued initiatives to separate paper and cardboard, as well as other more environmentally damaging items such as ewaste, batteries and mobile phones.

Water:

- Extension of online monitoring systems coverage, resulting in the identification and repair of several leaks, saving money and water.
- Achievement of a 4 star rating in the Every Drop Counts Business Program – the first University in Sydney, and amongst the few organisations in the program, to achieve this rating.
- Installation of water savings features across the kitchens and bathrooms on campus.
- Roll out of water savings posters in amenity areas to raise awareness about the true value and use of water.
- Refurbishment of two amenities areas including the large facilities within E7B, a high usage area, to introduce water saving devices.

Energy:

- Construction of a thermal storage tank with a capacity of 1,000,000 litres of chilled water. The storage tank is an energy efficient way of providing chilled water air conditioning to buildings E7B and E8A. By storing energy as chilled water we reduce our peak demands of services by running the chillers in off-peak hours. We also reduced the number of chillers required to provide air conditioning to a precinct by a factor of three. This is the third chilled water tank to be installed at the University.
- Installation of sub-meters and loggers for the gas and electricity feeds associated with the University's two generators in the tri-generation facility to better capture information, improve performance and receive credit for greenhouse gas abatement.
- Sub-meters and loggers rolled out to 30 per cent of the University campus, connected to the University's BMS.

Learning and teaching

In order to assist academics in dealing with sustainability in the curriculum, a booklet was co-developed with the Learning and Teaching Centre outlining the context for incorporating sustainability and providing actual Macquarie focused examples of where it is already occurring. A workshop was also held for Heads of Department or their representatives to commence the dialogue around sustainability in learning and teaching.

Biodiversity

A clear and effectual management plan for the various different areas of biodiversity on campus was developed to ensure that the University's beautiful environment is enhanced in the most appropriate manner. Plans for a wetland area at the top of Mars Creek near Epping Rd were also drawn for construction in 2010. The Bushcare@MQ was very active throughout 2009, making enormous improvements to the riparian zone along Mars Creek near Gymnasium Road.

Engaging with the campus community and beyond

Staff engagement and participation was an important aspect of the sustainability program in 2009. To this end, we launched several initiatives aimed at educating staff in fun and creative ways. An online training package was developed to be delivered to all new employees as part of the induction process. The training is an interactive and easy way for new staff to understand what sustainability is at Macquarie and what they can do in their daily activities to assist us in reaching our goals and objectives.

A challenge was also issued to all departments via the Department Sustainability Challenge. The aim was to inspire staff to get involved in making small changes such as turning off PCs, opting for one meat free lunch per week or getting involved in action groups, through positive rivalry between the departments. Incentives were offered for reaching different levels of achievement with major prizes awarded for the winner and two runners up. Forty two departments participated with the Faculty of Arts executive team taking out the major prize.

To bring about better communication and action-focused progress, the concept of sustainability representatives within faculties and major departments was accepted and formalised as a recognised position within the University. Approximately 40 representatives have been identified across campus to fulfill this role. The bulk of this initiative will be undertaken in 2010.

Not only did sustainability become a regular feature in the staff newsletter, but Macquarie's actions to improve its performance were covered internationally through two widely read online publications. This coverage was significant as neither publication had featured an institution beyond America in the past.

A highlight for the year was the Sustainability Fair attended by staff, students and local community members. This year there was a focus on bringing school children from the surrounding area to the Fair, providing them with a fun, hands-on experience. As a result over 200 school children flowed through the Fair and took part in various activities. There were 34 stalls covering a range of sustainability related products and displays, including: wildlife; organic produce; native vegetation and water conservation; as well as guest speakers, demonstrations and entertainment.

Other highlights

Other highlights for 2009 include the hosting of the Annual Australasian Campuses Towards Sustainability Conference, which brought together students and staff from higher education institutions across Australia and New Zealand, as well as government and other training institution representatives. Macquarie also became a partner of the 1 Million Women campaign which aims to cut 1 million tonnes of CO₂.

Future goals

The focus for sustainability at the University in 2010 is on energy and emissions, transport, biodiversity, learning and teaching and staff engagement. This includes initiatives such as:

- Development of a comprehensive greenhouse gas emissions plan.
- Further resource recovery and efficiency, including installation of an extensive metering system to better identify electricity usage; actioning numerous water savings initiatives as identified through a comprehensive audit undertaken in 2009; and a furniture recycling system.
- Further improvement of on campus cycling facilities.
- Continued focus on incorporating sustainability into the curriculum.
- The restoration of areas of Mars Creek.
- The launch and continued expansion of an arboretum.
- Sustainable procurement education and awareness training.

Further information

Refer to the sustainability website at www.mq.edu.au/sustainability for more information on what is happening at Macquarie and to download the Annual Sustainability Report.

STAFF

Policies and practices

Personnel policies and practices

Following the implementation of the staff Performance and Development Review (PDR) system in 2008, the University undertook a compressive review of the scheme in March 2009. The review involved broad consultation with stakeholders, including staff representation. As a result of the review, a number of changes were made to the scheme to simplify the process. These included: the removal of a single rating for most academic roles; the incorporation of behaviours into relevant key performance indicators, rather than in a separate behavioral assessment; and the introduction of a reviewable staff learning and development plan. To support the PDR process a dedicated PDR website was launched in 2009.

The University set up a Policy Central website during 2008 to ensure that one clear set of procedural advice is available to staff. The migration of policies onto Policy Central continued through 2009. In late 2009 Human Resources launched a new website to provide clearer information and points of contact for staff.

The University introduced a new Academic Promotion policy during 2009. The new policy has increased the ability for promotions panels to consider the quality of applicants against clearly defined criteria outlining the major aspects of academic scholarship including the applicant's teaching contribution. Following the introduction of the policy, two applicants in 2009 were promoted largely on the strength of their teaching contributions. The new policy also enables applicants to create a narrative outlining their case for promotion. More changes are planned for the promotions process for 2010 including a more flexible promotions cycle with the opportunity for staff to apply at a number of points during the year.

As part of the University's quality review cycle, Human Resources engaged PriceWaterhouseCoopers to conduct a review of the Human Resources function. The review identified a number of internal process inefficiencies and methods to improve customer service. As a result, Human Resources has embarked on a series of projects to renew human resources processes and improve human resources service which will continue through 2010. In addition, Human Resources is continuing to automate paper-based processes and in 2009 instituted online sick leave applications.

Wage and salary movements

All staff covered by the Macquarie University Enterprise Agreement 2006–2009 received a 4 per cent salary increase in July 2009. The modal increase for senior management employed outside of the Enterprise Agreement was also 4 per cent. There have been no significant wage movements outside of these increases.

Industrial relations policies and practices

Macquarie commenced a new round of Enterprise Bargaining in 2009. The University was one of the last institutions in NSW to commence bargaining largely because the previous agreement did not conclude until mid 2009. Bargaining is progressing with the CPSU and NTEU and will continue into 2010. The University, along with many other institutions, experienced a single day strike in September 2009 as part of the NTEU's 'National Day of Action'. The University experienced minimal disruption on the day.

Bargaining is progressing slowly on a number of academic issues. As a result, the University has decided to create two agreements: one for general/professional staff and one for academic staff. This will allow us to resolve the non-academic issues quickly.

The University had no other industrial disputes during 2009.

Staff statistics

The number of non-casual (full-time and fractional full-time) staff as at 31 March 2009 was 2118, an increase of 119 (6 per cent) over 2008.

There were 166 female academic staff at the level of Level C (Senior Lecturer) or above (41 per cent of all female academic staff), compared to 349 males (63 per cent of all male academic staff).

Of the 1158 non-academic staff, 496 (43 per cent) were in academic faculties and research centres of the University, 272 (23 per cent) in central administration, 148 (13 per cent) in the Library, and 73 (6 per cent) in the Office of the Academic Registrar. The balance of 169 (15 per cent) were in other offices of the University administration.

Staff full-time equivalence

The full-time equivalence (FTE) of non-casual staff as at 31 March 2009 was 1938, an increase of 109 FTE (6 per cent) over 2008. The change consisted of an increase of 2.7 FTE for academic staff and 106.7 FTE for non-academic staff. In 2009 the FTE of casual staff was 427, including 236 academic and 191 non-academic.

Full-time staff members who work more than a normal workload for additional remuneration hold notional appointments as casual staff in addition to their full-time position. The additional load of such staff members is converted into casual FTE based on the amount paid to them, with the total FTE per individual capped at an upper limit for a realistic representation of a person's capacity.

STAFF FULL-TIME EQUIVALENCES: 2006–2009 ¹				
ACADEMIC CLASSIFICATIONS	2006	2007	2008	2009
Level A	158	157	164	156
Level B	244	242	246	248
Level C	213	214	211	212
Level D	123	135	132	145
Level E	114	117	124	118
Deputy Vice-Chancellor	3	4	4	4
Vice-Chancellor	1	1	1	1
Casual ²	211	228	235	236
Total academic	1066	1098	1117	1120

NON-ACADEMIC CLASSIFICATIONS ³				
HEW Level 1	0	0	1	1
HEW Level 2	32	35	26	31
HEW Level 3	19	26	37	37
HEW Level 4	74	72	80	81
HEW Level 5	161	159	177	173
HEW Level 6	195	196	202	250
HEW Level 7	163	166	170	196
HEW Level 8	116	100	102	104
HEW Level 9	76	72	71	93
HEW Level 10	66	68	80	82
Above HEW Level 10	2	2	1	7
Casual ²	222	227	185	191
Total non-academic	1126	1123	1132	1245
Full-time/part-time total	1759	1766	1829	1938
Casual total	433	455	420	427
TOTAL UNIVERSITY	2192	2221	2249	2365

1 As at 31 March 2009. Figures may not add up to totals due to rounding.

2 Casual staff FTE are for the previous calendar year from 1 January to 31 December.

3 HEW = Higher Education Worker.

Information regarding Macquarie's Equal Employment Opportunity can be found under *Social Inclusion*.



Occupational health and safety

Macquarie University operates across a wide range of work environments, each bringing with it a diverse range of occupational health and safety (OHS) risks. Combined these increase the University's risk profile. The primary focus of the OHS unit is to work with the university community to identify and eliminate hazards; ensure regular OHS inspections and audits are undertaken; investigate accidents and incidents as they occur; and make recommendations to senior management regarding the OHS needs of the University.

The University undertook a process of reviewing and renewing its OHS systems and practices in 2008. This process involved a complete review and redesign of the OHS management and consultation systems as well as a review of all University OHS policies and procedures. As a result, in 2009 the University adopted a new OHS policy and consultation structures which commit the University to ensuring the highest standards of health and safety of its staff and students.

As a result of the review, the University reshaped the OHS committee system. The changes were made to reflect the University's faculty structure, reducing the number of workgroup committees from 27 to 6. This change saw the removal of individual workplace OHS committees for each department/unit, and the introduction of work unit OHS representatives. OHS representatives act for the various workgroups at the faculty/administrative units OHS committees. This change has seen an improvement in OHS consultation processes and practice. The faculty/administrative units OHS committees are represented at the University Central OHS Committee by a delegate. A review of all current OHS policies, procedures and guidelines has been undertaken, it commenced in 2008. The suite of new OHS policies, procedures and guidelines is in the process of being rolled out and will be completed in 2010.

In July 2009 Deloitte Touche Tohmatsu reviewed the University's OHS Management System as part of the University's internal audit requirements. This audit involved a review of the OHS system against a schedule of improvements issued from the 2007 audit and according to applicable Australian Standards. Macquarie was advised that it had made significant improvement on its 2007 audit results.

2009 saw an increase in the number of incidents reported by staff at Macquarie University. Throughout 2009 the OHS unit has been conducting an information and education program to increase the awareness of the need to report. The increase in reported incidents is a result of this campaign and the increased ease of reporting through a new online system.

A total of 164 incidents were reported in 2009, an increase of 17 incidents over those reported in 2008. As a result the University's incidence rate increased from 7.38 per 100 FTE in 2008 to 7.90 in 2009. The University's result for 2009 is still below the comparison incidence rate of 8.1 per 100 FTE for the Higher Education Sector industry benchmark.¹

The incidents to claims lodged rate showed a corresponding increase from 37.4 per cent in 2008 to 43 per cent in 2009. When compared to a three year average, the 2009 result sits on the average for the incident/claim lodgement rate.

Incident results

PERFORMANCE AREA	2007	2008	2009
Incidents reported	170	147	164
Incidence rate (per 100 FTE)	8.93	7.38	7.90
Lost time frequency (per one million hours worked)	0.78	0.026	0.004
Incidents/claims lodged rate	48%	37.4%	43%

The University's incident type profile has remained stable from 2007 to 2009, with most incidents occurring as a result of:

- poor manual handling techniques;
- poor ergonomic design or a failure to adopt good ergonomic practice;
- slips, trips or falls;
- and as a result of motor vehicle accidents.

Incidents by activity

	2007	2008	2009
At work incidents			
• Manual Handling	7	5	9
• Maintenance	11	7	12
• Undertaking experiments	5	9	4
• Moving Equipment	14	7	6
• Administration	36	34	48
• Other	15	13	9
At work incidents total	92	79	88
Attending approved break or sporting event	6	6	7
Commuting on campus	28	40	36
Travelling to and from work	31	16	33
Field trips	13	6	-
Total Incidents	170	147	164

In 2010 the OHS unit will be further implementing a series of programs aimed at reducing incidents in these key areas. These programs will link in with the University Health Centre, the Department of Chiropractic, and other health services on campus to provide a range of health promotion and management services.

One incident was reported to WorkCover NSW in 2009, resulting in an improvement notice being issued.

Workers compensation claims

A total of 71 claims for workers compensation were received in 2009, compared to 55 claims in 2008. The University's claim lodgement rate increased from 2.76 per 100 FTE in 2008 to 3.42 in 2009.

Whilst the number of claims has increased, there has been a continuing reduction in the average cost per claim and in the length of time that an injured worker remains off work. The effect of these reductions is the continued downward trend of the University's workers compensation premium.

The Universities injury profile has remained stable from 2008 to 2009, with most injuries occurring as a result of:

- poor manual handling techniques or a failure to adopt good manual handling practice;
- poor ergonomic design or a failure to adopt good ergonomic practice;
- slips, trips or falls;
- or, as a result of motor vehicle accidents.

During 2009 several health promotion campaigns were run to address injuries associated with manual handling and office ergonomics on campus. The campaign involved the development of information booklets and posters for staff and students. In addition, specific programs were run with the International office, Library, Student Administration and Exam supervisors with regards to ergonomics. The OHS unit has received an increased number of requests for workplace inspections from staff in 2009.

No fatalities were reported at Macquarie University in 2009.

¹ Workplace Relations Ministers' Council, December 2009, Comparative Performance Monitoring Report, 11th edition.

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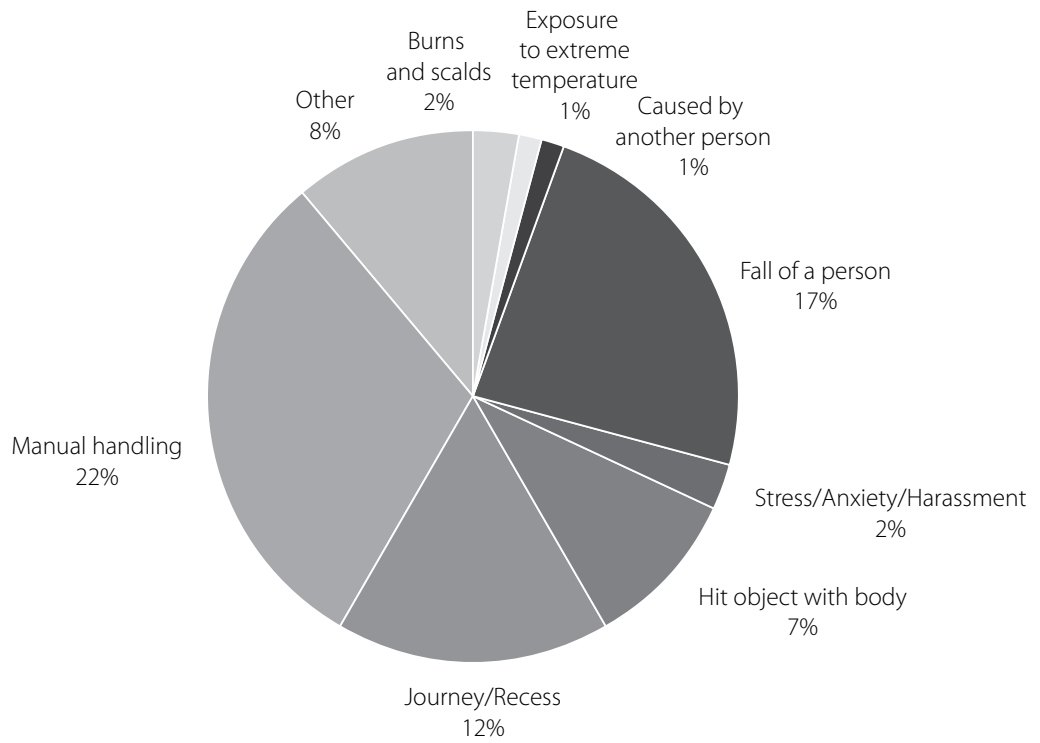
Workers' compensation results

PERFORMANCE	2006	2007	2008	2009
Claim numbers	76	79	55	71
Claims (per 100 FTE)	-	5.99	2.76	3.42
Total claims costs ¹	\$235 080.45	\$202 130.48	\$230 385.75	\$214,154.00
Average cost of claim	\$3,508.66	\$3,109.69	\$5,008.38	\$3,016.25
Premium as a percentage of payroll	-	0.54%	0.40%	0.43%

CLAIMS BY ACCIDENT TYPE	2006	2007	2008	2009
Burns and scalds	0	0	0	2
Caused by another person	1	1	0	1
Exposure to electrical current	2	1	0	0
Exposure to extreme temperature	1	0	0	1
Exposure to radiation	0	0	0	0
Fall of a person	19	14	17	17
Falling object	0	0	0	0
Stress/Anxiety/Harassment	2	5	2	2
Hit object with body	14	8	5	7
Journey/Recess	8	15	9	12
Manual handling	21	16	12	22
Struck by an animal	1	2	0	0
Other	7	17	10	8

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Figure 4: Claims by accident type 2009



Exposure to electrical current	0%
Exposure to radiation	0%
Falling object	0%
Struck by an animal	0%

Social INCLUSION

Macquarie University prides itself on being a vibrant, diverse and innovative university, committed to social inclusion and equity in employment and education.

Social inclusion is a strategic priority for Macquarie. Inclusiveness is about creating systems which are fair and which allow access for all people who have the potential to benefit from a higher education, regardless of their background. It is also about creating a work environment where people from diverse backgrounds are represented and have the opportunity to contribute meaningfully and develop professionally. To this end, the University is enhancing its commitment to creating a work and study environment where all members of the University community can flourish.

In 2009 the University appointed a Pro Vice-Chancellor (Social Inclusion), Professor Gail Whiteford, to champion and progress the University's Social Inclusion agenda. A Social Inclusion Working Party was formed and a Social Inclusion Plan developed and launched during the University's inaugural Diversity Week. This Plan has become an integral component of the Macquarie University Academic Plan – further indication of the University's commitment to Social Inclusion. In 2009 the inaugural Macquarie University Student Representative Association (MUSRA) was elected with six newly created equity and diversity representative portfolios: Women; Gay, Lesbian, Bisexual, Transgender and Intersex (GLBTI); Disability; Indigenous; Culturally and Linguistically Diverse (CALD); and International.

Social inclusion goals for Macquarie University

The Social Inclusion Plan details the following goals for the University:

1. Build a more diverse student population prioritising low SES and Indigenous Australian students.
2. Build a more diverse staff population prioritising Indigenous Australians, people with disabilities, people from culturally and linguistically diverse backgrounds and women (in non-traditional roles and in senior positions).
3. Ensure a safe, positive and supportive experience and environment for all students and staff to maximise achievement levels.
4. Develop an inclusive culture and practice in the areas of learning and teaching; research; and service orientation and delivery.
5. Generate new knowledge through basic, applied and evaluative research into socially inclusive policy and practice.

Access and inclusion initiatives

Special consideration entry schemes

Macquarie University offers a range of alternative entry schemes to improve access to the University for those students whose circumstances may have inhibited their ability to gain a competitive offer. The Lighthouse Scheme is the University's Educational Access Scheme for students who evidence disadvantage that seriously affected their schooling in years 11 and 12. The Jubilee Scheme applies to applicants over 21 years of age who have not previously undertaken any tertiary education. The Department of Indigenous Studies facilitates the Warawara Macquarie University Alternative Entry Program for Indigenous applicants seeking enrolment in undergraduate programs across the University.

Macquarie continues to offer the uniTEST initiative, with applicants undertaking an entry test to assess their aptitude for university level studies. Macquarie links this process to equity by identifying students with the capability to study at tertiary level, but who may not have demonstrated this in their final year results due to disadvantage. In 2009 the eligibility criteria for uniTEST were tightened, leading to a total of 429 registrations.

2009 saw the introduction of Academic Advantage – a bonus point scheme that recognises HSC and International Baccalaureate students' achievements in subjects that relate specifically to a Macquarie degree program. Also in 2009, Macquarie undertook to lay the groundwork to introduce the Special Tertiary Admission Test (STAT) for non-current school leavers. STAT is scheduled for introduction in 2010.

Places offered under special entry schemes 2006–2009

SCHEME	2006	2007	2008	2009
Jubilee (>21 yrs)	288	297	257	280
Lighthouse (Educational Access Scheme)	137	141	157	550
uniTEST	N/A	N/A	26	6

Equity Scholarships

Macquarie University offers a range of generous scholarships with a strong emphasis on social inclusion and equity, which are awarded on the basis of financial need and other hardship. Most are renewable for up to four years.

The funding for equity scholarships has doubled between 2008 and 2010 and now stands at \$2.23 million, increasing both funding and availability of flagship scholarships, including Macquarie University Merit Scholarships, Macquarie Education Costs Scholarships and Macquarie Accommodation Scholarships. For Indigenous students, the University offers Macquarie University Village Housing Scholarships, Macquarie Indigenous Top-Up Scholarships and Indigenous Access Scholarships.

Equity Related Scholarships Recipients 2008–2010

SCHEME	2008	2009
Merit Scholar Scholarships	10	20
Education Costs Scholarships	50	83
Accommodation Scholarships	25	40
Village Housing Scholarships (Indigenous)	10	10
Indigenous Top-Up Scholarships	20	41
Indigenous Access Scholarships	1	2

Warawara – Department of Indigenous Studies

Warawara is the academic Department of Indigenous Studies within the Faculty of Arts. Warawara offers block mode courses to Indigenous students, and a range of Indigenous studies units and postgraduate programs.

Warawara is responsible for the delivery and facilitation of two residential block mode undergraduate programs for Indigenous Australians, many of whom travel from remote Indigenous communities around Australia to participate. In 2009, 50 Indigenous students studied towards the Bachelor of Teaching (Early Childhood Services) and 38 Indigenous students towards the Bachelor of Community Management. Voluntary identification shows there were 50 Indigenous undergraduate and 15 postgraduate students enrolled in other Macquarie courses in 2009.

Academic staff conduct guest lecturing in mainstream courses and academic research into a variety of Indigenous areas. Warawara staff play an integral role in the provision of advice to the University on cultural competency development and a range of equity matters affecting Indigenous students and staff.

Warawara administers the Alternative Entry Program for Indigenous students and provides an equity and support function for all Indigenous students, including academic advice, induction to the University environment, referral and pastoral care, provision of a student common room and computer access through a dedicated IT laboratory. Indigenous students are encouraged to participate in individual and small-group tuition through DEEWR's Indigenous Tutorial Assistance Scheme, and become involved in a range of cultural events and activities on campus.

Transition and mentoring programs

The Macquarie Transition Program is responsible for the successful adjustment of students in their first year at University. Academic Orientation takes place in the week prior to classes and brings together students from all backgrounds, pathways and experiences. The Program introduces students to the culture and conventions of academic study, as well as to the services and layout of the campus. Central to the transition process is Mentors@Macquarie, in which trained volunteers from second year and above give their time to act as guides, facilitators and expert insiders. Equity considerations and cross-cultural understanding are integral parts of their induction training. For new students, this is a vital partnership in the process of forging their identity as members of the academic community.

In addition to Academic Orientation and Mentors@Macquarie, the Transition Program runs academic skills days for new Masters Coursework students, and is looking to augment this with a postgraduate mentoring program. Other current projects include developing pathways to industry and professional mentoring, and conducting regular research on the mentoring and transition experience.

Learning Centre for Numeracy Skills

The Learning Centre for Numeracy Skills provides support services to students enrolled in courses with a mathematical component. Preparatory sessions for mathematics, statistics and science were well attended at the beginning of each semester, and weekly workshops supporting first-year mathematics and statistics courses attracted large numbers of students, with over 5000 student hours spent in workshops. Individual consultations available through the drop-in centre were in strong demand with more than 7000 student hours spent in visits to the Centre.

The majority of the students attending the Centre were enrolled in mainstream undergraduate programs. Students came for help in a large number of units, including units in mathematics, statistics, economics, finance, business, accounting, psychology, biology, chemistry, physics, electronics and demography.

Writing Skills Program

The Writing Skills Program provides a variety of writing support services to Macquarie University undergraduates and postgraduates. Over 1000 undergraduate and postgraduate students attended seminars on writing skills in February and early March 2009. Audio tapes of the sessions and seminar notes were made available for those students unable to attend. Two five-week writing courses (Strategies and Structures and Grammar and Academic Expression) were run each semester, with close to 1800 students enrolled overall. These courses are designed for undergraduate students, but postgraduates are permitted to participate when space allows.

In 2009, Writing Skills Program staff made a formal submission to the DVC (Provost) for funding to deliver an appropriate academic literacy program for postgraduate coursework students. This submission was successfully funded through the office of the Provost in December. The extension of the Writing Skills Program to cover all coursework students will begin in February 2010.

The Writing Skills Advisory Service, an individual consultation service operating out of the Centre for Open Education, continued to expand in 2009, with mature age students and increasing numbers of postgraduate students making up a significant proportion of the students taking advantage of the program.

The Sydney Widening Participation in Higher Education Forum

In 2009 Macquarie was one of the six Sydney based universities which joined to form the Sydney Widening Participation in Higher Education Forum (SWPHEF). This group came together to enhance collaboration to widen participation in higher education, particularly of Indigenous students and students from low socioeconomic status backgrounds. The Forum has identified the following priorities: enhance the effectiveness of schools outreach programs; support the development of increased TAFE articulation and alternative entry pathways; support the increased availability of affordable accommodation for students and improved public transport; generate a common evaluation framework to measure effectiveness of programs and activities; and influence the policy agenda and increase dialogue with government.

Inclusion and diversity

Ethnic Affairs Priorities Statement

Students from over 55 countries study at Macquarie and one third of staff come from culturally and linguistically diverse (CALD) backgrounds. The University strives to create a campus environment which values equity, celebrates diversity and takes a proactive approach to building authentic cross-cultural engagement of both students and staff.

The University made significant moves in 2009 to promote an equitable, diverse and exciting campus community for all staff and students. A Social Inclusion portfolio was established with a senior academic lead, and the ensuing Social Inclusion Plan was made integral to higher level university strategic planning. Goal 3 of the Social Inclusion Plan is to develop an inclusive culture and practice in the areas of learning and teaching, research, and service orientation and delivery; and this includes increasing staff and student awareness and skills development in the area of intercultural communication and competence. Through this Plan, intercultural competence will be incorporated into the frame of Macquarie graduate capabilities.

The Macquarie University Ethnic Affairs Priorities Statement is a major focus within the new portfolio including a range of activities designed to celebrate, challenge and increase cultural knowledge, understanding and competency. The Equity and Diversity unit has increased in scope and scale and now reports to Social Inclusion. The Equity and Diversity unit continues to support the goals of the Statement, and take responsibility for reviewing policy, procedures and guidelines in relation to CALD staff and students.

During 2009, Macquarie increased participation opportunities and consultation with members of the University community from culturally and linguistically diverse backgrounds in a myriad of ways. Examples are provided on the following pages.

Curriculum development and research

In 2009 research into the cultural background of Macquarie students continued to inform the people, planet and participation units being identified and developed within undergraduate courses in the revised curriculum.

Macquarie's Participation and Community Engagement (PACE) program has a strong emphasis on increasing the cross-cultural awareness, understanding and competency of all Macquarie students by broadening their educational experience. The program, being piloted in 2009–2011, involves students undertaking participation units which involve, for example, volunteering, research and/or direct work on cross-cultural community development projects (national and international). From 2012 all undergraduate students will undertake Participation units. The University has partnered with Australian Volunteers International in piloting this program.

In 2009 the University established an Intercultural Reference Group designed to underpin the Social Inclusion Plan by gathering together practitioners interested in diversity and intercultural communication. This group provides the opportunity to share information, experiences and innovations in curriculum design and explore ways in which intercultural competencies can be integrated into the Macquarie Graduate Capabilities.

The Macquarie Global Leadership Program continued to provide a structured 30 hour program for students to develop cross-cultural understanding through a range of elective workshops focusing on global issues as well as professional skills development. Overall, 2300 students participate in the program including undergraduate, postgraduate and 150 incoming Study Abroad Students. Ten per cent of undergraduate participants are local students from culturally and linguistically diverse backgrounds. The program also includes seminars, keynote biannual lectures and a range of cross-culturally focused activities (on and off campus).

At Faculty level, the Philosophy Department celebrated an Australian Learning and Teaching Council citation for outstanding contributions to student learning for a commitment to fostering Communities of Enquiry across diverse learning contexts. This was through the development, implementation and promotion of reflective, research-based student engagement strategies and indicative of the ongoing commitment of the Department to engage students from diverse backgrounds in philosophy through their Open Universities Australia program. In 2009 the Department introduced a corresponding student 'Communities of Enquiry Prize.'

In 2009 the Department of Education within the Faculty of Human Sciences initiated a student mentoring scheme AVID (Advancement via Individual Determination) where high school students are supported to prepare them for university entrance. The students are those with academic potential but from families with no previous university experience.

Supporting pathways to university

Targeted research in 2008 resulted in changes to Macquarie admissions procedures for CALD students and the creation of additional scholarships which form part of a suite of support for students who have experienced educational disadvantage. Details of access schemes and scholarships are listed under Access and Inclusion Initiatives.

Macquarie's Centre for Open Education offers a pathway to entry via non-award courses which are open to all domestic students able to pay tuition fees and who meet the more flexible entry requirements. This pathway is a mechanism for people from diverse backgrounds to gain university entry and each application is treated on a case-by-case basis with consideration on non-academic factors. In 2009 the non-award pathway has the participation of students from 40 different countries seeking eventual articulation into Bachelor degree programs – 386 students participated with 23.5 per cent born outside Australia but holding Australian citizenship or a permanent residence visa.

Open Universities Australia/ Distance Education

In 2009 the University reinstated direct entry for the Bachelor of Arts and Bachelor of Science program by distance mode. This opened entry to a much broader group of students as the entry process was no longer processed by UAC. Applications are individualised and take into account non-academic factors which have increased the opportunity for students from culturally and linguistically diverse backgrounds who may have suffered disadvantage to be considered on merit.

Student Wellbeing

A range of on campus welfare, disability and financial support services are provided at Macquarie for students from diverse backgrounds with materials available in a range of languages. There are targeted initiatives for commencing students including the Mentors@Macquarie program.

Macquarie's University's Campus Experience is responsible for the University's Clubs and Societies, Women's Room and QueerSpace, student representation and services such as child care, food and retail outlets. Campus Experience ensures that students from diverse cultural and linguistic backgrounds have ample opportunity to affiliate and participate in the range of activities (sports, cultural, religious).

Macquarie University's Chaplaincy serves 15 different faith groups and prayer rooms are established on campus. Bilingual Service Centre staff are available to answer enquiries from students and family members in a range of languages. In 2009 Macquarie emphasised opportunities for staff and students to increase their cultural and interfaith understandings. Forums were conducted with guest presenters from a range of interfaith groups (Rabbis, Imams, Reverends) and stronger links made with the on campus student Affinity (interfaith) Society. A forum on interfaith and sexuality was held in conjunction with the newly formed Ally Network, which provides support to gay, lesbian, bisexual, transgender and intersex staff and students, regardless of cultural or linguistic background.

Language and literacy programs

The University conducted a number of language and literacy programs across the University for CALD students in 2009 including:

- The Centre for Macquarie English continued to provide language and literacy classes for domestic and international CALD students. Their programs include intercultural communication workshops. Individual support is also available such as counselling and academic advice.

- The Faculty of Business continued its Peer Assisted Learning program and lunchtime conversation groups for students wishing to improve their confidence in spoken English.
- The Computer Science Department conducted communication skills programs for PhD students, focusing on oral presentation and writing skills, with the take up being mainly students from culturally and linguistically diverse backgrounds.
- The Linguistics Department offered *Communication for Academic Professional Purpose* units to undergraduate CALD students and initiated the development of three new units to support CALD students and those in non-traditional areas to gain Academic literacies related to their study across all four faculties.

Diversity Week

The inaugural Macquarie University Diversity Week was held in August 2009 and is now embedded in the University's Calendar of Events. The 2009 theme was dedicated to the exploration of the diversity of 'doing, being and knowing'. The program included a focus on cross-cultural celebration and activities including interfaith forums, and a living library where people from diverse backgrounds came to tell their story to visiting school children, and Macquarie students and staff. World music and food events were a highlight of the week, and included a 200 person shared table encouraging cross-cultural communication over an informal lunch between students and staff. Diverse art exhibitions with artist talks were conducted, seminars on Indigenous Australia, the official Launch of the Macquarie GLBTI Ally Network, and a day workshop on inclusive practice for students with disabilities.

Engagement with the community

In 2009 Macquarie University co-sponsored the Affinity Intercultural Foundation's Fast-a-thon, organised by the students from the Affinity student group on campus, where Muslim and non-Muslim students pledge to fast, in a shared spirit of contributing to a designated Australian charity organisation. In 2009 the beneficiary was Ian Thorpe's Foundation for Youth.

The Adult Migrant English Program (AMEP) Research Centre within the Faculty of Human Sciences continues to provide research into issues crucial to settlement and future educational pathways of migrants in Australia, and professional development services to AMEP. AMEP is a nationwide Commonwealth-funded language program that provides basic tuition in the English language to help eligible adult migrants and refugees settle successfully in Australia.

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The Department of International Studies continues to work closely with Sydney's diasporic communities from Croatia, Greece and Poland; with an annual prize giving ceremony which includes community representatives. The Department offers a Bachelor of International Studies as well as degree programs in various Asian and European languages. Research in the department is focused on the nexus between language and culture, e.g. historical and linguistic description of languages, and literary productions in specific languages and of individual writers and in the context of intercultural interactions. Asian Studies promotes ethnic diversity and cross-cultural understanding, particularly from the perspectives of non-western regions. The Department has built strong relationships with Chinese and Japanese Consulates, the Japan Foundation and the Japanese Department of Education. Asian Studies offers degree programs in both Chinese and Japanese with a strong emphasis not only on proficiency in reading, writing and speaking these languages, but also on communication skills, and on providing an understanding of the countries, society and culture.

The Department of English engages with staff and students from culturally and linguistically diverse backgrounds with regard to issues such as diaspora, race, ethnicity, globalisation, religion, law, and refugee policy. The Department has a strong practice of mentoring and supporting overseas masters and higher degree research students.

During 2008–9 the University hosted two Afghani students through the United Nations Development Fund for Women's Peace Scholarship and IDP Australia to study a postgraduate masters degree. During 2009 Professor Gail Whiteford, Pro Vice-Chancellor, Social Inclusion accompanied them to meet the NSW Governor, Professor Marie Bashir AC, CVO.

Goals for 2010

- To strengthen the mechanisms which allow CALD staff and students to have a voice on campus and their needs identified and addressed, in order to enhance their work and study experience. This includes collaborations with the various student groups on campus, and the new Student MUSRA representative for students from language backgrounds other than English.
- To support career advancement, professional development opportunities and visibility of CALD staff at Macquarie, and monitor equity in human resources processes.
- To ensure that equity and diversity related policy, procedures and guidelines are uploaded into Policy Central and support, respect and value CALD staff and students.

- In line with the Social Inclusion Plan, to work collaboratively across the University to provide a range of cultural events and celebrations throughout the year; and ensure that equity considerations are made in their design.
- To increase campus activities which strengthen cross-cultural understanding and competency of all Macquarie staff and students, including a series of collaborative workshops with the University of Western Australia on 'Courageous Conversations about Race'.
- To continue to provide language and literacy programs for CALD students and staff, and to monitor usage rates and identify specific needs based on direct feedback.
- To provide targeted support initiatives for special entry scheme students.
- To develop and disseminate events protocols to show respect and increase participation of CALD staff and students.
- To ensure balanced representation within University publications (text and images) for CALD students and staff.

Employment equity and diversity

Women

In 2009 Macquarie was one of only 111 Australian organisations to be awarded an Employer of Choice for Women citation from the Federal Government's Equal Opportunity for Women in the Workplace Agency (EOWA). To be recognised as an Employer of Choice, the University must meet stringent criteria in areas such as maternity leave, representation of female managers, female managers ability to work part time, and pay equity.

In 2009 the overall representation of women on staff was 52.5 per cent, exceeding the 50 per cent government benchmark (academic women 43 per cent; professional 61 per cent).

The representation of women on the three key University decision-making bodies in 2009 was 43 per cent on University Executive, 50 per cent on the University Council and 43 per cent on the Academic Senate.

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Women's representation in the academic workforce in 2009 was 43 per cent which is above the sector average of 42 per cent. The representation of women at Level D (Associate Professor) was 38 per cent and at the most senior academic Level E, 29.5 per cent, all of which are above the 2008 sector averages. The 2009 group distribution index for women's employment across academic levels rose 4 points during the reporting period and although it improved, at 82, remains below the government benchmark, where values less than 100 indicate that women are concentrated at lower salary levels.

Ninety-four per cent of all academic women at Macquarie work full time. There were no voluntary redundancies or forced separations of academic women in 2009. Academic women leave the Macquarie workforce at a rate 7 per cent higher than their workforce participation rate as agreed contracts expire or for reasons such as voluntary redundancies, resignations and retirements (50–53 per cent in 2009).

The percentage of women selected to participate in the Overseas Study Program (OSP) in 2009 decreased by four per cent to 40 per cent (n=41) and is the lowest of the preceding five years.

Of the 45 new senior academic positions in the University's Concentrations of Research Excellence (CORE), women hold 31 per cent of all commencements (n=10 of total 32). Of these, 9 women and 13 men were appointed in 2009. Thirteen roles are yet to be filled.

In the professoriate, representation of women at Level D (Associate Professor) has increased by 3.5 per cent in the 2008–2009 reporting year and is the highest over the past five years. There was a 10.5 per cent increase in the representation of women at Level E (Professor) and this too is the highest over the past five years.

Women represented 61 per cent of professional staff in 2009, a decrease of 2 per cent on 2008. Women remain clustered in mid-range employment levels. In terms of pay equity, women employed in full-time and fractional professional roles received 95 per cent and 98 per cent of the average salary, respectively. For professional staff the distribution index in 2007 was 94.

Women on professional staff remain slightly under-represented in full-time ongoing positions (59 per cent) and significantly over-represented in part-time positions (91 per cent in 2008; 94 per cent in 2009). In terms of professional women in full-time contract roles, the 2009 figures have returned to being consistent with the longer term trend. Women on contracts of less than 1 year are represented at 51 per cent and those on contracts of between 1 and 3 years at 66 per cent.

The area of significant difference is the 30 per cent decrease in 2009 in professional women's representation in full-time contracts of more than three years duration, which is the lowest over the past five years (highest 71 per cent in 2006).

The percentage of professional women leaving the University increased by three to 63 per cent during the reporting period, and is on par with their workforce participation rate.

The Macquarie parental leave policy allows four weeks' paid leave at the child's birth (for birth mother and partner) plus 22 paid weeks for the primary carer. Macquarie University recognises same sex parents and the adoption and fostering of children. In 2009, 45 academic staff and 90 professional staff took parental leave. Of these staff, 56 per cent (n=25) and 69 per cent (n=62) respectively were women. Partner's leave days as a percentage of parental leave days taken has increased from 1.6 per cent in 2004 to 12 per cent in 2009.

Indigenous Australians¹

Representation of Aboriginal people and Torres Strait Islanders in academic positions has marginally increased over the reporting period and at 0.9 per cent remains below the government benchmark of 2 per cent. Overall, representation of Indigenous people in the Macquarie workforce stands at 0.8 per cent.

The pay disparity for Indigenous academic staff employed in full-time ongoing roles has increased by 9 per cent over the reporting period (from 86 per cent in 2008 to 77 per cent in 2009). This is as a percentage of total academic staff average gross earnings. For Indigenous staff on part-time contracts, pay disparity has improved by 5 per cent over the 12 month reporting period and in 2009 was 65 per cent.

The majority of Indigenous academic staff are employed in the more junior academic Levels A and B. In 2009 the University promoted an Indigenous staff member to Level B and continued to support staff to attend conferences (national and international) in order to enhance their academic careers. A highlight of the year was the introduction of the first Macquarie Indigenous Postdoctoral Research Fellowship.

¹ Data pertaining to designated equity groups (Indigenous Australians, staff with disabilities and staff from culturally and linguistically diverse backgrounds) is gathered through voluntary e-survey responses.

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In 2009 Indigenous professional staff earned 86 per cent in continuing full-time positions (2 per cent less than the previous year). The pay disparity for Indigenous staff in full-time contract positions (of the total professional staff average gross earnings) has increased by 17 per cent over the 12 months reporting period (73 per cent in 2008; 56 per cent in 2009). The majority of Indigenous professional staff are employed in the lower to mid-range levels 3, 4 and 5. The Macquarie Indigenous Traineeship Program for professional staff continued in its fourth year in 2009, with two trainees articulating into employment at the University (one contract, one permanent). Trainees concurrently undertake TAFE qualifications as well as in-service mentoring and professional development opportunities.

The University is committed to increasing representation of Indigenous people in the Macquarie workforce through recruitment and retention strategies including support for existing staff and postgraduate Indigenous students, the development of a university Reconciliation Action Plan and the introduction of Academic and Professional Cadetships in 2010.

People with disabilities

The government benchmark for the representation of people with disabilities in employment is 12 per cent and for those requiring workplace adjustments 7 per cent. The overall representation of people with disabilities in the Macquarie workforce remains well below this benchmark and decreased to 4 per cent in 2009, the lowest in five years. The voluntary data collection reflects academic staff with disabilities at 3 per cent representation and professional staff 4.5 per cent. The representation of staff with disabilities requiring workplace adjustments at Macquarie is 1 per cent.

In 2009 two academics with disabilities were recruited from 74 externally advertised appointments, and three professional staff with disabilities were recruited from 353 externally advertised appointments. It was pleasing that there were four academics with disabilities promoted in the 2009 reporting year. There were two voluntary redundancies (professional staff) and no forced separations of staff with disabilities in 2009.

The University recognises that employment equity for people with disabilities is a major issue and in 2009 drafted a Disability Action Plan for staff and students which will be rolled out in 2010. The Action Plan covers five areas: Planning and Policy; Learning and Teaching; Information Access; Physical Environment; Employment and Professional Development; and Campus Community.

People from culturally and linguistically diverse backgrounds²

In 2009 the overall representation of staff from culturally and linguistically diverse backgrounds (CALD) was 30 per cent which was well above the government benchmark of 19 per cent and an increase of 5 per cent on the previous year. Representation has increased in both the academic and professional staff workforces over the reporting period (academic by 4 per cent, to 26 per cent and professional by 6 per cent, to 33 per cent).

In 2009 there were significant increases in the representation of CALD staff in the professoriate. Level D representation was up 5 per cent and Level E was up 9 per cent on the previous year. CALD academic staff were externally recruited in 2009 to levels C, D and E on par or above their workforce participation rate. They were also promoted to Senior Lecturer and Associate Professor level at rates above their workforce representation rate (50 per cent, 37.5 per cent respectively). Overall in the academic workforce, CALD staff remain clustered at Lecturer and Senior Lecturer levels.

In terms of professional CALD staff, representation at most levels (HEW 2–10+) increased over the reporting year, with a 4 per cent increase at the highest level HEW 10+. Representation in the feeder groups of HEW 8 and 9 is on par with workforce participation rates (27.5 per cent, 32 per cent respectively). The representation of CALD staff in staff leaving the University is on par with their workforce participation rate.

Employment equity goals for 2010

- Implement and promote the employment equity and diversity priorities of the University's Social Inclusion Plan, the EO Plan and EO Management Plan for Women.
- Audit disability issues and needs across the five areas noted above and finalise a five year Disability Action Plan for dissemination to staff and students.
- Instigate targeted initiatives aiming to increase the representation of people with disabilities in the Macquarie workforce.
- Launch the University's Reconciliation Action Plan and implement equity related initiatives of benefit to Indigenous staff and students.
- Design, in consultation with faculties and offices, equity and diversity action plans to inform local strategic planning, and progress the University's social inclusion agenda.
- Launch the Social Inclusion website and continue to provide information and professional development on legislation, rights and responsibilities around all forms of discrimination and harassment.

² People whose first language was not English.

EEO Group Representation – Benchmark Comparison at 31 March 2009¹

Professional Staff

	2005	2006	2007	2008	2009	GOVERNMENT BENCHMARK
Women ²	63%	63%	64%	63%	61%	50%
Aboriginal people and Torres Strait Islanders ³	1.8%	2.3%	1.6%	0.9%	0.5%	2.0%
People whose first language was not English ³	27%	26%	27%	27%	32%	19%
People with a disability ³	7%	7%	7%	6%	5%	12%
People with a disability requiring work-related adjustment ³	2.2%	1.9%	1.3%	1.0%	0.7%	7.0%

Academic Staff

	2005	2006	2007	2008	2009	GOVERNMENT BENCHMARK
Women ²	45%	44%	43%	43%	42%	50%
Aboriginal people and Torres Strait Islanders ³	1.4%	0.7%	0.9%	0.9%	0.9%	2.0%
People whose first language was not English ³	22%	24%	23%	23%	26%	19%
People with a disability ³	6%	6%	6%	5%	5%	12%
People with a disability requiring work-related adjustment ³	1.5%	1.4%	1.6%	0.8%	0.8%	7.0%

EEO Group Distribution Index⁴ – Benchmark Comparison at 31 March 2009⁵

Professional Staff

	2005	2006	2007	2008	2009	GOVERNMENT BENCHMARK
Women	91	94	94	95	94	100
Aboriginal people and Torres Strait Islanders	N/A	68	N/A	N/A	N/A	100
People whose language first spoken as a child was not English	95	97	95	94	97	100
People with a disability	101	99	101	95	93	100
People with a disability requiring work-related adjustment	94	N/A	N/A	N/A	N/A	100

Academic Staff

	2005	2006	2007	2008	2009	GOVERNMENT BENCHMARK
Women	77	79	80	78	82	100
Aboriginal people and Torres Strait Islanders	N/A	N/A	N/A	N/A	N/A	100
People whose language first spoken as a child was not English	90	85	85	87	93	100
People with a disability	96	109	100	102	99	100
People with a disability requiring work-related adjustment	N/A	N/A	N/A	N/A	N/A	100

1 Continuing and contract staff

2 Actual persons

3 Estimated persons

4 A distribution index of 100 indicates that the centre of the distribution of the EEO group across salary levels is equivalent to that of other staff. Values less than 100 mean that the EEO group tends to be more concentrated at lower salary levels than is the case for other staff. The more pronounced this tendency is, the lower the index will be. In some cases the index may be more than 100, indicating that the EEO group is less concentrated at lower salary levels. N/A denotes where numbers are too small for the distribution index figure to be reliable.

5 Full-time continuing and contract staff

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EEO Group Representation (EFT) within Levels at 31 March 2009

Professional Staff

LEVEL	TOTAL STAFF	WOMEN ²	ABORIGINAL PEOPLE AND TORRES STRAIT ISLANDERS ³	PEOPLE WHOSE FIRST LANGUAGE WAS NOT ENGLISH ³	PEOPLE WITH A DISABILITY ³	PEOPLE WITH A DISABILITY REQUIRING ADJUSTMENT ³
Level 1	1	56%			56%	56.0%
Level 2	28	46%		5%	29%	
Level 3	41	64%	4.5%	27%		
Level 4	82	61%	1.9%	29%	2%	
Level 5	177	69%	1.6%	42%	7%	
Level 6	265	66%		36%	4%	1.4%
Level 7	201	64%		32%	2%	1.0%
Level 8	107	52%	1.1%	28%	4%	
Level 9	95	51%		30%		
Level 10 +	92	46%	1.4%	15%	11%	2.8%
TOTAL	1087	61%	0.7%	32%	4%	0.9%

Academic Staff

LEVEL	TOTAL STAFF	WOMEN ²	ABORIGINAL PEOPLE AND TORRES STRAIT ISLANDERS ³	PEOPLE WHOSE FIRST LANGUAGE WAS NOT ENGLISH ³	PEOPLE WITH A DISABILITY ³	PEOPLE WITH A DISABILITY REQUIRING ADJUSTMENT ³
Level A	157	53%	1.7%	34%	5%	0.5%
Level B	258	53%	1.2%	21%	2%	0.9%
Level C	220	35%	0.5%	27%	7%	1.6%
Level D	142	37%	0.8%	26%	5%	
Level E	133	29%		18%	5%	1.0%
TOTAL	910	43%	0.8%	25%	5%	0.9%

OPERATIONS

Information products and services

2009 was a watershed year for Macquarie University Information Technology Services (ITS). Longstanding Director of ITS Mary Sharp departed early in the year, and David Fryda was appointed as Interim Director. The role of Chief Information Officer (CIO) was created, and after an extensive executive search Marc Bailey was appointed as CIO in October 2009.

The CIO focused on forming a customer-centric view during his first 90 days, and in December three major initiatives were announced for 2010: the creation of Macquarie Informatics, Macquarie Analytics (formerly the Institutional Research unit) and Macquarie Memory (formerly the Records and Archives unit). These simplified, augmented and clarified reorganisations aim to lift ITS focus from infrastructure to innovation.

A new approach, new role, and new structure will better align Informatics with the attainment of strategic University goals. In the meantime, tangible progress and returns from 2009 ITS expenditure included:

OneNet – wired, wireless and voice network technology

This year saw the continuation of a long-term 2007 program to invest in infrastructure. In progress are projects that, when combined, will give Macquarie University a completed state-of-the-art wired, wireless and voice network infrastructure – OneNet – in 2010.

Wired

The majority of the campus – 80 per cent – was upgraded to a high speed data network.

Wireless

During 2009 the legacy wireless network was upgraded: 300 new access points were created across campus common areas and teaching spaces with a focus on student access. The 2010 objective is to expand Wi-Fi coverage to staff and administrative office areas as well as lower profile student areas.

Voice

The rollout of a new network-based telephone system was commenced using Voice over Internet Protocol (VoIP) technology, which minimises costs and maximises flexibility. This project deployed all required back-office infrastructure and 1974 handsets – or 35 per cent of all extensions – by the end of December and is expected to be completed in 2010.

Single directory – simplified, safer access for the future

An improved central account directory system was implemented, offering enhanced security. The new system also provides a solid platform for future improvements in personal authentication, including a significant reduction in the number of system account credentials required by each member of staff. This project will continue in 2010 due to the number and diversity of systems that exist and now require retro-fitting to the new directory.

Core technology improvements

Investment in the core systems that manage University student, staff and financial information increased dramatically. During 2009 major upgrades were carried out in student management, human resources, and research reporting and administration systems ensuring each is current and supported. Benefits from this work include:

- functionality to support the new curriculum
- improved capacity management for high demand periods
- improved personal experience through a simpler modern user interface
- compliance with government regulatory and reporting requirements

Additionally the Finance Management Information System is scheduled for a full upgrade during 2010.

Student lab automation

Two student computer labs were successfully refurbished in 2009, providing 40 computers, associated printers and a wireless access area with ITS support. This directly improved access to reliable student computing on campus by reducing downtime due to software attrition, as well as screening out unauthorised usage. Three additional student computing labs will contain the same technology, delivering an additional 20 software applications.

Student Help Desk and Service Desk

The level of service provided by the Service Desk improved in 2009. The ability to fulfill a customer request at first contact – First Time Resolution (FTR) – provides a quicker and more satisfying customer experience, as well as a more rewarding experience for the service desk adviser. In the third quarter of 2009, 65 per cent of service requests were classed as FTR. The 2010 goal is set at 75 per cent.

In cooperation with Student Services and the Library, the Staff Service Desk and the Student IT Help Desk functions were merged to form one ITS team, which was a major milestone after over a year of change. Multi-skilling and training activities conducted in 2009 are expected to bear fruit when the new organisation goes live in early 2010. Benefits to staff and students include more personal service, better coverage, and extended support hours.

2010 in anticipation

In early 2010 ITS will move through a transitional phase of Managing Change to restructure the management team. This restructure is expected to offer a greater sense of purpose, ownership and confidence to every staffer.

In the meantime renewed customer focus will deliver efficient and relevant outcomes in 2010. There is a set of 50 projects organised into 15 programs designated for 2010 funding, with the greatest spends planned for:

- Completion of the OneNet rollout to provide a modern data and voice environment (\$1.1 million).
- Cloud-sourcing staff email to Google to replace 40 insular email systems, according to a resurrected deal struck in December (\$700 million).
- Consolidating and rationalising Macquarie University web strategy to promote the University in a contemporary, compelling and controlled manner (\$1 million).
- Arresting and underpinning identity management to improve security, compliance and personal experience (\$1 million).



Freedom of information

Under the *Freedom of Information Act 1989* (the FOI Act), members of the public, including staff and students of the University, have the right to obtain access to documents containing personal information or information concerning the functioning or activities of government agencies and public authorities. The University is a statutory authority and falls under the jurisdiction of the FOI Act.

The University has a policy of open access to information. Staff members who wish to view their personal files can arrange access by contacting the Office of Human Resources. Records and Archives Services are responsible for vital records, student files, central administrative files and the University Archives. Access is usually granted to bona fide researchers, although some restrictions apply.

A freedom of information application must be made for access to material that the University considers confidential or otherwise exempt under the FOI Act. The application fee for a freedom of information request is \$30, and the

processing charge is \$30 per hour, although 20 hours' processing is included in the application fee where the information relates to the applicant's personal affairs.

The University Secretary is responsible for Freedom of Information matters. Records and Archives Services supports the University's Freedom of Information operations through the coordination of all applications and associated recordkeeping requirements.

A preliminary review of one 2008 Freedom of Information matter was commenced by the New South Wales Ombudsman in January 2009 and was finalised in February 2009. While the number of Freedom of Information applications received in 2009 increased compared to 2008, the workload associated with the University's compliance activities under the FOI Act remained stable. The statistical reports that follow correspond to Appendix B of the *New South Wales FOI Manual* – a joint publication of NSW Department of Premier and Cabinet and the NSW Ombudsman – and detail FOI activity for both 2008 and 2009.

SECTION A – NEW FOI APPLICATIONS

HOW MANY FOI APPLICATIONS WERE RECEIVED, DISCONTINUED OR COMPLETED?	NUMBER OF FOI APPLICATIONS					
	PERSONAL		OTHER		TOTAL	
	2008	2009	2008	2009	2008	2009
A1 New	2	4	6	5	8	9
A2 Brought forward	0	0	0	0	0	0
A3 Total to be processed	2	4	6	5	8	9
A4 Completed	2	4	6	5	8	9
A5 Discontinued	0	0	0	0	0	0
A6 Total processed	2	4	6	5	8	9
A7 Unfinished (carried forward)	0	0	0	0	0	0

SECTION B – DISCONTINUED FOI APPLICATIONS

WHY WERE FOI APPLICATIONS DISCONTINUED?	NUMBER OF DISCONTINUED APPLICATIONS					
	PERSONAL		OTHER		TOTAL	
	2008	2009	2008	2009	2008	2009
B1 Request transferred out to another agency (s.20)	0	0	0	0	0	0
B2 Applicant withdrew request	0	0	0	0	0	0
B3 Applicant failed to pay advance deposit (s.22)	0	0	0	0	0	0
B4 Applicant failed to amend a request that would have been an unreasonable diversion of resources to complete (s.25(1)(a1))	0	0	0	0	0	0
B5 Total discontinued	0	0	0	0	0	0

SECTION C – COMPLETED APPLICATIONS

WHAT HAPPENED TO COMPLETED FOI APPLICATIONS?	NUMBER OF COMPLETED FOI APPLICATIONS					
	PERSONAL		OTHER		TOTAL	
	2008	2009	2008	2009	2008	2009
C1 Granted or otherwise available in full	0	2	2	2	2	4
C2 Granted or otherwise available in part	2	1	4	1	6	2
C3 Refused	0	0	0	0	0	0
C4 No documents held	0	1	0	2	0	3
C5 Total completed	2	4	6	5	8	9

SECTION D – APPLICATIONS GRANTED OR OTHERWISE AVAILABLE IN FULL

HOW WERE THE DOCUMENTS MADE AVAILABLE TO THE APPLICANT?	NUMBER OF FOI APPLICATIONS (GRANTED OR OTHERWISE AVAILABLE IN FULL)					
	PERSONAL		OTHER		TOTAL	
	2008	2009	2008	2009	2008	2009
All documents requested were:						
D1 Provided to the applicant	0	2	2	2	2	6
D2 Provided to the applicant's medical practitioner	0	0	0	0	0	0
D3 Available for inspection	0	0	0	0	0	0
D4 Available for purchase	0	0	0	0	0	0
D5 Library material	0	0	0	0	0	0
D6 Subject to deferred access	0	0	0	0	0	0
D7 Available by a combination of any of the reasons listed in D1–D6 above	0	0	0	0	0	0
D8 Total granted or otherwise available in full	0	2	2	2	2	6

SECTION E – APPLICATIONS GRANTED OR OTHERWISE AVAILABLE IN PART

HOW WERE THE DOCUMENTS MADE AVAILABLE TO THE APPLICANT?	NUMBER OF FOI APPLICATIONS (GRANTED OR OTHERWISE AVAILABLE IN PART)					
	PERSONAL		OTHER		TOTAL	
	2008	2009	2008	2009	2008	2009
Documents made available were:						
E1 Provided to the applicant	2	1	4	1	6	2
E2 Provided to the applicant's medical practitioner	0	0	0	0	0	0
E3 Available for inspection	0	0	0	0	0	0
E4 Available for purchase	0	0	0	0	0	0
E5 Library material	0	0	0	0	0	0
E6 Subject to deferred access	0	0	0	0	0	0
E7 Available by a combination of any of the reasons listed in E1–E6 above	0	0	0	0	0	0
E8 Total granted or otherwise available in part	2	1	4	1	6	2

SECTION F – REFUSED FOI APPLICATIONS

WHY WAS ACCESS TO THE DOCUMENTS REFUSED?	NUMBER OF REFUSED FOI APPLICATIONS					
	PERSONAL		OTHER		TOTAL	
	2008	2009	2008	2009	2008	2009
F1 Exempt	0	0	0	0	0	0
F2 Deemed refusal	0	0	0	0	0	0
F3 Total refused	0	0	0	0	0	0

SECTION G – EXEMPT DOCUMENTS

WHY WERE THE DOCUMENTS CLASSIFIED AS EXEMPT? (IDENTIFY ONE REASON ONLY)	NUMBER OF FOI APPLICATIONS (GRANTED OR OTHERWISE AVAILABLE IN PART ONLY)					
	PERSONAL		OTHER		TOTAL	
	2008	2009	2008	2009	2008	2009

Restricted documents:

G1 Cabinet documents (Clause 1)	0	0	0	0	0	0
G2 Executive Council documents (Clause 2)	0	0	0	0	0	0
G3 Documents affecting law enforcement and public safety (Clause 4)	0	0	0	0	0	0
G4 Documents affecting counter terrorism measures (Clause 4A)	0	0	0	0	0	0

Documents requiring consultation:

G5 Documents affecting intergovernmental relations (Clause 5)	0	0	0	0	0	0
G6 Documents affecting personal affairs (Clause 6)	2	0	4	0	6	0
G7 Documents affecting business affairs (Clause 7)	0	0	0	0	0	0
G8 Documents affecting the conduct of research (Clause 8)	0	0	0	0	0	0

Documents otherwise exempt:

G9 Schedule 2 exempt agency	0	0	0	0	0	0
G10 Documents containing information confidential to Olympic Committees (Clause 22)	0	0	0	0	0	0
G11 Documents relating to threatened species, Aboriginal objects or Aboriginal places (Clause 23)	0	0	0	0	0	0
G12 Documents relating to threatened species conservation (Clause 24)	0	0	0	0	0	0

G13 Plans of management containing information of Aboriginal significance (Clause 25)	0	0	0	0	0	0
G14 Private documents in public library collections (Clause 19)	0	0	0	0	0	0
G15 Documents relating to judicial functions (Clause 11)	0	0	0	0	0	0
G16 Documents subject to contempt (Clause 17)	0	0	0	0	0	0
G17 Documents arising out of companies and securities legislation (Clause 18)	0	0	0	0	0	0
G18 Exempt documents under interstate FOI legislation (Clause 21)	0	0	0	0	0	0
G19 Documents subject to legal professional privilege (Clause 10)	0	1	0	1	0	2
G20 Documents containing confidential material (Clause 13)	0	0	0	0	0	0
G21 Documents subject to secrecy provisions (Clause 12)	0	0	0	0	0	0
G22 Documents affecting the economy of the State (Clause 14)	0	0	0	0	0	0
G23 Documents affecting financial or property interests of the State or an agency (Clause 15)	0	0	0	0	0	0
G24 Documents concerning operations of agencies (Clause 16)	0	0	0	0	0	0
G25 Internal working documents (Clause 9)	0	0	0	0	0	0
G26 Other exemptions (eg, Clauses 20, 22A and 26)	0	0	0	0	0	0
G27 Total applications including exempt documents	2	1	4	1	6	2

SECTION H – MINISTERIAL CERTIFICATES (S.59)

HOW MANY MINISTERIAL CERTIFICATES WERE ISSUED?	NUMBER OF MINISTERIAL CERTIFICATES	
	2008	2009
H1 Ministerial Certificates issued	0	0

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SECTION I – FORMAL CONSULTATIONS

HOW MANY FORMAL CONSULTATIONS WERE CONDUCTED?	NUMBER	
	2008	2009
I1 Number of applications requiring formal consultation	0	0
I2 Number of persons formally consulted	0	0

Note: all formal offers to consult have been included irrespective of whether a response was received.

SECTION J – AMENDMENT OF PERSONAL RECORDS

HOW MANY APPLICATIONS FOR AMENDMENT OF PERSONAL RECORDS WERE AGREED OR REFUSED?	NUMBER OF APPLICATIONS FOR AMENDMENT OF PERSONAL RECORDS	
	2008	2009
J1 Agreed in full	0	0
J2 Agreed in part	0	0
J3 Refused	0	0
J4 Total	0	0

SECTION K – NOTATION OF PERSONAL RECORDS

HOW MANY APPLICATIONS FOR NOTATION OF PERSONAL RECORDS WERE MADE (S.46)?	NUMBER OF APPLICATIONS FOR NOTATION	
	2008	2009
K1 Applications for notation	0	0

SECTION L – FEES AND COSTS

WHAT FEES WERE ASSESSED AND RECEIVED FOR FOI APPLICATIONS PROCESSED (EXCLUDING APPLICATIONS TRANSFERRED OUT)?	ASSESSED COSTS		FEES RECEIVED	
	2008	2009	2008	2009
L1 All completed applications	\$600.00	\$500.00	\$180.00	\$280.00

SECTION M – FEE DISCOUNTS

HOW MANY WAIVERS OR DISCOUNTS WERE ALLOWED AND WHY?	NUMBER OF FOI APPLICATIONS (WHERE FEES WERE WAIVED OR DISCOUNTED)					
	PERSONAL		OTHER		TOTAL	
	2008	2009	2008	2009	2008	2009
M1 Processing fees waived in full	0	0	2	0	2	0
M2 Public Interest discounts	0	0	0	0	0	0
M3 Financial hardship discounts – pensioner or child	0	0	0	0	0	0
M4 Financial hardship discounts – non-profit organisation	0	0	0	0	0	0
M5 Total	0	0	2	0	2	0

SECTION N – FEE REFUNDS

HOW MANY FEE REFUNDS WERE GRANTED AS A RESULT OF SIGNIFICANT CORRECTION OF PERSONAL RECORDS?	NUMBER OF REFUNDS	
	2008	2009
N1 Number of fee refunds granted as a result of significant correction or personal records	0	0

SECTION O – DAYS TAKEN TO COMPLETE REQUEST

HOW LONG DID IT TAKE TO PROCESS COMPLETED APPLICATIONS? (NOTE: CALENDAR DAYS)	NUMBER OF COMPLETED FOI APPLICATIONS					
	PERSONAL		OTHER		TOTAL	
	2008	2009	2008	2009	2008	2009
O1 0–21 days – statutory determination period	0	3	2	5	2	5
O2 22–35 days – extended statutory determination period for consultation or retrieval of archived records (S.59B)	0	0	1	0	1	0
O3 Over 21 days – deemed refusal where no extended determination period applies	0	1	2	0	2	3
O4 Over 35 days – deemed refusal where extended determination period applies	2	0	1	0	3	1
O5 Total	2	4	6	5	8	9

SECTION P – PROCESSING TIME: HOURS

HOW LONG DID IT TAKE TO PROCESS COMPLETED APPLICATIONS?	NUMBER OF COMPLETED FOI APPLICATIONS					
	PERSONAL		OTHER		TOTAL	
	2008	2009	2008	2009	2008	2009
P1 0–10 hours	0	0	0	0	0	0
P2 11–20 hours	2	1	0	2	2	3
P3 21–40 hours	0	1	2	1	2	2
P4 Over 40 hours	0	2	4	2	4	4
P5 Total	2	4	6	5	8	9

SECTION Q – NUMBER OF REVIEWS

HOW MANY REVIEWS WERE FINALISED?	NUMBER OF COMPLETED REVIEWS	
	2008	2009
Q1 Internal reviews	2	1
Q2 Ombudsman reviews	2	1
Q3 ADT reviews	2	0
Q4 Ombudsman review of FOI Act	1	0

SECTION R – RESULTS OF INTERNAL REVIEWS

What were the results of internal reviews finalised?

GROUNDS ON WHICH THE INTERNAL REVIEW WAS REQUESTED	NUMBER OF INTERNAL REVIEWS					
	PERSONAL		OTHER		TOTAL	
	ORIGINAL AGENCY DECISION UPHeld	ORIGINAL AGENCY DECISION VARIED	ORIGINAL AGENCY DECISION UPHeld	ORIGINAL AGENCY DECISION VARIED	ORIGINAL AGENCY DECISION UPHeld	ORIGINAL AGENCY DECISION VARIED
R1 Access refused	0	0	2	0	2	0
R2 Access deferred	0	0	0	0	0	0
R3 Exempt matter deleted from documents	0	0	0	0	0	0
R4 Unreasonable charges	0	0	1	0	1	0
R5 Failure to consult with third parties	0	0	0	0	0	0
R6 Third parties views disregarded	0	0	0	0	0	0
R7 Amendment of personal records refused	0	0	0	0	0	0
R8 Total	0	0	3	0	3	0

Internal audit, risk management and insurance

The internal audit and risk management functions of Macquarie University are overseen by the Council's Audit and Risk Committee and undertaken by Deloitte Touche Tohmatsu (Deloitte). Deloitte completed a fourth year as Internal Auditor and Risk Management consultants following the Committee granting a 12 month extension to their contract in 2008.

The University re-appointed Deloitte to the internal audit and risk management function in 2009, following an exhaustive tendering process conducted by the University's Audit and Risk Committee for the 2010–12 period. The internal audit and risk management function is primarily concerned with evaluating the accuracy and effectiveness of internal controls and assessing risks which may impact on the University's ability to achieve its objectives.

A three year strategic internal audit and risk management plan for 2006–2008 was developed following a high level business risk assessment of the University's operations in conjunction with management. The plan was approved by the University's Audit and Risk Committee. An extension of this plan was developed and approved for 2009.

In addition to the business risk assessment, internal audits undertaken in 2009 involved assessments of internal controls and associated risks and compliance with University policies and procedures and government guidelines in the following areas:

- fraud and corruption assessment and prevention
- capital works projects
- recruitment
- payroll
- controlled entities – operational review at Access Macquarie Pty Ltd
- contractor engagement
- Occupational Health and Safety
- international students – legislative compliance
- Macquarie Lighthouse Press – financial controls

Audit and assurance activities resulted in identification of areas where there was opportunity for improvement and/or enhancement of existing processes and controls. Following discussion and agreement with management, internal audit reports were submitted to key stakeholders and reported to the Audit and Risk Committee. The status of significant and important risk issues outstanding are monitored by the Audit and Risk Committee.

The University ensures that a cost effective insurance program that sufficiently protects the University's investment in assets and protects against liabilities arising from the conduct of its business activities is in place at all times.

The University appointed Willis Australia Limited as its insurance broker in September 2007 for a period of three years.

The open market approach adopted by the University resulted in the University securing the best available renewal terms from its existing insurers. The University also opted to increase the deductibles for its core classes of insurances, resulting in savings in the University's insurance premiums for its core programs. The Australian School of Advanced Medicine was launched during 2007. Medical Indemnity Insurance has been obtained to protect the University, its supervising clinical staff and students. The additional insurance requirement in respect of Macquarie University Hospital, have been examined by Willis Australia Limited and will be placed prior to the commencement of operations of the Hospital

Credit card certification

During the 2009 financial year, credit card use was in accordance with both the University's Credit Card policy and Purchasing policy. These policies are themselves based on the requirements of the New South Wales Treasury.

Credit card use within the University is largely limited to claimable work related travel expenses and accommodation (excluding airfares), and for minor consumable expenses where the use of credit cards is a more efficient process.

Officers are required to sign a declaration that their obligations and duties in relation to the use of credit cards have been explained to them before a credit card is issued. Officers issued with a credit card can review their expenses on a daily basis via the University's online expense management system. On a monthly basis officers are required to verify and certify that expenses were for official University business. At this time original tax invoices must be provided. Acquittals are examined and authorised by a more senior officer (who has appropriate delegation), then reviewed by the University administration process. The University follows a strict process of warning and cancellation of credit cards where they are used outside policy or not acquitted in a timely manner.

Payment of accounts

The University's term of credit in respect of its creditors is 30 days. In 2009, 83 per cent of invoices were paid in accordance with these terms.

Statement of attitude to fraud and corruption

The University requires all staff at all times to act honestly and with integrity and to safeguard the public resources for which they are responsible. The University is committed to protecting all revenue, expenditure and assets from any attempt to gain illegal financial or other benefits. Any fraud or corruption committed against the University is a major concern to the University. Consequently, any case will be thoroughly investigated and appropriate disciplinary action will be taken against any staff member who is found guilty of corrupt conduct. This may include referral to the police.

The University has an obligation to report suspected corruption, whether or not it involves a staff member of the University, to the Independent Commission Against Corruption. The University endeavours to make its staff, contractors, suppliers and clients aware of its statement of attitude to fraud and corruption by placing it on the University's website, referring to key attributes of its strategy in University publications including the Annual Report, providing a summary in training sessions and regular fraud and corruption awareness activities.

Privacy

Macquarie University has a commitment to privacy, valuing the privacy of individuals and actively seeking to preserve the privacy rights of those who share information with the University. It is believed individuals have the right to know how information to the University is handled. The role of Privacy Officer is assigned to the University Secretary and General Counsel and the role of Privacy Contact Officer is assigned to the Manager, Records and Archives Services. These officers have direct accountability for the University's compliance with its privacy policy.

Macquarie University's Privacy Management Plan has been developed to comply with section 33 of the New South Wales *Privacy and Personal Information Protection Act 1998* and is to be amended to include compliance measures for the *Health Records and Information Privacy Act 2002*.

The Privacy Management Plan details:

- the policies and practices that the University has in place to comply with the Privacy and Personal Information Protection Act;
- the dissemination of privacy policies and practices within the University procedures in relation to an internal review under Part 5 of the Privacy and Personal Information Protection Act;
- other matters which are considered relevant to the University in relation to the Act.

During 2009, no privacy complaints were received by the University. No requests for access to records under section 14 of the Privacy and Personal Information Protection Act were received. No amendments to personal records pursuant to the Privacy and Personal Information Protection Act were carried out in 2009..

Publications

Macquarie produced a number of publications in 2009 containing information about the activities of the University. Many of these publications are also available in electronic format on the University website at www.mq.edu.au.

Calendar of Governance, Legislation and Rules 2009
Available online at <http://universitycouncil.mq.edu.au/index.html>.

Connect with Macquarie

A specialist newsletter committed to careers advisers. Four issues published in 2009; available at www.pr.mq.edu.au/connect.

Handbook of Postgraduate Coursework Studies 2009

Available online at www.handbook.com.au.

Handbook of Undergraduate Studies 2009

Available online at www.handbook.com.au.

Higher Degree Research Programs 2010

Available online at www.research.mq.edu.au/students/new_students.

Macquarie Matters

Macquarie University's new Advancement magazine: available online at www.mq.edu.au/advancement/about/matters/

Macquarie University Annual Report 2008

Available online at www.mq.edu.au/university/about/reports.html.

Postgraduate Course Prospectuses 2010

Series of four booklets; available online at www.postgradandbeyond.mq.edu.au.

Quest

A magazine that explores the latest research from Macquarie University: available online at www.pr.mq.edu.au.

Undergraduate Course Booklets 2010

Series of four booklets; available online at www.futurestudent.mq.edu.au.

Study at Macquarie

Macquarie University's undergraduate prospectus; available online at www.futurestudent.mq.edu.au.

Faculties and other units of the University also produce a range of publications. Contact the relevant section directly for details or visit www.mq.edu.au.

Student complaints, appeals and discipline

A number of committees exist across the University to receive student complaints and appeals and to address disciplinary matters.

Academic Appeals Committee

The Academic Appeals Committee met three times in 2009 to determine appeals by undergraduate and postgraduate coursework students against their exclusion under the relevant degree rules.

Academic Appeals Committee determinations

APPEALS	2005	2006	2007	2008	2009
Considered	38	117	216	357	304
Successful	23	55	128	141	84

As shown in the above table, the number of appeals determined by the Committee rose significantly between 2005 and 2008. This was in response to two policy changes in 2006: students were now liable for exclusion due to failing a core unit two times in the Bachelor of Commerce – Accounting; and students were now liable for exclusion after Summer Session and after first-half year, as well as at the end of the academic year. Additionally, students who failed to maintain a satisfactory minimum rate of progress and appeals in this exclusion category accounted for a large number of the show cause submissions received in 2008 and 2009.

Grading Appeals Committee

The Grading Appeals Committee investigates appeals against grades by undergraduate and postgraduate coursework students to determine whether due process has been observed, and whether appropriate academic procedures have been carried out and grades determined in a fair and just manner in accordance with University policies and procedures. The Committee met twice during 2009. Six appeals were received from students. Only one was upheld. This compares with 2008 when 10 appeals were received and six were upheld.

Higher Degree Research Appeals Committee

The Higher Degree Research Appeals Committee hears appeals by higher degree research students in connection with research student candidature, scholarships and thesis

examinations. No appeals were received by the Committee since 2006. In 2006 the Committee received one appeal, which was not upheld.

The Discipline Committee met five times during 2009 (nine in 2008) and reviewed 30 student cases (32 in 2008). The tables below provide details of the misconduct reviewed and the range of penalties determined. To ensure equity and consistency, the Committee determined penalties with reference to precedent set by earlier decisions.

2009 cases by type of offence

TYPE OF OFFENCE	NUMBER OF CASES
Unauthorised notes in exam	30
Threatening or harassing staff	2
Sat exam for another student	1
Had someone else sit their exam	1

2009 cases by penalty

PENALTY	NUMBER OF CASES
Community service – 20 hours	1
Community service – 30 hours	3
Exclusion from enrolment – half a year	23
Exclusion from enrolment – one year	2
No action as student no longer enrolled	4
Case not substantiated	1

Travel

Macquarie University spent \$14.1 million on travel and related staff development and training in 2009. The travel was for a wide range of purposes including the promotion and marketing of the University and specific programs, visits to overseas partners and the development of new partner relationships, the attendance and presentation of research papers at international conferences, and research and teaching at affiliated universities.

Financial PERFORMANCE

Statements in this Chapter are unaudited

The Operating Result for the year for Macquarie University and its subsidiaries was a surplus of \$60.1 million.

The surplus for the consolidated University represented 10.38 per cent of revenue. There are several factors underlying this result which are of note.

- The University committed \$167.7 million towards property, plant and equipment in 2009.
- The University has received an amount of \$15 million from the Department of Education, Employment and Workplace Relations (DEEWR), under the Education Investment Fund (EIF) for the Hearing Hub (\$10 million) and Australian School of Advanced Medicine fit-out (\$5 million). Additionally, the University recorded revenue for Professorial Superannuation Scheme of \$5.2 million.
- The University has planned Capital expenditure of \$605.8 million over the course of 2010–12. This is accounted for in part by expenditure of \$64.1 million for the new University Learning and Teaching Centre, \$131.0 million for the Cochlear Building, \$73.5 million for the construction and fit-out of the Macquarie University Hospital and \$121.5 million for the Australian Hearing Hub.

State Superannuation Schemes

Both expenses and income are distorted by an unusual item for deferred income and deferred expense of a negative \$35.8 million (surplus and expense of \$145.8 million in 2008). This relates to actuarially assessed changes in the liability of State Superannuation Schemes for University employees. These transactions have no effect on the operating result for 2009.

The unfunded liability of these schemes was \$230.6 million at 31 December 2009 (\$266.4 million in 2008). This is matched by an asset based on future funding expected from the Commonwealth Government.

Consolidated income analysis

Excluding the deferred negative income for the State Superannuation Schemes, income totaled \$583.2 million, an increase of 9.6 per cent. This increase has been driven by a number of factors.

- Income from Australian Government grants increased by \$8.4 million. This includes \$15 million from DEEWR (\$11.9 million 2008) as outlined above.
- Income from HECS-HELP (both government and student payments) increased by \$13.7 million owing to increased student load in Commonwealth Supported Places.
- Income from FEE-HELP has increased by \$5.9 million. This resulted from an increase in the take-up rate, fee levels and enrolments for domestic fee-paying students.
- Income from Fees and Charges has increased by \$20.8 million. Primarily from an increase of in fee-paying overseas student fees and an increase of from the Sydney Institute of Business and Technology.
- Income from consultancy and contracts has increased by \$4.8 million. This resulted from an increase in contract work undertaken by the University.

Consolidated expense analysis

After excluding the State Superannuation Scheme item, expenses totaled \$522.7 million, an increase of 2.8 per cent. This increase has occurred over several expense categories.

- Academic and general staff salaries and related costs increased by \$4.6 million (1.6 per cent) due to salary increases and the appointment of additional staff. This also included an extraordinary income of \$5.2 million in respect of the Professorial Superannuation Scheme.
- Depreciation and amortisation increased by \$0.9 million.
- Repairs and maintenance increased by \$0.5 million as a result of remedial work performed on the University's laboratories and lecture theatres.
- Other expenses have increased by \$26.0 million resulting partly from significant increases in scholarships, grants and prizes increase of \$1.4 million, general consumables/materials increase of \$2.3 million, contractors/consultants of \$12.4 million and other expenses increase of \$6.7 million and partially offset by a reduction in general services of \$5.6 million.

Consolidated Balance Sheet

Net assets increased from 2008 to 2009 by \$98.6 million with total assets increasing by \$124.1 million and total liabilities increasing by \$25.5 million. These amounts include a decrease of \$35.8 million in both the asset and liability for deferred superannuation.

Risk analysis

The following ratios are provided in respect of the financial risk assessment of the University at 31 December 2009.

INDICATOR	RESULT	RISK
Revenue growth	9.6%	Low
Proportion of revenue from Australian Government grants	25.5%	Low
Growth in Australian Government funding from 2008	6.0%	Low
Proportion of revenue from overseas student fees	29.6%	High
Growth in revenue from overseas student fees from 2008	17.1%	Medium
Consecutive deficits recorded	0	Low
Number of weeks income cash and investments is equivalent to	19.5	Low
Current ratio ¹	0.8	Medium
Adjusted current ratio ²	0.9	Medium
Borrowings to equity ratio	10.5%	Low

1 The current ratio is impacted by a construction loan for the Macquarie University Hospital of \$117.6 million which is repayable on 31 October 2010. Adjusting for the \$117.6 million out of current liabilities and the current ratio would be 1.5.

2 From 2006 a change in reporting of long service leave liabilities for employees was introduced. The current liability of long service leave entitlements has been determined as all leave that was unconditional as at 31 December 2009. The University expects that \$22.9 million of this current liability will be settled after 12 months and the current ratio has been adjusted to reflect this. However, making the above adjustment for current portion of the Macquarie University Hospital loan the adjusted current ratio would be 1.8.

Returns on University investments

	ACTUAL RETURNS 2009	BENCHMARK 2009	ACTUAL RETURNS 2008	BENCHMARK 2008
Cash and cash equivalent	3.84%	3.90%	6.56%	5.28%
Australian equities	34.11%	37.59%	(34.06)%	(38.92)%
International equities	23.66%	25.72%	(45.65)%	(41.74)%
Debt securities	2.72%	1.73%	0.02%	15.23%
Property	14.20%	9.56%	(35.34)%	(55.31)%

Note 1 Returns excluded realised gain/loss of investments disposed during the year.

Note 2 Benchmarks:

Cash and cash equivalent: UBS Australia Bank Bill Index

Australian equities: ASX 300 Accumulation Index

International equities: MSCI World Index (ex Australia) in A\$ (unhedged)

Debt Securities: UBSWA Composite Bond Index (all maturity)

Properties: ASX Property Accumulation Index

Budgets

The following summary of financial performance against budget for 2009 is provided.

Income Statement

INDICATOR	BUDGET 2009 \$'000	ACTUAL 2009 \$'000
Revenue from continuing operations	514,201	583,175
Deferred government superannuation contributions	0	(35,825)
Total revenue from continuing operations	514,201	547,350
Expenses from continuing operations	505,996	522,652
Deferred Government superannuation contributions	0	(35,825)
Total expenses from continuing operations	505,996	486,827
Operating result from continuing operations	8,205	60,523

Balance Sheet

INDICATOR	BUDGET 2009 \$'000	ACTUAL 2009 \$'000
Current assets	114,640	195,718
Non-current assets	1,437,536	1,555,547
Total assets	1,552,176	1,751,265
Current liabilities	93,106	247,602
Non-current liabilities	305,324	263,384
Total liabilities	398,430	510,986
Net assets	1,153,746	1,240,279

Cash Flow Statement

INDICATOR	BUDGET 2009 \$'000	ACTUAL 2009 \$'000
Net cash provided by operating activities	23,528	72,645
Net cash used in investing activities	(48,911)	(127,293)
Net cash provided by financing activities	37,429	58,787
Net increase in cash and cash equivalents	12,046	4,139



Macquarie University **FINANCIAL STATEMENTS**

PHOTO: PAUL WRIGHT

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Note: The University has consolidated the following controlled entities

Access Macquarie Ltd	Macquarie University Property Investment Ltd Sub-Trust No. 1
Australian Proteome Analysis Facility Ltd	Macquarie University Property Investment Ltd Sub-Trust No. 2
Centre for Money, Banking and Finance Ltd	Macquarie University Property Investment Ltd Sub-Trust No. 3
COH Property Trust	Macquarie University Property Investment Ltd Sub-Trust No. 4
LAMS Foundation Ltd	Macquarie University Property Investment Trust
LAMS International Pty Ltd	Macquarie University Property Investment Trust Holding Trust No. 1
Macquarie Graduate School of Management Pty Ltd	Macquarie University Property Investment Trust Holding Trust No. 2
Macquarie University Medical Research Foundation Ltd	Macquarie University Property Investment Trust Holding Trust No. 3
Macquarie University Medical Research Trust	Macquarie University Property Investment Trust Holding Trust No. 4
Macquarie University Hospital Pty Ltd	Macquarie University Property Investment Trust Holding Trust No. 5
Macquarie University Private Hospital Clinic Pty Ltd	Macquarie University Property Investment Trust Holding Trust No. 6
Macquarie University Private Hospital Clinic Sub-Trust	MUH Operations Pty Ltd
Macquarie University Private Hospital Sub-Trust	MUH Operations No. 2 Limited
Macquarie University Private Hospital Trust	Risk Frontiers Flood (Australia) Pty Ltd
Macquarie University Property Investment Company Pty Ltd	Risk Frontiers Group Pty Ltd
Macquarie University Property Investment Company No. 2 Pty Ltd	U@MQ Ltd
Macquarie University Property Investment Company No. 3 Pty Ltd	

The financial statements for these entities are available from the University on request.
Please contact the Office of Financial services on **+61 2 9850 7201** or at **finance@mq.edu.au**.



Independent **AUDITOR'S REPORT**



GPO BOX 12
Sydney NSW 2001

INDEPENDENT AUDITOR'S REPORT Macquarie University and controlled entities

To Members of the New South Wales Parliament

I have audited the accompanying financial statements of Macquarie University (the University), and the University and its controlled entities (the consolidated entity), which comprise the statement of financial position as at 31 December 2009 and the income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes. The consolidated entity comprises the University and the entities it controlled at the year's end or from time to time during the financial year.

Auditor's Opinion

In my opinion, the financial statements:

- present fairly, in all material respects, the financial position of the University and the consolidated entity as of 31 December 2009, and of their financial performance for the year then ended in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations)
- are in accordance with section 41B of the *Public Finance and Audit Act 1983* (the PF&A Act) and the Public Finance and Audit Regulation 2005.
- comply with the 'Financial Statement Guidelines for Australian Higher Education Providers for the 2009 Reporting Period', issued by the Australian Government Department of Education, Employment and Workplace Relations, pursuant to the *Higher Education Support Act 2003*, the *Higher Education Funding Act 1988* and the *Australian Research Council Act 2001*

My opinion should be read in conjunction with the rest of this report.

Council's Responsibility for the Financial Statements

The Council is responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the PF&A Act. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

My responsibility is to express an opinion on the financial statements based on my audit. I conducted my audit in accordance with Australian Auditing Standards. These Auditing Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

.....

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the University's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the University's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Council, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

My opinion does *not* provide assurance:

- about the future viability of the University or the consolidated entity,
- that they have carried out their activities effectively, efficiently and economically, or
- about the effectiveness of their internal controls.

Independence

In conducting this audit, the Audit Office has complied with the independence requirements of the Australian Auditing Standards and other relevant ethical requirements. The PF&A Act further promotes independence by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General, and
- mandating the Auditor-General as auditor of public sector agencies but precluding the provision of non-audit services, thus ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their role by the possibility of losing clients or income.



Peter Achterstraat
Auditor-General

22 April 2010
SYDNEY

Statement of **APPOINTED OFFICERS**

Macquarie University
Statement of Appointed Officers
For the year ended 31 December 2009

Statement of Appointed Officers

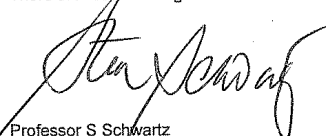
In accordance with a resolution of the Council of Macquarie University, pursuant to Section 41C (1B) and (1C) of the *Public Finance and Audit Act 1983*, we state that to the best of our knowledge and belief:

1. The financial statement presents a true and fair value of the financial position of the University at 31 December 2009 and the results of its operations and transactions of the University for the year then ended.
2. The financial statements have been prepared in accordance with the provisions of the *New South Wales Public Finance and Audit Act 1983*, the *Public Finance and Audit Regulation 2005* and the Financial Statement Guidelines for Australian Higher Education Providers for the 2009 Reporting Period issued by the Australian Government (Department of Education, Employment and Workplace Relations).
3. The financial statements have been prepared in accordance with Australian Accounting Standards, which includes Australian Accounting Interpretations.

We are not aware of any circumstances, which would render any particulars included in the financial statements to be misleading or inaccurate.

In accordance with the Higher Education Support Act, the amount of Australian government financial assistance expended during the reporting period was for the purposes for which it was intended and Macquarie University has complied with applicable legislation, contracts, agreements and programme guidelines in making expenditure.

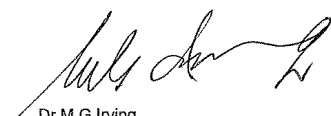
There are reasonable grounds to believe that the University will be able to pay its debts as and when they fall due.



Professor S Schwartz
Vice-Chancellor



E A Crouch
Chair Audit and Risk Committee



Dr M G Irving
Chair Finance and Facilities Committee

Sydney
21 April 2010

Income STATEMENT

Macquarie University					
Income Statement					
For the year ended 31 December 2009					
		Consolidated		Parent	
	Notes	2009	2008	2009	2008
		\$'000	\$'000	\$'000	\$'000
Revenue from continuing operations					
Australian Government financial assistance					
Australian Government grants	2	148,997	140,581	148,944	140,523
HECS-HELP -- Australian Government payments	2	62,870	49,214	62,870	49,214
FEE-HELP	2	24,136	18,241	24,136	18,241
State and Local Government financial assistance	3	2,534	3,070	2,534	2,770
HECS-HELP - Student payments		17,043	14,752	17,043	14,752
Fees and charges	4	261,933	241,126	233,199	210,110
Investment revenue	5	12,052	20,635	10,646	18,360
Royalties, trademarks and licences	6	1,579	470	699	96
Consultancy and contracts	7	19,902	15,087	12,263	8,411
Other revenue	8	32,129	29,062	21,543	13,116
Total revenue from continuing operations before deferred Government superannuation contributions		583,175	532,238	533,877	475,593
Deferred Government Superannuation Contributions	16	(35,825)	145,841	(35,825)	145,841
Total revenue and income from continuing operations		547,350	678,079	498,052	621,434
Expenses from continuing operations					
Employee related expenses	9	291,660	287,015	254,578	245,206
Depreciation and amortisation	10	30,080	29,184	28,162	27,492
Repairs and maintenance	11	6,450	5,951	5,725	5,353
Borrowing costs	12	897	953	897	953
Impairment of assets	13	1,054	19,038	1,066	19,277
Other expenses	14	192,511	166,491	184,116	160,911
Total expenses from continuing operations before deferred employee benefits for superannuation		522,652	508,632	474,544	459,192
Deferred Government superannuation expense	9	(35,825)	145,841	(35,825)	145,841
Total expenses from continuing operations		486,827	654,473	438,719	605,033
Operating result before income tax		60,523	23,606	59,333	16,401
Operating result from continuing operations		60,523	23,606	59,333	16,401
Operating result after income tax for the period		60,523	23,606	59,333	16,401
Operating result attributable to minority interest		-	(41)	-	-
Operating result attributable to members of Macquarie University	26(b)	60,523	23,565	59,333	16,401

The above income statement should be read in conjunction with the accompanying notes.

Statement of **COMPREHENSIVE INCOME**

Macquarie University					
Statement of Comprehensive Income					
For the year ended 31 December 2009					
		Consolidated		Parent	
	Notes	2009	2008	2009	2008
		\$'000	\$'000	\$'000	\$'000
Operating result after income tax for the period		60,523	23,606	59,333	16,401
Other comprehensive income					
Gain (loss) on revaluation of property, plant and equipment	26(a)	21,171	33,413	21,171	33,413
Revaluation of available for sale reserves	26(a)	27,151	(37,980)	27,151	(37,980)
Revaluation of patent reserves	26(a)	(250)	-	(250)	-
Operating result attributable to minority interest		-	(41)	-	-
Total comprehensive income		48,072	(4,608)	48,072	(4,567)
Total comprehensive income attributable to minority interest		-	-	-	-
Total comprehensive income attributable to members of Macquarie University		108,595	18,998	107,405	11,834

The above statement of comprehensive income should be read in conjunction with the accompanying notes.

Statement of FINANCIAL POSITION

Macquarie University Statement of Financial Position As at 31 December 2009								
Notes	Consolidated			Parent				
	2009 \$'000	2008 \$'000	01 January 2008* \$'000	2009 \$'000	2008 \$'000	01 January 2008* \$'000		
ASSETS								
Current assets								
	Cash and cash equivalents	15	110,581	107,254	120,514	73,403	73,790	91,970
	Receivables	16	39,742	26,185	22,151	50,649	23,949	20,831
	Inventories	17	815	931	618	195	134	135
	Other financial assets	18	35,614	81,154	69,156	35,501	81,034	69,156
	Other non-financial assets	19	8,966	13,229	9,289	8,457	12,828	8,675
	Total current assets		195,718	228,753	221,728	168,205	191,735	190,767
Non-current assets								
	Receivables	16	252,099	288,232	142,676	252,099	288,232	142,676
	Other financial assets	18	68,304	42,798	104,415	95,322	59,927	118,225
	Property, plant and equipment	20	1,234,764	1,067,021	909,257	1,076,754	980,145	894,853
	Intangible assets	21	380	393	1,171	380	393	1,171
	Total non-current assets		1,555,547	1,398,444	1,157,519	1,424,555	1,328,697	1,156,925
	Total assets		1,751,265	1,627,197	1,379,247	1,592,760	1,520,432	1,347,692
LIABILITIES								
Current liabilities								
	Trade and other payables	22	42,762	41,407	37,983	27,348	25,125	29,265
	Borrowings	23	118,542	872	732	842	785	732
	Provisions	24	47,319	47,411	44,480	44,754	44,612	42,955
	Other liabilities	25	38,979	35,641	30,431	36,696	33,561	28,823
	Total current liabilities		247,602	125,331	113,626	109,640	104,083	101,775
Non-current liabilities								
	Trade and other payables	22	1,808	631	-	-	-	-
	Borrowings	23	11,590	70,474	13,111	11,486	12,328	13,111
	Provisions	24	249,986	289,077	129,882	248,710	288,502	129,121
	Other liabilities	25	-	-	-	14,000	14,000	14,000
	Total non-current liabilities		263,384	360,182	142,993	274,196	314,830	156,232
	Total liabilities		510,986	485,513	256,619	383,836	418,913	258,007
	Net assets		1,240,279	1,141,684	1,122,628	1,208,924	1,101,519	1,089,685
EQUITY								
	Parent entity interest Reserves	26(a)	433,833	385,761	390,319	433,824	385,752	390,319
	Retained surplus	26(b)	806,446	745,874	722,309	775,100	715,767	699,366
	Parent entity interest		1,240,279	1,131,635	1,112,628	1,208,924	1,101,519	1,089,685
	Minority interest	27	-	10,049	10,000	-	-	-
	Total equity		1,240,279	1,141,684	1,122,628	1,208,924	1,101,519	1,089,685

The above statement of financial position should be read in conjunction with the accompanying notes.

*See Note 39 for details regarding prior period correction.

Statement of CHANGES IN EQUITY

Macquarie University				
Statement of Changes in Equity				
For the year ended 31 December 2009				
Consolidated 2009	Reserves \$'000	Retained surplus \$'000	Minority interest \$'000	Total \$'000
Balance at 1 January 2009	385,761	745,874	10,049	1,141,684
Retrospective application/restatement	-	-	-	-
Balance as restated	<u>385,761</u>	<u>745,874</u>	<u>10,049</u>	<u>1,141,684</u>
Total comprehensive income				
Parent entity	48,072	60,523	-	108,595
Minority interest	-	-	-	-
Total	<u>48,072</u>	<u>60,523</u>	<u>-</u>	<u>108,595</u>
Distributions to owners	-	-	-	-
Contributions from owners	-	-	-	-
Others	-	49	(10,049)	(10,000)
Balance at 31 December 2009	<u>433,833</u>	<u>806,446</u>	<u>-</u>	<u>1,240,279</u>
Consolidated 2008	Reserves \$'000	Retained surplus \$'000	Minority interest \$'000	Total \$'000
Balance at 1 January 2008	390,319	724,972	-	1,115,291
Adjustment for correction of prior years*	-	(2,663)	-	(2,663)
Retrospective application/restatement	-	-	-	-
Balance as restated	<u>390,319</u>	<u>722,309</u>	<u>-</u>	<u>1,112,628</u>
Total comprehensive income				
Parent entity	(4,567)	23,606	-	19,039
Minority interest	-	(41)	-	(41)
Total	<u>(4,567)</u>	<u>23,565</u>	<u>-</u>	<u>18,998</u>
Distributions to owners	-	-	-	-
Contributions from owners	-	-	-	-
Others	9	-	10,049	10,058
Balance at 31 December 2008	<u>385,761</u>	<u>745,874</u>	<u>10,049</u>	<u>1,141,684</u>

Macquarie University
Statement of Changes in Equity
For the year ended 31 December 2009
(continued)

Parent 2009	Reserves \$'000	Retained surplus \$'000	Minority interest \$'000	Total \$'000
Balance at 1 January 2009	385,752	715,767	-	1,101,519
Retrospective application/restatement	-	-	-	-
Balance as restated	385,752	715,767	-	1,101,519
Total comprehensive income				
Parent entity	48,072	59,333	-	107,405
Minority interest	-	-	-	-
Total	48,072	59,333	-	107,405
Distributions to owners	-	-	-	-
Contributions from owners	-	-	-	-
Balance at 31 December 2009	433,824	775,100	-	1,208,924
Parent 2008	Reserves \$'000	Retained surplus \$'000	Minority interest \$'000	Total \$'000
Balance at 1 January 2008	390,319	702,029	-	1,092,348
Adjustment for correction of prior years*	-	(2,663)	-	(2,663)
Retrospective application/restatement	-	-	-	-
Balance as restated	390,319	699,366	-	1,089,685
Total comprehensive income				
Parent entity	(4,567)	16,401	-	11,834
Minority interest	-	-	-	-
Total	(4,567)	16,401	-	11,834
Distributions to owners	-	-	-	-
Contributions from owners	-	-	-	-
Balance at 31 December 2008	385,752	715,767	-	1,101,519

The above statement of changes in equity should be read in conjunction with the accompanying notes.

* Please refer to Note 39 for details regarding prior period correction.

Statement of CASH FLOWS

Macquarie University					
Statement of Cash Flows					
For the year ended 31 December 2009					
		Consolidated		Parent	
	Notes	2009	2008	2009	2008
		\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities					
Australian Government Grants received	2(h)	223,029	202,925	223,029	202,867
State and Local Government Grants received		2,534	3,070	2,534	2,770
HECS-HELP - Student Payments		17,043	14,752	17,043	14,752
Receipts from student fees and other customers		343,888	293,784	293,703	252,521
Dividends received		2,113	2,574	2,113	2,574
Interest received		9,938	17,954	8,533	15,771
Payments to suppliers and employees (inclusive of goods and services tax)		(524,967)	(453,724)	(478,412)	(423,228)
Interest and other costs of finance paid		(933)	(991)	(897)	(953)
Net cash provided by / (used in) operating activities	35	<u>72,645</u>	<u>80,344</u>	<u>67,646</u>	<u>67,074</u>
Cash flows from investing activities					
Proceeds from sale of property, plant and equipment		640	978	549	664
Payments for property, plant and equipment		(164,569)	(147,279)	(104,544)	(80,519)
Proceeds from sale of financial assets		47,590	9,033	47,590	9,033
Payment for financial assets		(10,954)	(13,712)	(10,843)	(13,703)
Net cash provided by / (used in) investing activities		<u>(127,293)</u>	<u>(150,980)</u>	<u>(67,248)</u>	<u>(84,525)</u>
Cash flows from financing activities					
Proceeds from borrowings		59,646	57,967	-	-
Repayment of borrowings		(859)	(797)	(785)	(729)
Net cash provided by / (used in) financing activities		<u>58,787</u>	<u>57,170</u>	<u>(785)</u>	<u>(729)</u>
Net increase / (decrease) in cash and cash equivalents					
		4,139	(13,466)	(387)	(18,180)
Cash and cash equivalents at the beginning of the financial year		107,254	120,514	73,790	91,970
Adjustment to cash and cash equivalents		(812)	206	-	-
Cash and cash equivalents at the end of the financial year	15	<u>110,581</u>	<u>107,254</u>	<u>73,403</u>	<u>73,790</u>

The above statement of cash flows should be read in conjunction with the accompanying notes.

Notes to FINANCIAL STATEMENTS

Macquarie University
Notes to the financial statements
31 December 2009

1 Summary of significant accounting policies

The principal accounting policies adopted in the preparation of the annual financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The annual financial report includes separate financial statements for Macquarie University as an individual entity and the consolidated entity consisting of Macquarie University and its subsidiaries.

(a) Basis of preparation

The financial report is a general purpose financial report which has been prepared on an accrual basis in accordance with Australian Accounting Standards, AASB Interpretations, the requirements of the Department of Education, Employment and Workplace Relations (DEEWR) and the Public Finance and Audit Act 1983 and the Public Finance and Audit Act Regulations 2005. This consolidated financial report for the year ended 31 December 2009 has been authorised for issue by the Macquarie University Council on 21 April 2010.

Compliance with IFRSs

The financial statements and notes of Macquarie University comply with Australian Accounting Standards, some of which contain requirements specific to not-for-profit entities that are inconsistent with IFRS requirements.

Historical cost convention

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets, financial assets and liabilities (including derivative instruments) at fair value through profit or loss, certain classes of property, plant and equipment and investment property.

Critical accounting estimates

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Macquarie University's accounting policies. All significant estimates or assumptions made in the preparation of the financial statements have been explained in the accounting policy notes.

(b) Principles of consolidation

(i) Subsidiaries

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Macquarie University ("parent entity") as at 31 December 2009 and the results of all subsidiaries for the year then ended. Macquarie 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 Group 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 Group 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.

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.

A list of the subsidiaries appear in Note 33.

(ii) Joint ventures

Joint venture operations

The proportionate interests in the assets, liabilities and expenses of the joint venture operations were not considered material and have not been incorporated in the financial report. Details of the joint venture are set out in note 34.

(c) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Australian dollars, which is Macquarie University's functional and presentation currency.

1 Summary of significant accounting policies (continued)

(ii) Transactions and balances

Foreign currency transactions during the period have been converted to Australian currency at the rate applicable at the dates of transactions, with exchange rate fluctuations being recorded in the Income Statement. The balances of foreign currency accounts at balance date are included with Cash at Bank figures in the Statement of Financial Position, converted at the rates applicable at year end.

(d) Comparative amounts

Where the presentation or reclassification of items in the financial report is amended, comparable amounts shall be reclassified unless reclassification is impracticable. When comparable amounts are reclassified, the University shall disclose:

- (a) the nature of the reclassification;
- (b) the amount of each item or class of items that is reclassified; and
- (c) the reason for the reclassification.

When it is impracticable to reclassify comparative amounts, the University shall disclose:

- (a) the reason for not reclassifying the amounts; and
- (b) the nature of the adjustments that would have been made, if the amounts had been reclassified.

(e) 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:

(i) Government grants

The University treats operating grants received from Australian Government entities as income in the year of receipt or when entitlement for the revenue is established.

(ii) 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.

(iii) Interest Revenue

Interest revenue is recognised as interest revenue accrued using the effective interest method.

(iv) Lease income

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

(v) Consultancy and research revenue

Contract revenue is recognised in accordance with the percentage of completion method. The stage of completion is measured by reference to labour hours incurred to date as a percentage of estimated total labour hours for each contract.

Other human resources revenue is recognised when the service is provided.

(f) Income Tax Exemption

Macquarie University and its controlled entities with the exception of LAMS International Pty Ltd, Risk Frontiers Flood (Australia) Pty Ltd, Macquarie University Property Investment Group and MUH Operations No.2 Ltd has received an endorsement by the Australian Taxation Office to access the income tax exemption from 1st July 2000 under Subdivision 50-B of the Income Tax Assessment Act 1997. LAMS International Pty Ltd and MUH Operations No.2 Ltd have no income tax liability as at 31 December 2009.

1 Summary of significant accounting policies (continued)

(g) Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases (note 31). Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statements on a straight-line basis, over the period of the lease.

The University leases some of its land to commercial organisations. The legal ownership and the benefits and the risks of the ownership rest with the University as lessor.

At the end of the lease period, buildings constructed by the lessees on the various sites will revert to University ownership without payment of consideration to the lessee. These assets have not been recognised in the financial report as management considered the value of the assets at the end of the long term lease period to be immaterial.

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

Where the benefits and risks of ownership rest with the lessee, the University has classified these assets as finance leases.

(h) Impairment of assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subjected to amortisation are reviewed for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use i.e. depreciated replacement cost. Financial assets are reviewed for impairment when events or changes in circumstances indicate that the asset may not be recoverable.

(i) Cash and cash equivalents

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 balance sheet.

(j) Trade receivables

Trade receivables are initially recognised and subsequently measured at invoiced amount. There is no material difference between invoiced amount and amortised cost due to their short term nature. 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 may not be able to collect all amounts due according to the original terms of receivables.

Trade receivables generally settled within 29 days are carried at amount due. A provision for impairment of receivables has been created based on a review of all outstanding amounts at 31 December 2009. Bad debts are written off in the period in which they are identified.

(k) Inventories

Printery, publications, food and beverage, service stores and other inventories held for resale are valued at the lower of cost and net realisable value.

(l) Investments and other financial assets

Funds are invested using guidelines established by the University Council. In 1996, the University applied for and was granted wide investment powers under part 4 of Schedule 4 of the "Public Authorities (Financial Arrangements) Act 1987". Using these powers in 1997 the University implemented a strategy to diversify its investment portfolio between current and non-current investments. Current investments are reported at market value and non current investments are reported at fair value.

1 Summary of significant accounting policies (continued)

For further information references should be made to the following notes:

Other financial assets at fair value through profit or loss (Note 18)

Available-for-sale financial assets (Note 18)

Held to maturity investments (Note 18)

Other financial assets (Note 18)

Reserves and retained surplus (Note 26)

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

(i) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading. 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 and the asset is subject to frequent changes in fair value. Derivatives are classified as held for trading unless they are designated as hedges. 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 balance sheet date.

(ii) 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 balance sheet date which are classified as non-current assets. Loans and receivables are included in receivables in the balance sheet. (note 16).

(iii) 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.

(iv) Available-for-sale financial assets

Available-for-sale financial assets, comprising principally marketable equity securities, are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date.

Purchases and sales of financial assets are recognised on trade-date - the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets that are not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the income statement. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

Available-for-sale financial assets and financial assets at fair value through profit and loss are subsequently carried at fair value. 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.

Unrealised gains and losses arising from changes in the fair value of non monetary securities classified as available-for-sale are recognised in equity in the available-for-sale investments revaluation reserve. When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments are included in the statement of comprehensive income as gains and losses from investment securities.

The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the Group establishes fair value by using valuation techniques. These include reference to the fair values of recent arm's length transactions, involving the same instruments or other instruments that are substantially the same, discounted cash flow analysis, and option pricing models refined to reflect the issuer's specific circumstances. If fair value could not be determined investment in unlisted securities are measured at cost.

1 Summary of significant accounting policies (continued)

The Group assesses at each balance date whether there is objective evidence that a financial asset or group of financial assets is impaired. In the case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair value of a security below its cost is considered in determining whether the security is impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss - measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit and loss - is removed from equity and recognised in the income statement. Impairment losses recognised in the income statement on equity instruments are not reversed through the income statement.

(m) Fair value estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and available-for-sale securities) is based on quoted market prices as reported by the fund manager.

The fair value of financial instruments that are not traded in an active market (for example, shares in unlisted entities) is determined on a cost basis or net asset basis.

(n) Property, plant and equipment

Acquisition and additions of non-current assets are capitalised if the value is more than \$5,000. These additions are recorded at cost, until the next independent valuation is undertaken.

Land and buildings are measured on their fair value basis. Fair value is determined on the basis of an independent valuation prepared by external experts and is assessed annually.

The fair value of property, plant and equipment is measured on an existing use basis, where there are no feasible alternative uses in the existing natural, legal, financial and socio-political environment. However, in the limited circumstances where there are feasible alternative uses, assets are valued at their highest and best use. Fair value of property, plant and equipment is determined based on the best available market evidence, including current market selling prices for the same or similar assets. Where there is no available market evidence, the asset's fair value is measured at its market buying price, the best indicator of which is depreciated replacement cost.

The fair values are recognised in the financial statements of the consolidated entity, and are reviewed at the end of the reporting periods to ensure that the carrying values of land and buildings are not materially different from their value.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Increases in the carrying amounts arising on revaluation of land and buildings are recognised in comprehensive income and accumulated in equity under the heading reserves. To the extent that the increase reverses a decrease previously recognised in profit or loss, the increase is first recognised in profit and loss. Decreases that reverse previous increases of the same asset are firstly recognised in other comprehensive income before reducing the balance of revaluation reserves in equity, to the extent of the remaining reserve attributable to the asset; all other decreases are charged to the income statement.

Gains and losses on disposals are recorded on a net basis in the income statement. When revalued assets are sold, it is Group policy to transfer the amounts included in other reserves in respect of those assets to retained earnings.

Land, Building and Infrastructure was revalued as at 1 November 2009. The valuation was provided by Mr. Graham Scrymgeour AAPI, Registered Valuer No. 1578 of Global Valuations Services Pty Ltd.

The carrying value of other plant and equipment are measured at depreciated historic cost. There is no substantive difference between the fair value and the carrying value of these assets.

Works of art are valued at fair value and are revalued every five years. Fair value has been assessed on the basis of market value for existing use. The works of art were valued as at 31 December 2009 by Mr W Caruana for the indigenous works, and by Ms S Downer and Ms S Hewitt for the non-indigenous works, including works in the University's Sculpture Park. The valuers are approved valuers under the Australian Government Cultural Gifts Program.

1 Summary of significant accounting policies (continued)

The Library General Collection is recorded at fair value on the basis of depreciated replacement value.

The Library Special Collection was revalued as at 30 November 2009. The valuation was provided by Mr S Taaffe, an approved valuer under the Australian Government Cultural Gifts Program.

Artefacts contained in the Lachlan Macquarie Room located at Macquarie University were revalued on 1 December 2008. The valuation was provided by Mr Simon Hollington M.A.V.A.A, Registered Valuer No. 255 of Hollington Fine Art Valuation.

Artefacts owned by Macquarie University in the Museum of Ancient Cultures were revalued on 16 February 2008. The valuation was provided by Mr James Ede from Charles Ede Limited, an approved valuer under the Australian Government Cultural Gifts Program.

The collections of papyri held by the Museum of Ancient Cultures were revalued on 14 February 2008. The valuation was provided by Mr James Ede from Charles Ede Limited, an approved valuer under the Australian Government Cultural Gifts Program.

Coins held in the Museum of Ancient Cultures located at Macquarie University were revalued on 5 February 2008. The valuation was provided by Mr Walter Holt ANA, ANS, ASAN.

Property, plant and equipment are depreciated only when they are completed and ready for use. Depreciation is calculated on a straight line basis to expense the net cost or fair value of each item of property, plant and equipment over its expected useful life. Land is not depreciated. The applicable rates are:

Asset	% p.a.
- Patents	5
- Buildings	1.69 to 16.67
- Infrastructure	3.33 to 4.76
- Assets under construction	Nil
Plant and Equipment	
- Computer Equipment	30.0
- Other Equipment	10 to 30
- Motor Vehicles	15
- Library Collections: General	20
- Library Collections: Special	Nil
- Works of Art and Museum Collections	Nil

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, annually.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

(o) Intangible assets

(i) Research and development

Expenditure on research activities, undertaken with the prospect of obtaining new scientific or technical knowledge and understanding, is recognised in the income statement as an expense, when it is incurred.

Expenditure on development activities, being the application of research findings or other knowledge to a plan or design for the production of new or substantially improved products or services before the start of commercial production or use, is capitalised if the product or service is technically and commercially feasible and adequate resources are available to complete development. The expenditure capitalised comprises all directly attributable costs, including costs of materials, services, direct labour and an appropriate proportion of overheads. Other development expenditure is recognised in the income statement as an expense as incurred. Capitalised development expenditure is stated at cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the cost over the period of the expected benefit.

Patents were revalued on 1 December 2008. The valuation was provided Mr Steven Allan from Moore Stephens, Associates of the Institute of Chartered Accountants in Australia, Member of the Australian Society of Certified Practising Accountants and Fellow of the Taxation Institute of Australia.

1 Summary of significant accounting policies (continued)

(p) Unfunded superannuation

In accordance with the 1998 instructions issued by the Department of Education, Training and Youth Affairs (DETYA) now known as DEEWR, the effects of the unfunded superannuation liabilities of the University and its controlled entities were recorded in the Income statement and the statement of financial position for the first time in 1998. The prior years' practice had been to disclose liabilities by way of a note to the financial statements.

The unfunded liabilities recorded in the statement of financial position under Provisions have been determined by the actuary of Superannuation Administrations Corporation, trading as Pillar Administration, William Mercer.

An arrangement exists between the Australian Government and the State Government to meet the unfunded liability for the University's beneficiaries of the State Superannuation Scheme and the State Authorities Superannuation Scheme on an emerging cost basis. This arrangement is evidenced by the *State Grants (General Revenue) Amendment Act 1987*, *Higher Education Funding Act 1988* and subsequent amending legislation. Accordingly, the unfunded liabilities have been recognised in the statement of financial position under Provisions with a corresponding asset recognised under Receivables. The recognition of both the asset and the liability consequently does not affect the year end net asset position of the University and its controlled entities.

(q) Trade and other payables

Trade accounts payable are recognised when the University becomes obliged to make future payments as a result of purchases. The amounts are unsecured and are usually paid within 30 days of recognition. Trade accounts payable are measured at original cost, which is not materially different to amortised cost due to the short term nature of liabilities.

(r) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the income statement over the period of the interest bearing liabilities using the effective interest method.

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 balance sheet date.

(s) Borrowing costs

Borrowing costs are recognised as expenses in the period in which they are incurred (except where they are included in the costs of qualifying assets). Borrowing costs relates to loans, which are recorded at face value. Interest is expensed as it accrues, unless it relates to qualifying assets, in this case the borrowing cost is capitalised.

(t) Provisions

Provisions for legal claims and service warranties are recognised when: the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the balance sheet date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as a finance cost.

1 Summary of significant accounting policies (continued)

(u) Employee benefits

Provisions have been made for employee entitlements in respect of salaries and wages, annual leave, long service leave, and superannuation where applicable. The balance of these provisions at 31 December has been categorised for statement of financial position purposes as either current liabilities or non-current liabilities. Employee benefits for untaken annual leave are accrued using the nominal method at expected pay rates including appropriate salary on costs. Employee benefits for long service leave have been recognised according to an actuarial assessment performed in accordance with AASB 119 "Employee Benefits".

During the 2009 financial year, Macquarie University contributed to the following superannuation funds on behalf of its employees:

Unisuper, which contains a defined benefit plan and an accumulated plan

The State Superannuation Scheme (SSS), which is a defined benefit plan

The State Authorities Superannuation Scheme (SASS), which is a defined benefit plan

The State Authorities Non-Contributory Superannuation Scheme (SANCS), which is a defined benefit plan

The Macquarie University Professorial Superannuation Scheme, which is a defined benefit plan

All University employees, including casuals, receive superannuation benefits equal to or exceeding the Superannuation Guarantee Levy.

(i) Wages and salaries, annual leave and sick leave

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months of the reporting date are recognised in other payables in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when the leave is taken and measured at the rates paid or payable. Regardless of the expected timing of settlements, provisions made in respect of employee benefits are classified as a current liability, unless there is an unconditional right to defer the settlement of the liability for at least 12 months after the reporting date, in which case it would be classified as a non-current liability.

(ii) Long service leave

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

(iii) Retirement benefit obligations

All employees of the Group are entitled to benefits on retirement, disability or death from the Group's superannuation plan. The Group has a defined benefit section and a defined contribution section within its plan. The defined benefit section provides defined lump sum benefits based on years of service and final average salary. The defined contribution section receives fixed contributions from Group companies and the Group's legal or constructive obligation is limited to these contributions. The employees of the parent entity are all members of the defined contribution section of the Group's plan.

A liability or asset in respect of defined benefit superannuation plans is recognised in the statement of financial position, and is measured as the present value of the defined benefit obligation at the reporting date less the fair value of the superannuation fund's assets at that date and any unrecognised past service cost. The present value of the defined benefit obligation is based on expected future payments which arise from membership of the fund to the reporting date, calculated annually by independent actuaries using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service.

Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur outside of the income statement in the statement of comprehensive income.

1 Summary of significant accounting policies (continued)

Past service costs are recognised immediately in income, unless the changes to the superannuation fund are conditional on the employees remaining in service for a specified period of time (the vesting period). In this case, the past service costs are amortised on a straight-line basis over the vesting period.

Contributions to the defined contribution fund are recognised as an expense as they become payable. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(iv) Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after balance date are discounted to present value.

(v) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of goods and services GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, ATO is included with other receivables or payables in the Balance sheet.

Cash flows are included in the Cash Flow statement on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

(w) Rounding of amounts

Amounts in the financial report have been rounded to the nearest thousand dollars.

(x) New accounting standards and Interpretations

Certain new Accounting Standards and Interpretations have been published that are not mandatory for 31 December 2009 reporting periods. The following new Accounting Standards that have not been adopted and are not yet effective are set out below:

- (i) Revised AASB 3 *Business Combinations*, AASB 127 *Consolidated and Separate Financial Statements* and AASB 2008-3 *Amendments to Australian Accounting Standards arising from AASB 3 and AASB 127* (effective from 1 July 2009)
- (ii) Improvements to Australian Accounting Standards. AASB 2008-5 and 2008-6
- (iii) AASB 2008-6 *Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project* (effective from 1 July 2009)
- (iv) AASB 2008-8 *Amendment to IAS 39 Amendment to Australian Accounting Standards - Eligible Hedged Items* (effective from 1 July 2009)
- (v) Revised AASB 101 *Presentation of Financial Statements* and AASB2007-8 *Amendments to Australian Accounting Standards arising from AASB 101*
- (vi) AASB 2009-1 *Interpretation 18 Transfer of Assets from Customers* (effective for transfers received on or after 1 July 2009)
- (vii) AASB 2009-4 *Amendments to Australian Accounting Standards arising from the Annual Improvements Project* (effective for annual periods beginning on or after 1 July 2009)

1 Summary of significant accounting policies (continued)

(viii) *AASB 2009-5 Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project* (effective from 1 January 2010)

(ix) *AASB 2009-6 Amendments to Australian Accounting Standards and AASB 2009-7 Amendments to Australian Accounting Standards* (effective from 1 January 2009 and 1 July 2009, respectively)

(x) *AASB 2009-8 Amendments to Australian Accounting Standards - Group Cash-settled Share-based Payment Transactions [AASB2]*

(xi) *AASB 2009-10 Amendments to Australian Accounting Standards - Classification of Rights Issues [AASB 132]*

(xii) *Revised IAS 24 Related Party Disclosures*

(xiii) *IFRS 9 Financial Instruments*

The University has assessed the impact of these new Standards and Interpretations and considers the impact to be insignificant.

2 Australian Government financial assistance including HECS-HELP and FEE-HELP

	Notes	Consolidated		Parent	
		2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
(a) Commonwealth Grants Scheme and Other Grants	38.1				
Commonwealth Grants Scheme ^{#1}		81,007	73,333	81,007	73,333
Indigenous Support Program		693	698	693	698
Equity Support Program		82	76	82	76
Disability Support Program		464	375	464	375
Workplace Reform Program		1,224	1,201	1,224	1,201
Workplace Productivity Program		470	660	470	660
Transitional Cost Program		1,638	2,345	1,638	2,345
Improving the Practical Component of Teacher Education Initiative		373	556	373	556
Learning & Teaching Performance Fund		1,878	(22)	1,878	(22)
Diversity & Structural Adjustment Fund ^{#2}		815	1,063	815	1,063
Total Commonwealth Grants Scheme and Other Grants		88,644	80,285	88,644	80,285
(b) Higher Education Loan Programs	38.2				
HECS-HELP - Australian Government payments		62,870	49,214	62,870	49,214
FEE-HELP		24,136	18,241	24,136	18,241
Total Higher Education Loan Programs		87,006	67,455	87,006	67,455
(c) Scholarships	38.3				
Australian Postgraduate Awards		2,434	1,864	2,434	1,864
International Postgraduate Research Scholarship		388	373	388	373
Commonwealth Education Cost Scholarships ^{#3}		706	633	706	633
Commonwealth Accommodation Scholarships		534	566	534	566
Indigenous Access Scholarships		58	53	58	53
Total Scholarships		4,120	3,489	4,120	3,489
(d) DIISR Research	38.4				
Institutional Grants Scheme		5,832	5,829	5,832	5,829
Research Training Scheme		11,097	10,997	11,097	10,997
Research Infrastructure Block Grants		3,162	3,438	3,162	3,438
Implementation Assistance Programme		146	138	146	138
Australian Scheme for Higher Education Repositories		251	235	251	235
Commercialisation Training Scheme		114	108	114	108
Total DIISR Research Grants		20,602	20,745	20,602	20,745
(e) Other Capital Funding	38.5				
Better Universities Renewal Funding		-	11,873	-	11,873
Education Investment Fund		15,000	-	15,000	-
Total Other Capital Funding		15,000	11,873	15,000	11,873

**2 Australian Government financial assistance including HECS-HELP and FEE-HELP
(continued)**

	Notes	Consolidated		Parent	
		2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
(f) Australian Research Council	38.6				
(i) Discovery	38.6(a)				
Project		7,091	7,941	7,091	7,941
Fellowships		77	658	77	658
Total Discovery		<u>7,168</u>	<u>8,599</u>	<u>7,168</u>	<u>8,599</u>
(ii) Linkages	38.6(b)				
International		15	11	15	11
Projects		2,157	1,695	2,157	1,695
Total Linkages		<u>2,172</u>	<u>1,706</u>	<u>2,172</u>	<u>1,706</u>
(iii) Networks and Centres	38.6(c)				
Research Networks		712	1,397	712	1,397
Centres		-	844	-	844
Total Networks and Centres		<u>712</u>	<u>2,241</u>	<u>712</u>	<u>2,241</u>
(g) Other Australian Government financial assistance					
Commonwealth Parliament		53	58	-	-
Agriculture, Fisheries and Forestry		64	-	64	-
Broadband, Communications and the Digital Economy		265	217	265	217
Defence		415	-	415	-
Education, Employment and Workplace Relations		5,064	4,765	5,064	4,765
Environment, Water, Heritage and the Arts		259	1,074	259	1,074
Families, Housing, Community Services and Indigenous Affairs		115	88	115	88
Finance and Deregulation		10	-	10	-
Foreign Affairs and Trade		1,381	-	1,381	-
Health and Ageing		2,468	2,238	2,468	2,238
Immigration and Citizenship		-	2,450	-	2,450
Innovation, Industry, Science and Research		71	129	71	129
Prime Minister and Cabinet		78	26	78	26
Other		336	598	336	598
Total Other Australian Government financial assistance		<u>10,579</u>	<u>11,643</u>	<u>10,526</u>	<u>11,585</u>
Total Australian Government financial assistance		<u>236,003</u>	<u>208,036</u>	<u>235,950</u>	<u>207,978</u>

#1 Includes the basic CGS grant amount, Maths and Science Transition Loading and HEFA Transition Fund.

#2 Includes Collaboration and Structural Adjustment Program.

#3 Includes National Priority Scholarships.

**2 Australian Government financial assistance including HECS-HELP and FEE-HELP
(continued)**

Notes	Consolidated		Parent	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Reconciliation				
Australian Government grants [(a) + (c) + (d) + (e) + (f) + (g)]	148,997	140,581	148,944	140,523
HECS-HELP - Australian Government payments	62,870	49,214	62,870	49,214
FEE-HELP	24,136	18,241	24,136	18,241
Total Australian Government financial assistance	236,003	208,036	235,950	207,978

Notes	Consolidated		Parent	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
(h) Australian Government Grants received - cash basis				
CGS and Other DEEWR Grants	85,630	78,660	85,630	78,660
Higher Education Loan Programmes	77,099	64,342	77,099	64,342
Scholarships	4,120	3,489	4,120	3,489
DIISR Research	20,602	20,745	20,602	20,745
Better Universities Renewal Funding	15,000	11,873	15,000	11,873
ARC grants - Discovery	7,168	8,599	7,168	8,599
ARC grants - Linkages	2,172	1,706	2,172	1,706
ARC grants - Networks and Centres	712	2,241	712	2,241
Other Australian Government Grants	10,526	11,270	10,526	11,212
Total Australian Government Grants received - cash basis	223,029	202,925	223,029	202,867
OS-Help (Net)	249	63	249	63
Total Australian Government funding received - cash basis	223,278	202,988	223,278	202,930

3 State and Local Government financial assistance

	Consolidated		Parent	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
State financial assistance				
State Government Research	1,585	2,080	1,585	1,780
Other State Government financial assistance	949	990	949	990
Total State and Local Government financial assistance	2,534	3,070	2,534	2,770

Macquarie University
Notes to the financial statements
31 December 2009
(continued)

4 Fees and charges

	Consolidated		Parent	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Course fees and charges				
Fee-paying overseas students	172,792	147,588	162,381	138,193
Continuing education	759	673	759	673
Fee-paying domestic postgraduate students	14,928	16,094	14,928	15,524
Fee-paying domestic undergraduate students	5,970	2,691	5,970	2,691
Fee-paying domestic non-award students	7,258	16,195	2,969	9,246
English language programs	3,117	5,428	3,117	5,428
Income from SIBT	23,283	18,337	23,283	18,337
Total course fees and charges	<u>228,107</u>	<u>207,006</u>	<u>213,407</u>	<u>190,092</u>
Other non-course fees and charges				
Late fees	430	423	430	423
Library fines	357	259	357	259
Parking fees	4,197	3,685	4,210	3,685
Rental charges	5,605	6,046	3,753	3,582
Student accommodation	4,966	4,976	4,966	4,976
Amenities and service fees	5,756	5,467	5,716	5,287
Management fees	2,088	705	-	-
Project research	6,313	5,564	-	-
Others	4,114	6,995	360	1,806
Total other fees and charges	<u>33,826</u>	<u>34,120</u>	<u>19,792</u>	<u>20,018</u>
Total fees and charges	<u>261,933</u>	<u>241,126</u>	<u>233,199</u>	<u>210,110</u>

5 Investment revenue

	Consolidated		Parent	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Dividends	3,245	2,590	3,245	2,590
Interest	6,339	13,828	4,933	11,553
Distribution from Unit Trusts	676	2,987	676	2,987
Other	1,792	1,230	1,792	1,230
Total investment revenue	<u>12,052</u>	<u>20,635</u>	<u>10,646</u>	<u>18,360</u>

6 Royalties, trademarks and licences

	Consolidated		Parent	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Royalties	1,560	445	680	71
Copyright	19	25	19	25
Total royalties, trademarks and licences	<u>1,579</u>	<u>470</u>	<u>699</u>	<u>96</u>

7 Consultancy and contracts

	Consolidated		Parent	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Consultancy	19,902	15,087	12,263	8,411
Total consultancy and contracts	19,902	15,087	12,263	8,411

8 Other revenue and income

	Consolidated		Parent	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Donations and bequests	842	1,591	842	1,591
Scholarships and prizes	262	186	262	186
Non-government grants	-	3,747	-	-
Net gain on disposal of property, plant & equipment	-	66	-	-
Other revenue	3,785	808	2,846	2,076
Printery income	-	148	-	148
Net gain on sale of available-for-sale financial assets	-	3,608	-	3,608
Photocopy Income	532	513	529	510
Recoveries	4,956	(84)	16,011	3,685
Publication sales	1,053	1,252	1,053	1,252
Rebates	-	60	-	60
Food sales, hotel & retail	10,173	6,035	-	-
Research Quantum	871	1,341	-	-
Commercial rent	1,604	1,391	-	-
Room, Academic dress hire	747	1,304	-	-
Child care fees	3,310	2,972	-	-
Members fees	3,889	2,916	-	-
Management fees	105	1,208	-	-
Total other revenue	32,129	29,062	21,543	13,116

9 Employee related expenses

	Consolidated		Parent	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Academic				
Salaries	112,687	105,244	112,687	100,439
Contribution to funded superannuation and pension:				
Emerging cost	1,388	1,565	1,388	1,565
Funded	12,021	19,710	12,021	19,174
Payroll tax	7,749	7,573	7,429	7,221
Worker's compensation	474	761	461	724
Long service leave expense	2,780	4,862	2,706	4,962
Annual leave	929	527	890	669
Total academic	138,028	140,242	137,582	134,754
Non-academic				
Salaries	127,748	113,022	96,812	82,814
Contribution to superannuation and pension schemes:				
Emerging cost	1,193	1,299	1,193	1,299
Funded	12,535	18,642	10,328	15,844
Payroll tax	7,327	7,551	6,382	5,951
Worker's compensation	1,384	840	397	601
Long service leave expense	1,671	3,923	1,409	3,649
Annual leave	1,136	931	475	294
Other	638	565	-	-
Total non-academic	153,632	146,773	116,996	110,452
Total employee related expenses	291,660	287,015	254,578	245,206
Deferred government employee benefits for superannuation	(35,825)	145,841	(35,825)	145,841
Total employee related expenses, including deferred government employee benefits for superannuation	255,835	432,856	218,753	391,047

10 Depreciation and amortisation

	Consolidated		Parent	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Depreciation				
Buildings	12,631	12,725	12,631	12,725
Infrastructure	2,473	2,829	2,473	2,829
Plant and equipment	8,300	7,285	6,975	6,258
Leasehold improvements	593	665	-	-
Motor vehicle	264	295	264	295
Library Collection - General	5,806	5,379	5,806	5,379
Total depreciation	30,067	29,178	28,149	27,486
Amortisation				
Patents and trademarks	13	6	13	6
Total amortisation	13	6	13	6
Total depreciation and amortisation	30,080	29,184	28,162	27,492

11 Repairs and maintenance

	Consolidated		Parent	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Buildings and infrastructure	6,379	5,901	5,725	5,353
Others	71	50	-	-
Total repairs and maintenance	6,450	5,951	5,725	5,353

12 Borrowing costs

	Consolidated		Parent	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Loan from NAB for Culloden Road student housing	897	953	897	953
Total borrowing costs expensed	897	953	897	953

The loan is carried at a fixed interest rate of 7.035% until 2020.

In 2009, the University capitalised interests and other financing costs related to qualifying assets of \$4.28 million (2008: \$1.96 million).

13 Impairment of assets

	Consolidated		Parent	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Receivables and patents	513	1,285	525	1,524
Available for sale financial assets	541	17,753	541	17,753
Total impairment of assets	1,054	19,038	1,066	19,277

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(continued)

14 Other expenses

	Consolidated		Parent	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Scholarships, grants and prizes	27,684	26,322	27,186	26,209
Non-capitalised equipment	4,918	5,097	3,950	3,496
Advertising, marketing and promotional expenses	4,846	4,818	3,366	3,138
Audit fees, bank charges, legal costs, insurance and taxes expenses	12,682	4,177	10,433	2,232
General consumables/materials	18,105	15,816	13,116	11,139
Printing, photocopying and stationery	1,815	2,407	1,803	1,587
Postage	711	674	690	662
Security charges	1,425	1,481	1,428	1,479
Utilities	5,164	4,384	4,104	3,564
Rental, hire and other leasing fees	9,580	9,452	7,181	6,467
Telecommunications	1,452	1,575	1,025	1,204
Travel and related staff development and training	14,093	15,403	13,492	13,668
Contractors/Consultants	45,707	33,295	66,208	55,362
Maintenance contracts	7,849	3,630	7,849	3,609
Subscriptions	1,510	4,721	1,385	4,565
Proceeds from assets sold and/or written off related to property, plant and equipment	1,148	674	167	496
Food and beverages	847	1,797	-	-
Agents commission	9,763	7,746	5,593	5,021
MQ fees direction & patents	1,413	2,518	-	-
Chairman's fees	20	20	-	-
IT support	346	124	286	94
Consulting	234	472	-	-
Interest	16	20	-	-
Examiners' fees	160	136	160	136
Copyright charges	1,148	997	1,148	997
Motor vehicle expenses	339	307	339	304
General services	10,530	16,126	9,093	14,926
Others	9,006	2,302	4,114	556
Total other expenses	192,511	166,491	184,116	160,911

15 Cash and cash equivalents

	Consolidated		Parent	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Cash at bank and on hand	20,665	27,448	13,403	13,790
Deposits at call	29,916	19,806	-	-
NSW T-Corp Hour Glass Investment Facility	59,373	59,645	59,373	59,645
UBS Cash Plus	627	355	627	355
Total cash and cash equivalents	110,581	107,254	73,403	73,790

15 Cash and cash equivalents (continued)

(a) Reconciliation to cash at the end of the year

The above figures are reconciled to cash at the end of the year as shown in the statements of cash flows as follows:

	Consolidated		Parent	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Balances as above	<u>110,581</u>	107,254	<u>73,403</u>	73,790
Balances per cash flow statement	<u>110,581</u>	<u>107,254</u>	<u>73,403</u>	<u>73,790</u>

(b) Cash at bank and on hand

The National Australia Bank Business Investment Account is interest bearing between 0% and 1.75% (2008 between 0% to 2.25%)

(c) Deposits at call

The deposits are bearing floating interest rates between 1.15% and 4.76% (2008 - 4.00% and 8.06%).

Included in the cash at bank and on hand is an amount of \$229,083 as at 31 December 2009 (2008: \$222,744) for the purpose of meeting the objectives of the estate of the late F.J. Walsh bequest.

Refer to Note 37 for details regarding credit risk, liquidity risk and market risk arising from financial instruments.

16 Receivables

	Consolidated			Parent		
	2009 \$'000	2008 \$'000	01 January 2008 \$'000	2009 \$'000	2008 \$'000	01 January 2008 \$'000
Current						
Related parties	-	-	-	16,993	4,187	2,959
Student and other debtors	18,059	13,633	15,905	12,027	7,924	11,529
Less: provision for impaired receivables	<u>(1,104)</u>	<u>(747)</u>	<u>(649)</u>	<u>(1,021)</u>	<u>(721)</u>	<u>(476)</u>
Total net related party receivables	<u>16,955</u>	<u>12,886</u>	<u>15,256</u>	<u>27,999</u>	<u>11,390</u>	<u>14,012</u>
Accrued income	<u>22,787</u>	13,299	6,895	<u>22,650</u>	12,559	6,819
Total current receivables	<u>39,742</u>	<u>26,185</u>	<u>22,151</u>	<u>50,649</u>	<u>23,949</u>	<u>20,831</u>
Non-current						
Deferred government contribution for superannuation	230,619	266,445	120,602	230,619	266,445	120,602
Finance lease	<u>21,480</u>	<u>21,787</u>	<u>22,074</u>	<u>21,480</u>	<u>21,787</u>	<u>22,074</u>
Total non-current receivables	<u>252,099</u>	<u>288,232</u>	<u>142,676</u>	<u>252,099</u>	<u>288,232</u>	<u>142,676</u>
Total receivables	<u>291,841</u>	<u>314,417</u>	<u>164,827</u>	<u>302,748</u>	<u>312,181</u>	<u>163,507</u>

Refer to Note 37 for details regarding credit risk, liquidity risk and market risk arising from financial instruments.

16 Receivables (continued)

The University fully provides for the liability arising from deferred employee entitlements payable under the State Superannuation Schemes.

The amount payable by the Commonwealth Government are in respect of:

- State Superannuation Scheme for consolidated and parent in 2009 was \$226.620million (2008: \$259.471million)
- State Authorities Superannuation Scheme for consolidated and parent in 2009 was \$4million (2008: \$6.974million)

Hence the total non-current deferred government contribution for superannuation for consolidated and parent in 2009 is \$230.620million (2008: \$266.445million)

The decrease in the asset during 2009 for the State Superannuation Schemes (SSS and SASS) is \$35.825million (2008: increase \$145.841million). This amount has been recorded in the Income Statement as an increase in deferred government contributions with an equivalent increase in deferred government employee benefits for superannuation.

Note 36 provides details of these defined benefit plans.

The Commonwealth Government has a commitment to fund superannuation obligations relating to past service by University employees in the State Superannuation Schemes (SSS and SASS) based on the fact that since 1987 the Commonwealth has met this commitment and at this point of time there is no reason to suggest that it will not continue to do so.

Finance Lease

The University has entered into a finance lease with Campus Living Pty Ltd to manage and operate the student accommodation known as Macquarie University Village Stage 1.

The period of the lease is 30 years which commenced in December 2006 and the carrying value of the student accommodation has been written down to \$nil at 1 January 2007 on the basis that there is no future economic benefit to the University from the student accommodation.

A finance lease receivable was created for the amount of the University net investment, which effectively comprises the present value of the minimum lease payments, discounted at a rate equal to the rate implicit in the lease.

Public Private Partnerships (PPP)

The University has entered into a Public Private Partnership with Campus Living Pty Ltd to build, manage and operate the student accommodation known as Macquarie University Village Stage 2.

The period of the agreement is 30 years which commenced in December 2006 and at the end of that time the student accommodation will revert to the University.

At the end of the concession agreement no right to receive an asset has been recognised as the University believes the buildings will have reached the end of their useful life.

16 Receivables (continued)

(a) Impaired receivables

As of 31 December 2009 current receivables of the University with a nominal value of \$1,021,000 (2008: \$721,000) were impaired.

Consolidated receivables of \$1,104,000 (2008: \$746,503) were impaired.

The individually impaired receivables relate to students, student sponsors and trade debtors.

The ageing analysis of these receivables is as follows:

	Consolidated		Parent	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
< 3 months	16	5	16	4
3 to 6 months	67	25	67	19
Over 6 months	1,021	717	938	698
	<u>1,104</u>	<u>747</u>	<u>1,021</u>	<u>721</u>

As of 31 December 2009, University receivables of \$4,504,000 (2008: \$2,024,000) were past due but not impaired.

Consolidated receivables of \$4,703,000 (2008: \$2,095,000) were past due but not impaired.

These relate to a number of independent customers including current students for whom there is no recent history of default.

The ageing analysis of these receivables is as follows:

	Consolidated		Parent	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
< 3 months	2,310	-	2,310	-
3 to 6 months	1,432	1,614	1,247	1,562
Over 6 months	939	481	925	462
Repayment of a debt previously written off	22	-	22	-
	<u>4,703</u>	<u>2,095</u>	<u>4,504</u>	<u>2,024</u>

Movements in the provision for impaired receivables are as follows:

	Consolidated		Parent	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
At 1 January	747	688	721	476
Provision for impairment recognised during the year	498	379	492	564
Receivables written off during the year as uncollectible	(212)	(343)	(214)	(342)
Repayment of debt previously written off	71	23	22	23
At 31 December 2009	<u>1,104</u>	<u>747</u>	<u>1,021</u>	<u>721</u>

The creation and release of the provision for impaired receivables has been included in 'other expenses' in the income statement. Amounts charged to the provision account are generally written off when there is no expectation of recovering additional cash.

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.

17 Inventories

	Consolidated		Parent	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Current				
<i>Printery</i>				
- at net realisable value	77	85	46	60
<i>Publications</i>				
- at net realisable value	-	74	-	74
<i>Food and beverages</i>				
- at net realisable value	53	37	-	-
<i>Services stores</i>				
- at net realisable value	536	735	-	-
<i>Other Inventories</i>				
- at net realisable value	149	-	149	-
Total current Inventories	<u>815</u>	<u>931</u>	<u>195</u>	<u>134</u>
Total Inventories	<u>815</u>	<u>931</u>	<u>195</u>	<u>134</u>

18 Other financial assets

	Consolidated		Parent	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Current				
Available-for-sale	15,137	66,223	15,137	66,223
Held-to-maturity	20,477	14,931	20,364	14,811
Total current other financial assets	<u>35,614</u>	<u>81,154</u>	<u>35,501</u>	<u>81,034</u>
Non-current				
Available-for-sale	67,910	42,515	95,322	59,927
Held-to-maturity	394	283	-	-
Total non-current other financial assets	<u>68,304</u>	<u>42,798</u>	<u>95,322</u>	<u>59,927</u>
Total other financial assets	<u>103,918</u>	<u>123,952</u>	<u>130,823</u>	<u>140,961</u>

Unrestricted Assets

When the University is granted statutory funds, these funds will be used for specific purposes, however, the University has the power to invest these funds in a manner to generate sufficient return on these unused funds.

Included in the other financial assets is an amount of \$2,419,962 (2008: \$2,388,034) held by the University solely for the purposes of meeting the objectives of the Nippon Foundation and \$2,000,000 (2008: \$2,000,000) for the Numismatic Fund.

Refer to Note 37 for details regarding credit risk, liquidity risk and market risk arising from financial instruments.

Macquarie University
Notes to the financial statements
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(continued)

19 Other non-financial assets

	Consolidated		Parent	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Current				
Prepayments - Library	3,490	5,105	3,490	5,105
Prepayments - Other	5,476	8,124	4,967	7,723
Total current other non-financial assets	<u>8,966</u>	<u>13,229</u>	<u>8,457</u>	<u>12,828</u>
Non-current				
Total non-current Other non-financial assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Other non-financial assets	<u>8,966</u>	<u>13,229</u>	<u>8,457</u>	<u>12,828</u>

20 Property, plant and equipment

Consolidated	Construc- tion in progress \$'000	Land \$'000	Buildings \$'000	Plant and equipment \$'000	Leasehold improve- ments \$'000	Library General \$'000	Library Special \$'000	Works of Arts \$'000	Infrastruct- ure \$'000	Total \$'000
At 1 January 2008	11,089	-	-	6,751	4,144	-	-	29	-	22,013
- Cost	-	361,350	405,725	60,660	-	53,190	5,069	16,022	58,072	960,088
- Valuation	-	(1,440)	(30,707)	(432)	(39,911)	-	-	-	(354)	(72,844)
Accumulated depreciation	-	-	-	-	-	-	-	-	-	-
Net book amount	11,089	361,350	404,285	36,704	3,712	13,279	5,069	16,051	57,718	909,257
Year ended 31 December 2008	11,089	361,350	404,285	36,704	3,712	13,279	5,069	16,051	57,718	909,257
Opening net book amount	88,467	17,829	30,021	9,323	1,535	6,042	-	1,003	912	155,133
Additions	-	10,136	20,412	51	-	-	-	2,668	146	33,413
Revaluation surplus	-	-	(106)	(1,498)	-	-	-	-	-	(1,604)
Assets included in a disposal group classified as held for sale and other disposals	-	-	(12,725)	(7,580)	(665)	(5,379)	-	-	(2,829)	(29,178)
Depreciation charge	(5,630)	-	5,152	(211)	(479)	1	-	(29)	(1,196)	-
Transfer between asset classes	93,926	389,315	447,039	36,790	4,103	13,943	5,069	19,693	57,143	1,067,021
Closing net book amount	93,926	389,315	447,039	36,790	4,103	13,943	5,069	19,693	57,143	1,067,021
At 31 December 2008	93,926	389,315	449,043	68,069	5,689	59,233	5,069	19,693	57,646	1,048,068
- Cost	-	-	(2,004)	(39,195)	(1,586)	(45,290)	-	-	(503)	(88,578)
- Valuation	-	-	-	-	-	-	-	-	-	-
Accumulated depreciation	-	-	-	-	-	-	-	-	-	-
Net book amount	93,926	389,315	447,039	36,790	4,103	13,943	5,069	19,693	57,143	1,067,021

¹Plant & equipment includes motor vehicles

20 Property, plant and equipment (continued)

Consolidated	Construc- tion in progress \$'000	Land \$'000	Buildings \$'000	Plant and equip- ment \$'000	Leasehold improve- ments \$'000	Library General \$'000	Library Special \$'000	Works of Arts \$'000	Infrastruct- ure \$'000	Total \$'000
Year ended 31 December 2009										
Opening net book amount	93,926	389,315	447,039	36,790	4,103	13,943	5,069	19,693	57,143	1,067,021
Additions	147,302	-	12,228	8,520	888	7,494	-	253	2,444	179,129
Revaluation surplus	-	3,035	11,520	69	-	-	550	2,450	3,547	21,171
Assets classified as held for sale and other disposals	(1,074)	-	(70)	(1,226)	(112)	-	-	(9)	-	(2,491)
Depreciation charge	-	-	(12,631)	(8,564)	(593)	(5,805)	-	-	(2,473)	(30,066)
Transfer between asset classes	(15,974)	(2,850)	13,480	3,670	479	(1)	-	29	1,167	-
Closing net book amount	<u>224,180</u>	<u>389,500</u>	<u>471,566</u>	<u>39,259</u>	<u>4,765</u>	<u>15,631</u>	<u>5,619</u>	<u>22,416</u>	<u>61,828</u>	<u>1,234,764</u>
At 31 December 2009										
- Cost	224,180	-	-	8,919	6,451	-	-	29	-	239,579
- Valuation	-	389,500	473,914	72,499	-	29,987	5,619	22,387	62,306	1,056,212
Accumulated depreciation	-	-	(2,348)	(42,159)	(1,686)	(14,356)	-	-	(478)	(61,027)
Net book amount	<u>224,180</u>	<u>389,500</u>	<u>471,566</u>	<u>39,259</u>	<u>4,765</u>	<u>15,631</u>	<u>5,619</u>	<u>22,416</u>	<u>61,828</u>	<u>1,234,764</u>

¹Plant and equipment includes motor vehicles

20 Property, plant and equipment (continued)

Parent	Construc tion in progress \$'000	Land \$'000	Buildings \$'000	Plant and equipm ent ¹ \$'000	Leasehold improve ments \$'000	Library General \$'000	Library Special \$'000	Works of Arts \$'000	Infrastruct ure \$'000	Total \$'000
At 1 January 2008	4,535	-	-	-	-	-	-	-	-	4,535
- Cost	-	361,350	405,725	60,661	-	53,190	5,069	16,022	58,072	960,089
- Valuation	-	-	(1,440)	(28,066)	-	(39,911)	-	-	(354)	(69,771)
Accumulated depreciation	-	-	-	-	-	-	-	-	-	-
Net book amount	4,535	361,350	404,285	32,595	-	13,279	5,069	16,022	57,718	894,853
Year ended 31 December 2008										
Opening net book amount	4,535	361,350	404,285	32,595	-	13,279	5,069	16,022	57,718	894,853
Additions	17,162	17,829	30,021	7,550	-	6,042	-	1,003	912	80,519
Revaluation surplus	-	10,136	20,412	51	-	-	-	2,668	146	33,413
Assets classified as held for sale and other disposals	-	-	(106)	(1,049)	-	-	-	-	-	(1,155)
Depreciation charge	-	-	(12,725)	(6,553)	-	(5,379)	-	-	(2,829)	(27,486)
Transfer between asset classes	(5,743)	-	5,152	(605)	-	1	-	-	(1,196)	1
Closing net book amount	15,954	389,315	447,039	31,989	-	13,943	5,069	19,693	57,143	980,145
At 31 December 2008										
- Cost	15,954	-	-	-	-	-	-	-	-	15,954
- Valuation	-	389,315	449,043	68,070	-	59,233	5,069	19,693	57,646	1,048,069
Accumulated depreciation	-	-	(2,004)	(36,081)	-	(45,290)	-	-	(503)	(83,878)
Net book amount	15,954	389,315	447,039	31,989	-	13,943	5,069	19,693	57,143	980,145

¹Plant and equipment includes motor vehicles

20 Property, plant and equipment (continued)

Parent	Construc- tion in progress ¹ \$'000	Land \$'000	Buildings \$'000	Plant and equip- ment ² \$'000	Leasehold improve- ments \$'000	Library General \$'000	Library Special \$'000	Works of Arts \$'000	Infrastruct- ure \$'000	Total \$'000
Year ended 31 December 2009										
Opening net book amount	15,954	389,315	447,039	31,989	-	13,943	5,069	19,693	57,143	980,145
Additions	75,287	-	12,228	6,838	-	7,494	-	253	2,444	104,544
Revaluation surplus	-	3,035	11,520	69	-	-	550	2,450	3,547	21,171
Assets classified as held for sale and other disposals	-	-	(70)	(879)	-	-	-	(9)	-	(958)
Depreciation charge	-	-	(12,631)	(7,239)	-	(5,805)	-	-	(2,473)	(28,148)
Transfer between asset classes	(15,861)	(2,850)	13,480	4,065	-	(1)	-	-	1,167	-
Closing net book amount	<u>75,380</u>	<u>389,500</u>	<u>471,566</u>	<u>34,843</u>	<u>-</u>	<u>15,631</u>	<u>5,619</u>	<u>22,387</u>	<u>61,828</u>	<u>1,076,754</u>
At 31 December 2009										
- Cost	75,380	-	-	-	-	-	-	-	-	75,380
- Valuation	-	389,500	473,914	72,161	-	29,987	5,619	22,387	62,306	1,055,874
Accumulated depreciation	-	-	(2,348)	(37,318)	-	(14,356)	-	-	(478)	(54,500)
Net book amount	<u>75,380</u>	<u>389,500</u>	<u>471,566</u>	<u>34,843</u>	<u>-</u>	<u>15,631</u>	<u>5,619</u>	<u>22,387</u>	<u>61,828</u>	<u>1,076,754</u>

¹Construction in progress includes WIP for IT and other prepayments for property and equipments

²Plant and equipment includes motor vehicles

20 Property, plant and equipment (continued)

(a) Valuations of land and buildings

The 2009 revaluations were based on independent assessment by Global Valuation Services Pty Ltd as at 1 November 2009. The revaluation surplus was credited to property, plant and equipment revaluation reserve.

(b) Land and Buildings

As at 31 December 2009, the University is not aware of any land or native title claims against University owned land.

(c) Leased non-current assets

The University leased some of its land to commercial organisations. No depreciation has been applied to this land owned by the University. The legal ownership and the benefits and the risks of the ownership rest with the University as lessor.

It is the University's expectation that these buildings will have reached the end of their useful life when control reverts to the University.

– Macquarie University Research Park

University land at the corner of Herring and Talavera Road was developed as a site for Macquarie University Research Park. The Park is being developed through private investment. The University enters into long-term leases with investors, who finance the buildings, which are then leased to tenants. As at 31 December 2009, five buildings are occupied by tenants.

In addition, two construction projects commenced in December 2007. The first project is the Macquarie University Hospital. The second project is a clinic building which will include medical specialist consulting rooms and premises for the University's Australian School of Advanced Medicine. Both buildings are expected to be completed by early 2010.

Macquarie University
Notes to the financial statements
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(continued)

21 Intangible assets

Consolidated and Parent	Patents, trademarks and other rights \$'000	Total \$'000
At 1 January 2008		
Cost	1,362	1,362
Accumulated amortisation and impairment	(969)	(969)
Net book amount	<u>393</u>	<u>393</u>
Year ended 31 December 2008		
Opening net book amount	1,171	1,171
Amortisation charge	(6)	(6)
Additions	191	191
Impairment charge	(963)	(963)
Closing net book amount	<u>393</u>	<u>393</u>
At 31 December 2008		
Cost	399	399
Accumulated amortisation and impairment	(6)	(6)
Net book amount	<u>393</u>	<u>393</u>
Consolidated and Parent	Patents, trademarks and other rights \$'000	Total \$'000
Year ended 31 December 2009		
Opening net book amount	393	393
Amortisation charge	(267)	(267)
Additions	250	250
Impairment charge	4	4
Closing net book amount	<u>380</u>	<u>380</u>
At 31 December 2009		
Cost	382	382
Accumulated amortisation and impairment	(2)	(2)
Closing net book amount	<u>380</u>	<u>380</u>

22 Trade and other payables

	Consolidated		Parent	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Current				
Related parties	-	-	647	2,319
Other entities	23,343	26,157	7,607	7,566
Accrued expense	19,419	15,250	19,094	15,240
Total current trade and other payables	<u>42,762</u>	<u>41,407</u>	<u>27,348</u>	<u>25,125</u>
Non-current				
Other entities	1,808	631	-	-
Total non-current trade and other payables	<u>1,808</u>	<u>631</u>	<u>-</u>	<u>-</u>
Total trade and other payables	<u>44,570</u>	<u>42,038</u>	<u>27,348</u>	<u>25,125</u>

Refer to Note 37 for details regarding credit risk, liquidity risk and market risk arising from financial instruments.

23 Borrowings

	Consolidated		Parent	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Current				
Unsecured				
Bank loans	118,542	872	842	785
Total current unsecured borrowings	<u>118,542</u>	<u>872</u>	<u>842</u>	<u>785</u>
Total current borrowings	<u>118,542</u>	<u>872</u>	<u>842</u>	<u>785</u>
Non-current				
Unsecured				
Bank Loans	11,590	70,474	11,486	12,328
Total non-current unsecured borrowings	<u>11,590</u>	<u>70,474</u>	<u>11,486</u>	<u>12,328</u>
Total non-current borrowings	<u>11,590</u>	<u>70,474</u>	<u>11,486</u>	<u>12,328</u>
Total borrowings	<u>130,132</u>	<u>71,346</u>	<u>12,328</u>	<u>13,113</u>

Borrowings in respect of assets

In January 1999 the University received approval from the Treasurer of New South Wales to borrow funds to the maximum of \$18 million towards the construction of student accommodation.

Such approval is required under Section 16.1(d) of the Macquarie University Act 1989. The interest rate of the loan was fixed at 7.035% for the period of the loan and the final drawn down amount was \$17.769 million. The loan is unsecured.

The balance of the loan outstanding as at 31 December 2009 was \$12.328 million (in 2008 \$13.113 million).

In October 2007, the University received approval from the Treasurer of New South Wales to issue a Guarantee to the National Australia Bank in order for it to borrow funds to the maximum of \$123.5 million towards the construction of the Macquarie University Hospital.

23 Borrowings (continued)

The average interest rate of the loan was at 7.30% for the period of the loan and the current drawn down amount is \$117.610 million.

The balance of the loan available after allowing for amortised cost adjustment as at 31 December 2009 was \$3.89 million (in 2008 was \$63.53 million).

Refer to Note 37 for details regarding credit risk, liquidity risk and market risk arising from financial instruments.

24 Provisions

	Consolidated		Parent	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Current provisions expected to be settled within 12 months				
Employee benefits				
Annual leave	13,582	13,230	11,829	11,605
Long service leave	4,130	6,541	3,551	5,487
Other provisions	73	220	(1)	100
Subtotal	<u>17,785</u>	<u>19,991</u>	<u>15,379</u>	<u>17,192</u>
Current provisions expected to be settled after more than 12 months				
Employee benefits				
Annual leave	6,646	5,306	6,487	5,306
Long service leave	22,888	22,114	22,888	22,114
Subtotal	<u>29,534</u>	<u>27,420</u>	<u>29,375</u>	<u>27,420</u>
Total current provisions	<u>47,319</u>	<u>47,411</u>	<u>44,754</u>	<u>44,612</u>
Non-current				
Employee benefits				
Long service leave	8,787	7,597	7,723	7,022
Deferred government benefits for superannuation	233,131	269,842	233,131	269,842
Deferred non-government benefits for superannuation	6,433	11,638	6,433	11,638
Make Good	212	-	-	-
Other provisions	1,423	-	1,423	-
Total non-current provisions	<u>249,986</u>	<u>289,077</u>	<u>248,710</u>	<u>288,502</u>
Total provisions	<u>297,305</u>	<u>336,488</u>	<u>293,464</u>	<u>333,114</u>

25 Other liabilities

	Consolidated		Parent	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Current				
Prepaid Income	38,979	35,641	36,696	33,561
Total current other liabilities	<u>38,979</u>	<u>35,641</u>	<u>36,696</u>	<u>33,561</u>
Non-current				
Other - Future leasing of land for hospital	-	-	14,000	14,000
Total non-current other liabilities	<u>-</u>	<u>-</u>	<u>14,000</u>	<u>14,000</u>
Total other liabilities	<u>38,979</u>	<u>35,641</u>	<u>50,696</u>	<u>47,561</u>

26 Reserves and retained surplus

	Consolidated		Parent	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
(a) Reserves				
Property, plant and equipment revaluation reserve	407,253	386,082	407,244	386,073
Available-for-sale investments revaluation reserve	26,830	(321)	26,830	(321)
Intangible revaluation reserve	(250)	-	(250)	-
Balance at 31 December	<u>433,833</u>	<u>385,761</u>	<u>433,824</u>	<u>385,752</u>
Movements:				
<i>Property, plant and equipment revaluation reserve</i>				
Balance 1 January	386,082	352,660	386,073	352,660
Revaluation - gross	21,171	33,422	21,171	33,413
Balance 31 December	<u>407,253</u>	<u>386,082</u>	<u>407,244</u>	<u>386,073</u>
<i>Available-for-sale investments revaluation reserve</i>				
Balance 1 January	(321)	37,659	(321)	37,659
Revaluation - gross	27,151	(37,980)	27,151	(37,980)
Balance 31 December	<u>26,830</u>	<u>(321)</u>	<u>26,830</u>	<u>(321)</u>
<i>Intangible revaluation reserve</i>				
Balance 1 January	-	-	-	-
Revaluation - gross	(250)	-	(250)	-
Balance 31 December	<u>(250)</u>	<u>-</u>	<u>(250)</u>	<u>-</u>

26 Reserves and retained surplus (continued)

(b) Retained surplus

Movements in retained surplus were as follows:

	Consolidated		Parent	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Retained surplus at 1 January	745,874	724,972	715,767	702,029
Operating result for the period	60,523	23,565	59,333	16,401
SANCS adjustment for 2007-2008	-	(737)	-	(737)
Other movement	49	(1,926)	-	(1,926)
Retained surplus at 31 December	806,446	745,874	775,100	715,767

(c) Nature and purpose of reserves

(i) Property, plant and equipment revaluation reserve

The reserve reflects the difference between the valuation assessment amount and the carrying cost. The University has engaged valuers (refer to note 1(n) for land, buildings, infrastructure, works of art and library special collection).

(ii) Available-for-sale investments revaluation reserve

The reserve reflects the difference between the carrying cost and market value of available for sale investments. At the end of every month, the fund manager advises the University as to the market value of its investments.

(iii) Intangible revaluation reserve

The reserve reflects the difference between the valuation assessment amount and the carrying cost. The University has engaged an independent valuer to provide the assessment.

27 Minority interest

	Consolidated		Parent	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Interest in:				
Macquarie University Property Investment Trust (MUPIT)	-	10,049	-	-
Total minority interest	-	10,049	-	-

28 Key management personnel disclosures

(a) Names of responsible persons and executive officers

The following persons were responsible persons and executive officers of Macquarie University and its controlled entities during the financial year:

All members of the University Council were appointed or elected under the provisions of the Macquarie University Act 1989. Council members include University employees who may be ex-officio members or elected staff members.

No council member has received any remuneration in his/her capacity as a Council member.

(i) Executive officers

Anderson, D
Bowler, P (until April 2009)
Dodd, P (from July 2009)
Gorman, PJ
Piper, J
Sachs, J
Schwartz, S
Sprague, T
Trotman, C

(ii) University Council members

Bissett, A (from April 2009)
Brodie, M
Burns, A
Coltheart, M (until December 2009)
Coutts, P
Crouch, E
Darvall, C (from 1 January 2010)
Dean, M (from 1 January 2010)
Dodkin, M (until December 2009)
Egan, MR
Fitness, J (from 1 January 2010)
Forsythe, P
Irving, MG
Johnson, MSJ (until December 2008)
Jones, G
Kenny, PV (until April 2009)
Lincoln, JF (until December 2009)
Lindsay, GJ
Mundine, W (from April 2009)
Nori, S
Rubic, S (from 1 January 2010)
Schwartz, S
Smith, A

(b) Remuneration of Board/ Council Members and Executives

	Consolidated		Parent	
	2009	2008	2009	2008
	Number		Number	
Remuneration of Board/ Council Members				
Nil to \$9,999	30	27	18	16
\$10,000 to \$19,999	1	-	-	-
\$20,000 to \$29,999	1	1	-	-
\$180,000 to \$189,999	1	-	-	-
	<u>33</u>	<u>28</u>	<u>18</u>	<u>16</u>

28 Key management personnel disclosures (continued)

(b) Remuneration of Board/ Council Members and Executives (continued)

	Consolidated		Parent	
	2009	2008	2009	2008
	Number		Number	
Remuneration of executive officers				
\$90,000 to \$99,999	1	2	1	-
\$100,000 to \$109,999	-	2	-	-
\$120,000 to \$129,999	1	1	-	-
\$140,000 to \$149,999	-	2	-	-
\$150,000 to \$159,999	1	1	1	1
\$160,000 to \$169,999	1	2	-	-
\$170,000 to \$179,999	1	-	1	-
\$180,000 to \$189,999	1	-	-	-
\$190,000 to \$199,999	5	2	-	-
\$230,000 to \$239,999	1	-	-	-
\$250,000 to \$259,999	-	1	-	-
\$340,000 to \$349,999	-	2	-	2
\$350,000 to \$359,999	2	-	2	-
\$370,000 to \$379,999	-	2	-	2
\$380,000 to \$389,999	1	-	1	-
\$400,000 to \$409,999	1	1	1	1
\$410,000 to \$419,999	-	1	-	1
\$430,000 to \$439,999	1	-	1	-
\$750,000 to \$759,999	-	1	-	1
\$810,000 to \$819,999	1	-	1	-
	<u>18</u>	<u>20</u>	<u>9</u>	<u>8</u>

The University is not aware of any material transactions that may have been conducted with Council members of the University and directors of its related parties, or their director related entities. At any rate, any such transactions would have occurred at arm's length and on terms and conditions no more favourable than those which it is expected the University would have adopted for a normal employee, customer or supplier relationship.

(c) Key management personnel compensation

	Consolidated		Parent	
	2009	2008	2009	2008
	\$'000	\$'000	\$'000	\$'000
Short-term employee benefits	4,842	4,874	3,157	3,174
Termination benefits	12	-	12	-
	<u>4,854</u>	<u>4,874</u>	<u>3,169</u>	<u>3,174</u>

29 Remuneration of auditors

During the year, the following fees were paid or payable for services provided by the auditor of the parent entity, its related practices and non-related audit firms:

	Consolidated		Parent	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Assurance services				
(a) Audit services				
Fees paid to The Audit Office of NSW:				
Audit and review of financial reports and other audit work under the <i>Corporations Act 2001</i>	452	530	252	287
Total remuneration for audit services	452	530	252	287
(b) Other assurance services				
Fees paid to The Audit Office of NSW:				
Other assurance services	12	5	12	5
Total remuneration for other assurance services	12	5	12	5
Total remuneration for assurance services	464	535	264	292

It is the consolidated entity's policy to employ the Audit Office of NSW on assignments additional to their statutory audit duties where the Audit Office of NSW's expertise and experience with the consolidated entity are important. It is the consolidated entity's policy to seek competitive tenders for all major consulting projects.

30 Contingencies

(a) Contingent liabilities

The University has entered into an agreement with the National Australia Bank Ltd to guarantee the construction loan facility provided for the construction of the Macquarie University Hospital and Clinic. The amount of this guarantee is \$123.5 million.

The University has entered into a number of put and call offers with Macquarie University Property Investment Company Pty Limited and MUPH Hospital Pty Limited. The effect of these offers is that the University will lease a parcel of land valued at \$14.0 million for a period of 99 years to the MUPH Hospital Pty Ltd and the MUPH Hospital Pty Ltd will construct the Macquarie University Hospital and Clinic on this land. The call offer is exercisable from the practical completion of the Hospital and Clinic (commencement date) which is scheduled for 2010. The expiry date is 12 months after the commencement date. The Macquarie University put offer commencement date is the day after the call offer expiry date. The Macquarie University put offer expiry date is 3 months after the put offer commencement date. The total put and call offer fee is \$120.

31 Commitments

(a) Capital commitments

Capital expenditure contracted for various building capital projects at the reporting date but not recognised as liabilities as at 31 December 2009 is as follows:

	Consolidated		Parent	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
<i>Property, plant and equipment</i>				
Payable:				
Within one year	<u>268,603</u>	61,636	<u>224,677</u>	9,294
Total capital commitment (including GST)	<u>268,603</u>	61,636	<u>224,677</u>	9,294

Included in the above capital commitment expenditures:

Macquarie University is constructing the new Library Building (\$58.9 million), will purchase the Cochlear building (\$129 million) and complete the fit out of the Australian School of Advanced Medicine (ASAM) (\$8.7 million).

(b) Lease commitments

Operating leases comprise the lease of computers, photocopy machines, printers and other equipment.

	Consolidated		Parent	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Commitments in relation to leases contracted for at the reporting date but not recognised as liabilities, payable:				
Within one year	2,721	1,937	1,284	858
Later than one year but not later than five years	3,785	2,976	2,172	1,068
Later than five years	<u>32</u>	<u>6</u>	<u>32</u>	<u>6</u>
	<u>6,538</u>	4,919	<u>3,488</u>	1,932
Representing:				
Cancellable operating leases	3,148	50	131	50
Non-cancellable operating leases	<u>3,390</u>	1,913	<u>3,357</u>	1,882
Total operating leases commitment (including GST)	<u>6,538</u>	1,963	<u>3,488</u>	1,932

31 Commitments (continued)

(i) Operating leases

Operating leases comprise the lease of computers, photocopy machines, printers and other equipment.

	Consolidated		Parent	
	2009	2008	2009	2008
	\$'000	\$'000	\$'000	\$'000
Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:				
Within one year	1,276	857	1,254	841
Later than one year but not later than five years	2,089	1,056	2,078	1,041
Later than five years	25	-	25	-
Total operating leases commitments (including GST)	<u>3,390</u>	<u>1,913</u>	<u>3,357</u>	<u>1,882</u>

(ii) Finance leases - as lessee

	Consolidated		Parent	
	2009	2008	2009	2008
	\$'000	\$'000	\$'000	\$'000
Commitments in relation to finance leases are payable as follows:				
Within one year	94	94	-	-
Later than one year but not later than five years	39	208	-	-
Less: Future finance charge	-	(38)	-	-
Total finance leasing commitments (including GST)	<u>133</u>	<u>264</u>	<u>-</u>	<u>-</u>

(c) Lease commitments : where a Group company is the lessor

i) Finance leases - as lessor

	Consolidated		Parent	
	2009	2008	2009	2008
	\$'000	\$'000	\$'000	\$'000
Minimum future lease payments receivables in relation to finance leases are as follows:				
Within one year	1,724	1,724	1,724	1,724
Later than one year and not later than five years	6,896	6,896	6,896	6,896
Later than five years	36,204	37,928	37,928	37,928
Less: Future finance charge	<u>(23,344)</u>	<u>(24,761)</u>	<u>(24,761)</u>	<u>(24,761)</u>
Total finance leasing commitments (excluding GST)	<u>21,480</u>	<u>21,787</u>	<u>21,787</u>	<u>21,787</u>

The amount for GST in the finance lease was \$1.841million in 2009 (2008: \$1.841 million).

The University has entered into a finance lease with Campus Living Pty Ltd to manage and operate the student accommodation known as Macquarie University Village Stage 1. The lease commenced in December 2006 and is for 30 years.

31 Commitments (continued)

(d) Operating property leases

Property leases in CBD for Centre for Money, Banking and Finance, Macquarie International, MGSM and AccessMQ.

	Consolidated		Parent	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:				
Within one year	1,060	1,590	-	527
Later than one year but not later than five years	947	1,893	-	-
Total operating property leasing commitments (including GST)	<u>2,007</u>	<u>3,483</u>	<u>-</u>	<u>527</u>

(e) Other expenditure commitments

	Consolidated		Parent	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Commitments for goods and services in existence at the reporting date but not recognised as liabilities, payable:				
Within one year	13,971	9,340	13,971	9,340
Total other expenditure commitments (including GST)	<u>13,971</u>	<u>9,340</u>	<u>13,971</u>	<u>9,340</u>

32 Related parties

(a) Subsidiaries

Interests in subsidiaries are set out in note 33.

As at 31 December 2009, the University is the ultimate parent entity of thirty two operational wholly owned controlled entities.

The University has partial ownership in the following controlled entity LAMS International Pty Ltd (77%). All controlled entities are incorporated in Australia.

The University has provided unconditional financial support to MUH Operations No.2 Ltd, Macquarie University (MU) Property Trust, MU Private Hospital (MUPH), MUPH Hospital Sub-trust, MUPH Clinic Sub-trust, Cochlear (COH) Property Trust. This unconditional support, has effect until 12 (twelve) months from the date of signing of the financial statements of all entities listed above.

33 Subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 1(b):

Name of entity	Country of incorporation	Class of shares	Equity holding	
			2009 %	2008 %
Centre for Money, Banking and Finance Limited (CMBF)	Australia	Limited by Guarantee	100	100
Australian Proteome Analysis Facility Ltd (APAF)	Australia	Limited by Guarantee	100	100
Macquarie Graduate School of Management Pty Ltd (MGSM)	Australia	Ordinary	100	100
Access Macquarie Ltd (AccessMQ)	Australia	Limited by Guarantee	100	100
LAMS International Pty Ltd (LAMS Intl)	Australia	Ordinary	77	77
LAMS Foundation Limited	Australia	Limited by Guarantee	100	100
U@MQ Ltd	Australia	Limited by Guarantee	100	100
Macquarie University Medical Research Foundation Ltd	Australia	Limited by Guarantee	100	100
Macquarie University Medical Research Trust	Australia	Units	100	100
Macquarie University Private Hospital Trust	Australia	Units	100	62
Macquarie University Hospital Pty Ltd	Australia	Ordinary	100	62
Macquarie University Private Hospital (MUPH) Clinic Pty Ltd	Australia	Ordinary	100	62
Macquarie University Private Hospital (MUPH) Clinic Sub-Trust	Australia	Units	100	62
Macquarie University Private Hospital (MUPH) Sub-Trust	Australia	Units	100	62
Macquarie University Property Investment Trust (MUPIT)	Australia	Units	100	100
Macquarie University Property Investment Company No. 2 Pty Ltd	Australia	Ordinary	100	100
Macquarie University Property Investment Company No. 3 Pty Ltd	Australia	Ordinary	100	-
Macquarie University Property Investment Company Pty Ltd	Australia	Ordinary	100	100
Macquarie University Property Investment Ltd (MUPIT) Sub-Trust No. 1	Australia	Units	100	100
Macquarie University Property Investment Ltd (MUPIT) Sub-Trust No. 2	Australia	Units	100	100
Macquarie University Property Investment Ltd (MUPIT) Sub-Trust No. 3	Australia	Units	100	100
Macquarie University Property Investment Ltd (MUPIT) Sub-Trust No. 4	Australia	Units	100	100
Macquarie University Property Investment Trust (MUPIT) Holding Trust No. 1	Australia	Units	100	100
Macquarie University Property Investment Trust (MUPIT) Holding Trust No. 2	Australia	Units	100	100
Macquarie University Property Investment Trust (MUPIT) Holding Trust No. 3	Australia	Units	100	100
Macquarie University Property Investment Trust (MUPIT) Holding Trust No. 4	Australia	Units	100	100
Macquarie University Property Investment Trust (MUPIT) Holding Trust No. 5	Australia	Units	100	100
Macquarie University Property Investment Trust (MUPIT) Holding Trust No. 6	Australia	Units	100	100
Risk Frontiers Group Pty Ltd	Australia	Ordinary	100	100
Risk Frontiers Flood (Australia) Pty Ltd	Australia	Ordinary	100	100
MUH Operations Pty Ltd	Australia	Ordinary	100	-
MUH Operations No.2 Ltd	Australia	Limited by Guarantee	100	-
COH Property Trust	Australia	Units	100	100

33 Subsidiaries (continued)

(a) The result of the operations of the related parties

	Centre for Money, Banking and Finance Ltd	Australian Proteome Analysis Facility Ltd	Macquarie Graduate School of Management	Access Macquarie Ltd*	LAMS International Pty Ltd	U@MQ Ltd	Macquarie University Medical Research Foundation Ltd	Macquarie University Property Investment Trust	Risk Frontiers Group Pty Ltd	TOTAL
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
For the year ended 31 December 2008	2,889	1,269	29,560	30,212	168	23,860	323	2,555	-	90,836
Operating income	(2,721)	(1,078)	(24,684)	(28,323)	(106)	(23,835)	(323)	(2,529)	(32)	(83,631)
Operating expense	168	191	4,876	1,889	62	25	-	26	(32)	7,205
Operating result										
For the year ended 31 December 2009	2,691	875	26,529	33,014	166	26,500	-	2,927	-	92,702
Operating income	(2,413)	(1,136)	(23,337)	(33,932)	(180)	(26,639)	-	(3,875)	-	(91,512)
Operating expense	276	(261)	3,192	(918)	(14)	(139)	-	(948)	-	1,190
Operating result										

*Includes Risk Frontiers Flood (Australia) Pty Ltd

33 Subsidiaries (continued)

(b) The Statements of financial position of the controlled entities

	Centre for Money, Banking and Finance Ltd \$'000	Australian Proteome Analysis Facility Ltd \$'000	Macquarie Graduate School of Management Ltd* \$'000	Access Macquarie Ltd* \$'000	LAMS International Pty Ltd \$'000	U@MQ Ltd \$'000	Macquarie University Research Foundation Ltd \$'000	Macquarie University Property Investment Trust \$'000	Risk Frontiers Group Pty Ltd \$'000	Total \$'000
As at 31 December 2008										
Current assets	1,168	1,140	14,056	16,569	171	10,138	-	942	-	44,184
Non-current assets	14	-	1,355	1,418	32	7,954	-	90,387	-	101,160
Total assets	1,182	1,140	15,411	17,987	203	18,092	-	91,329	-	145,344
Current liabilities	133	703	6,071	12,283	37	2,902	-	6,287	-	28,416
Non-current liabilities	14	-	326	-	-	413	-	58,598	-	59,351
Total liabilities	147	703	6,397	12,283	37	3,315	-	64,885	-	87,767
Net assets	1,035	437	9,014	5,704	166	14,777	-	26,444	-	57,577
Represented by:										
Reserves	-	-	-	-	-	9	-	-	-	9
Retained profit/(losses)	1,035	437	9,014	5,704	166	14,768	-	26,444	-	57,568
Net equity	1,035	437	9,014	5,704	166	14,777	-	26,444	-	57,577

33 Subsidiaries (continued)

	Centre for Money, Banking and Finance Ltd \$'000	Australian Proteome Facility Ltd \$'000	Macquarie Graduate School of Management \$'000	Access Macquarie Ltd* \$'000	LAMS Internatio nal Pty Ltd \$'000	U@MQ Ltd \$'000	Macquarie University Medical Research Foundatio n Ltd \$'000	Macquarie University Property Investmen t Trust \$'000	Risk Frontiers Group Pty Ltd \$'000	Total \$'000
As at 31 December 2009										
Current assets	1,494	1,060	15,632	15,530	230	9,988	-	1,218	-	45,152
Non-current assets	12	-	1,387	1,180	21	7,431	-	162,374	-	172,405
Total assets	<u>1,506</u>	<u>1,060</u>	<u>17,019</u>	<u>16,710</u>	<u>251</u>	<u>17,419</u>	<u>-</u>	<u>163,592</u>	<u>-</u>	<u>217,557</u>
Current liabilities	182	884	4,462	11,252	99	2,436	-	121,076	-	140,391
Non-current liabilities	11	-	351	672	-	345	-	17,020	-	18,399
Total liabilities	<u>193</u>	<u>884</u>	<u>4,813</u>	<u>11,924</u>	<u>99</u>	<u>2,781</u>	<u>-</u>	<u>138,096</u>	<u>-</u>	<u>158,790</u>
Net assets	<u>1,313</u>	<u>176</u>	<u>12,206</u>	<u>4,786</u>	<u>152</u>	<u>14,638</u>	<u>-</u>	<u>25,496</u>	<u>-</u>	<u>58,767</u>
Represented by:										
Reserves	-	-	-	-	-	-	-	-	-	-
Retained profit/(losses)	<u>1,313</u>	<u>176</u>	<u>12,206</u>	<u>4,786</u>	<u>152</u>	<u>14,638</u>	<u>-</u>	<u>25,496</u>	<u>-</u>	<u>58,767</u>
Net equity	<u>1,313</u>	<u>176</u>	<u>12,206</u>	<u>4,786</u>	<u>152</u>	<u>14,638</u>	<u>-</u>	<u>25,496</u>	<u>-</u>	<u>58,767</u>

*Includes Risk Frontiers Flood (Australia) Pty Ltd

34 Joint ventures, associates and minority interests

Other entities that are operational with percentage of holdings more than 20%

1. Sydney Educational Broadcasting Limited

The University has a 50% joint venture interest in the F.M. radio station, 2SER-FM. The University of Technology, Sydney (UTS) holds the remaining 50% interest in the station. The University's contribution to the operations of the company in 2009 was \$202,000 (2008: \$202,000). The company is independently audited by the Auditor-General of New South Wales and its Financial Report is not included in the Consolidated Financial Report of the University.

2. Sydney Institute Marine Science Limited

Sydney Institute Marine Science Limited (SIMS) is a partnership between Macquarie University, University of New South Wales (UNSW), the University of Sydney and the University of Technology, Sydney (UTS). SIMS is a joint venture, research facility based on Sydney Harbour's North Shore at Chowder Bay. It will bring together key researchers to form cross-disciplinary teams of leading scientists working on issues that are critical for the sustainable management of our coastal and oceanic environments. The University holds a 25.00% interest in the company. The University did not adopt equity accounting as its shares of results of operations, assets, liabilities and equity is not considered material.

35 Reconciliation of operating result after income tax to net cash flows from operating activities

	Consolidated		Parent	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Operating result for the period	60,523	23,606	59,333	16,401
Depreciation and amortisation	30,080	29,184	28,161	27,492
Net (gain) / loss on sale of non-current assets	23	12	-	-
(Gain)/ loss on disposal of fixed assets	(549)	456	(549)	456
(Gain)/ loss on disposal of investments	-	(3,608)	-	(3,608)
Non cash donated assets	-	17,391	-	17,391
(Increase) / decrease in trade debtors	12,994	(151,373)	10,832	(148,987)
(Increase) / decrease in inventories	116	(314)	(211)	-
(Increase)/ decrease in prepayments	4,371	(3,891)	4,371	(3,891)
Decrease / (increase) in other financial assets at fair value through profit or loss	61	(1)	-	-
(Increase) / decrease in other operating assets	54	12	-	-
Increase / (decrease) increase in other operating liabilities	(131)	(3)	-	-
Increase / (decrease) in trade creditors	920	2,236	2,225	(3,717)
(Increase)/ decrease in prepaid income	3,135	4,499	3,135	4,499
(Increase)/ decrease in provision for employee entitlements	(39,651)	161,038	(39,651)	161,038
Increase / (decrease) in other provisions	699	-	-	-
(Increase)/ decrease in others	-	1,100	-	-
Net cash provided by / (used in) operating activities	<u>72,645</u>	<u>80,344</u>	<u>67,646</u>	<u>67,074</u>

36 Defined Benefit Plans

(a) General description of the type of plan

The Pooled Fund holds in trust the investments of the closed NSW public sector superannuation schemes:

State Authorities Superannuation Scheme (SASS)

State Authorities Non-contributory Superannuation Scheme (SANCS)

State Superannuation Scheme (SSS)

The Professorial Superannuation Fund (PSF) is a combination of an accumulation benefit and a defined benefit.

The Professorial Superannuation Scheme was an alternative superannuation arrangement to the State Superannuation Scheme that was available to professors of the University, until its closure to new entrants in 1988.

The scheme provides active members with a combination of accumulation benefits and defined benefits. Pensioner members receive pension payments from the scheme.

The University commenced its funding of the previously unfunded "non-contributory pension" during the 2006 year.

The above schemes are all defined benefit schemes or at least a component of the final benefit is derived from a multiple of member salary and years of membership. All schemes are closed to new members.

(b) Balance sheet amounts

The amounts recognised in the statements of financial position are determined as follows:

	SASS 2009 \$'000	SANCS 2009 \$'000	SSS 2009 \$'000	PSF 2009 \$'000	Total 2009 \$'000
2009					
Present value of defined benefit obligations	35,847	7,169	341,717	17,179	401,912
Fair value of plan assets	<u>(31,847)</u>	<u>(4,657)</u>	<u>(115,097)</u>	<u>(10,746)</u>	<u>(162,347)</u>
Liability recognised in the balance sheet	<u>4,000</u>	<u>2,512</u>	<u>226,620</u>	<u>6,433</u>	<u>239,565</u>
	SASS 2008 \$'000	SANCS 2008 \$'000	SSS 2008 \$'000	PSF 2008 \$'000	Total 2008 \$'000
2008					
Present value of defined benefit obligations	35,686	8,061	381,188	20,538	445,473
Fair value of plan assets	<u>(28,713)</u>	<u>(4,664)</u>	<u>(121,717)</u>	<u>(8,900)</u>	<u>(163,994)</u>
Liability recognised in the balance sheet	<u>6,973</u>	<u>3,397</u>	<u>259,471</u>	<u>11,638</u>	<u>281,479</u>

All Fund assets are invested at arm's length through independent funds managers.

36 Defined Benefit Plans (continued)

The percentage invested in each asset class at statements of financial position date:

	SASS 2009 %	SANCS 2009 %	SSS 2009 %	PSF 2009 %
2009				
Australian equities	33.10	33.10	33.10	-
Overseas equities	26.80	36.80	26.80	-
Australian fixed interest securities	5.80	5.80	5.80	-
Overseas fixed interest securities	4.10	4.10	4.10	-
Equity securities - fair value relative to total %	-	-	-	58.40
Debt securities - fair value relative to total %	-	-	-	19.20
Property	9.20	9.20	9.20	6.80
Cash	7.80	7.80	7.80	-
Other	13.20	13.20	13.20	15.60
	SASS 2008 %	SANCS 2008 %	SSS 2008 %	PSF 2008 %
2008				
Australian equities	29.00	29.00	29.00	-
Overseas equities	26.50	26.50	26.50	-
Australian fixed interest securities	8.30	8.30	8.30	-
Overseas fixed interest securities	6.90	6.90	6.90	-
Equity securities - fair value relative to total %	-	-	-	57.00
Debt securities - fair value relative to total %	-	-	-	20.70
Other securities- fair value relative to total %	-	-	-	14.60
Property securities - fair value relative to total %	-	-	-	-
Property	10.80	10.80	10.80	7.70
Cash	4.20	4.20	4.20	-
Other	14.30	14.30	14.30	-

(c) Reconciliation showing the movements during the period in the net liability recognised in the statements of financial position;

	SASS 2009 \$'000	SANCS 2009 \$'000	SSS 2009 \$'000	PSF 2009 \$'000	Total 2009 \$'000
2009					
Reconciliation of the present value of the defined benefit obligation, which is partly funded:					
Balance at the beginning of the year	35,686	8,061	381,188	20,538	445,473
Current service cost	1,324	377	732	702	3,135
Interest cost	1,388	305	15,155	547	17,395
Contribution by fund participants	571	-	1,173	-	1,744
Actuarial gain/(losses)	(1,019)	(587)	(36,529)	(2,654)	(40,789)
Benefit paid	(2,103)	(987)	(20,002)	(1,299)	(24,391)
Expenses paid	-	-	-	(655)	(655)
Balance at the end of the year	<u>35,847</u>	<u>7,169</u>	<u>341,717</u>	<u>17,179</u>	<u>401,912</u>

36 Defined Benefit Plans (continued)

	SASS 2009 \$'000	SANCS 2009 \$'000	SSS 2009 \$'000	PSF 2009 \$'000	Total 2009 \$'000
Reconciliation of the fair value of plan assets					
Balance at the beginning of the year	28,713	4,663	121,716	8,900	163,992
Expected return on fund assets	2,236	444	9,211	552	12,443
Actuarial gain/(losses)	1,140	82	2,163	1,306	4,691
Employer contribution	1,290	455	836	1,942	4,523
Contribution by fund participants	571	-	1,173	-	1,744
Benefit paid	(2,103)	(987)	(20,001)	(1,299)	(24,390)
Expenses paid	-	-	-	(655)	(655)
Balance at the end of the year	<u>31,847</u>	<u>4,657</u>	<u>115,098</u>	<u>10,746</u>	<u>162,348</u>

Reconciliation of the assets and liabilities recognised in the statements of financial position

Present value of funded defined benefit obligations at end of year	35,847	7,169	341,717	17,179	401,912
Fair value of fund assets at end of year	<u>(31,847)</u>	<u>(4,657)</u>	<u>(115,097)</u>	<u>(10,746)</u>	<u>(162,347)</u>
Net Liability/(Asset) recognised in statements of financial position at end of year	<u>4,000</u>	<u>2,512</u>	<u>226,620</u>	<u>6,433</u>	<u>239,565</u>

Deferred income due from Commonwealth / State Government

	<u>4,000</u>	<u>-</u>	<u>226,620</u>	<u>-</u>	<u>230,620</u>
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	SASS 2008 \$'000	SANCS 2008 \$'000	SSS 2008 \$'000	PSF 2008 \$'000	Total 2008 \$'000
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**2008
Reconciliation of the present value of the defined benefit obligation, which is partly funded:**

Balance at the beginning of the year	37,788	8,234	291,615	15,785	353,422
Current service cost	1,364	415	613	794	3,186
Interest cost	2,305	483	18,027	734	21,549
Contribution by fund participants	651	-	1,373	-	2,024
Actuarial gain/(losses)	(490)	1,054	94,063	5,305	99,932
Benefit paid	(5,932)	(2,125)	(24,503)	(1,366)	(33,926)
Expenses paid	-	-	-	(714)	(714)
Balance at the end of the year	<u>35,686</u>	<u>8,061</u>	<u>381,188</u>	<u>20,538</u>	<u>445,473</u>

36 Defined Benefit Plans (continued)

	SASS 2008 \$'000	SANCS 2008 \$'000	SSS 2008 \$'000	PSF 2008 \$'000	Total 2008 \$'000
Reconciliation of the fair value of plan assets					
Balance at the beginning of the year	39,266	7,497	169,534	13,211	229,508
Expected return on fund assets	2,881	665	12,540	1,026	17,112
Actuarial gain/(losses)	(9,510)	(1,879)	(38,228)	(4,881)	(54,498)
Employer contribution	1,357	505	1,001	1,624	4,487
Contribution by fund participants	651	-	1,372	-	2,023
Benefit paid	(5,932)	(2,125)	(24,503)	(1,366)	(33,926)
Expenses paid	-	-	-	(714)	(714)
Balance at the end of the year	<u>28,713</u>	<u>4,663</u>	<u>121,716</u>	<u>8,900</u>	<u>163,992</u>

Reconciliation of the assets and liabilities recognised in the statements of financial position

Present value of funded defined benefit obligations at end of year	<u>35,686</u>	<u>8,061</u>	<u>381,188</u>	<u>20,538</u>	<u>445,473</u>
Fair value of fund assets at end of year	<u>(28,713)</u>	<u>(4,664)</u>	<u>(121,717)</u>	<u>(8,900)</u>	<u>(163,994)</u>
Net Liability/(Asset) recognised in statements of financial position at end of year	<u>6,973</u>	<u>3,397</u>	<u>259,471</u>	<u>11,638</u>	<u>281,479</u>

Deferred income due from Commonwealth / State Government

	<u>6,973</u>	<u>-</u>	<u>259,471</u>	<u>-</u>	<u>266,444</u>
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(d) Total expense recognised in the income statements for each of the following, and the line item(s) of the income statements in which they are included:

	SASS 2009 \$'000	SANCS 2009 \$'000	SSS 2009 \$'000	PSF 2009 \$'000	Total 2009 \$'000
2009					
Current service cost	1,324	377	732	702	3,135
Interest cost	1,388	305	15,155	547	17,395
Expected return on plan assets	(2,236)	(444)	(9,211)	(552)	(12,443)
Net actuarial gains and (losses)	-	-	-	-	-
Expense recognised in the income statement	<u>476</u>	<u>238</u>	<u>6,676</u>	<u>697</u>	<u>8,087</u>

	SASS 2008 \$'000	SANCS 2008 \$'000	SSS 2008 \$'000	PSF 2008 \$'000	Total 2008 \$'000
2008					
Current service cost	1,364	415	613	794	3,186
Interest cost	2,306	483	18,027	734	21,550
Expected return on plan assets	(2,881)	(665)	(12,540)	(1,026)	(17,112)
Net actuarial gains and (losses)	9,020	2,933	132,291	-	144,244
Expense recognised in the income statement	<u>9,809</u>	<u>3,166</u>	<u>138,391</u>	<u>502</u>	<u>151,868</u>

36 Defined Benefit Plans (continued)

(e) Expected rate of return on assets

The expected return on assets assumption is determined by weighing the expected long-term return for each asset class by the target allocation of assets to each class. The returns used for each class are net of investment tax and investment fees.

Actual return on funds:

	SASS \$'000	SANCS \$'000	SSS \$'000	PSF \$'000	Total \$'000
For the year ended 31 December 2009	3,172	525	11,705	1,858	17,260
For the year ended 31 December 2008	(6,331)	(1,214)	(27,696)	(3,855)	(39,096)

(f) Principal actuarial assumptions used as at the reporting date, including, where applicable:

	SASS 2009 %	SANCS 2009 %	SSS 2009 %	PSF 2009 %
2009				
The discount rates (gross of tax)	-	-	-	5.80
The discount rates (net of tax)	5.81	5.81	5.81	4.90
The expected rates of return on any plan assets for the periods presented in the financial report	8.30	8.30	8.30	7.70
The expected rates of salary increases	3.5	3.5	3.5	4.0
The expected rate of CPI increase	2.50	2.50	2.50	-
	SASS 2008 %	SANCS 2008 %	SSS 2008 %	PSF 2008 %
2008				
The discount rates (gross of tax)	-	-	-	4.10
The discount rates (net of tax)	4.09	4.09	4.09	3.50
The expected rates of return on any plan assets for the periods presented in the financial report	8.30	8.30	8.30	6.20
The expected rates of salary increases	3.50	3.5	3.5	4.0
The expected rate of CPI increase	2.50	2.50	2.50	-

36 Defined Benefit Plans (continued)

(g) Employer contributions

	SASS %	SANCS %	SSS %	PSF %
2009				
% of member salary	-	17.00	-	-
2008				
% of member salary	-	17.00	-	-

For the Professorial Superannuation Fund, according to the latest actuarial review, Group contributions were based on the projected benefit payments and expenses.

For other state schemes, the method used to determine the employer contribution recommendations at the last actuarial review was the Aggregate Funding Method.

Under the Aggregate Funding Method, the employer contribution rate is determined so that sufficient assets will be available to meet benefit payments to existing members, taking into account the current value of assets and future contributions.

(h) Nature of asset/liability

If a surplus exists in the employer's interest in the Fund, the employer may be able to take advantage of it in the form of a reduction in the required contribution rate, depending on the advice of the Fund's actuary.

Where a deficiency exists, the employer is responsible for any difference between the employer's share of Fund assets and the defined benefit obligation.

(i) Historic Summary

	SASS 2009 \$'000	SANCS 2009 \$'000	SSS 2009 \$'000	PSF 2009 \$'000	Total 2009 \$'000
2009					
Defined benefit plan obligation	35,847	7,169	341,717	17,179	401,912
Plan assets	<u>(31,847)</u>	<u>(4,657)</u>	<u>(115,098)</u>	<u>(10,746)</u>	<u>(162,348)</u>
Deficit	<u>4,000</u>	<u>2,512</u>	<u>226,619</u>	<u>6,433</u>	<u>239,564</u>
Experience adjustments arising on plan liabilities	(1,019)	(587)	(36,529)	(131)	(38,266)
Experience adjustments arising on plan assets	<u>(1,140)</u>	<u>81</u>	<u>(2,163)</u>	<u>(1,306)</u>	<u>(4,528)</u>
	<u>(2,159)</u>	<u>(506)</u>	<u>(38,692)</u>	<u>(1,437)</u>	<u>(42,794)</u>

36 Defined Benefit Plans (continued)

	SASS 2008 \$'000	SANCS 2008 \$'000	SSS 2008 \$'000	PSF 2008 \$'000	Total 2008 \$'000
2008					
Defined benefit plan obligation	35,686	8,061	381,188	20,538	445,473
Plan assets	<u>(28,713)</u>	<u>(4,664)</u>	<u>(121,717)</u>	<u>(8,900)</u>	<u>(163,994)</u>
Deficit	<u>6,973</u>	<u>3,397</u>	<u>259,471</u>	<u>11,638</u>	<u>281,479</u>
Experience adjustments arising on plan liabilities	(490)	1,054	94,063	1,951	96,578
Experience adjustments arising on plan assets	<u>9,510</u>	<u>1,879</u>	<u>38,228</u>	<u>4,881</u>	<u>54,498</u>
	<u>9,020</u>	<u>2,933</u>	<u>132,291</u>	<u>6,832</u>	<u>151,076</u>

(j) UniSuper

The University also contributes to UniSuper Defined Benefit Plan ('UniSuper') (formerly Superannuation Scheme for Australian Universities) (SSAU) for academic staff appointed since 1 March 1988 and all other staff from 1 July 1991.

UniSuper is not considered to be controlled by the University and therefore the excess/shortfall of assets over accrued benefits have not been included in the University's accounts.

The UniSuper Defined Benefit Division (DBD) is a defined benefit plan under Superannuation Law but, as a result of Clause 34 of the UniSuper Trust Deed, a defined contribution plan under Accounting Standard AASB 119.

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 benefits 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 the report dated 12 June 2009 on actuarial investigation of DBD as at 31 December 2008. The financial assumptions used were:

	Vested Benefits %	Accrued Benefits %
Gross of tax investment return	7.25	8.50
Net of tax investment return	6.75	8.00
Consumer Price Index	2.75	2.75
Inflationary salary increases long term	3.75	3.75
Inflationary salary increases next three years	-	-

(Additional promotional salary increases are assumed to apply based on past experience)

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

37 Financial risk management

The University's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest risk and price risk), credit risk and liquidity risk. The University'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. The University uses derivative financial instruments such as foreign exchange contracts and interest rate swaps to hedge certain risk exposures. The University uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and other price risks, ageing analysis for credit risk and beta analysis in respect of investment portfolios to determine market risk.

The University's Finance and Facilities Committee reviews the University's Financial Risk at each of its bi-monthly meetings. The University's Investment Policy and Strategy has been determined by the Finance and Facilities Committee and is also reviewed against performance by senior University management. The University has minimal exposure to Foreign Exchange risk. In respect of interest rate risk the University entered into a loan for the construction of student housing. The interest rate on this loan is fixed at 7.035% p.a. The University has issued a guarantee to the National Australia Bank in respect of a construction loan for the Macquarie University Hospital. The interest rate policy on this loan is a matter for the board of the Macquarie University Private Hospital (MUPH) Sub-Trust.

(a) Market risk

(i) Foreign exchange risk

The University is exposed to fluctuations in foreign currencies arising from the purchase of goods and services in currencies other than the University's functional currency. Foreign currency requirements have been purchased at spot rates. The University have not used foreign currency derivative products.

(ii) Price risk

The University is exposed to equity securities price risk. This arises from investments held by the University and classified on the balance sheet as available-for-sale. The University has no direct exposure to commodity price risk.

(iii) Cash flow and fair value interest rate risk

Although the University carries debt, the debt is at a fixed rate of interest. Interest rate risk relates to investments. All other financial assets and liabilities are non-interest bearing.

(iv) Summarised sensitivity analysis

The following table summarises the sensitivity of the University's financial assets and financial liabilities to interest rate risk, foreign exchange risk and other price risk.

Consolidated	Carrying amount	Interest rate risk		Foreign exchange risk				Other price risk					
		-1%	+1%	-10%		+10%		-10%		+10%			
31 December 2009	\$'000	Result	Equity	Result	Equity	Result	Equity	Result	Equity	Result	Equity	Result	Equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets													
Cash and cash equivalents	110,581	(1,106)	-	1,106	-	-	-	-	-	-	-	-	-
Accounts receivable	270,361	-	-	-	-	-	-	-	-	-	-	-	-
Finance lease receivable	21,480	-	(215)	-	215	-	-	-	-	(2,148)	-	2,148	-
Other financial assets	36,008	-	(360)	-	360	-	-	-	-	(3,601)	-	3,601	-
Listed investments	64,554	-	(646)	-	646	-	-	-	-	(6,455)	-	6,455	-
Unquoted investments	3,356	-	(34)	-	34	-	-	-	-	(336)	-	336	-
Financial liabilities													
Trade payables	44,570	-	-	-	-	-	-	-	-	-	-	-	-
Borrowings	130,132	-	-	-	-	-	-	-	-	-	-	-	-
Total increase/(decrease)		(1,106)	(1,255)	1,106	1,255	-	-	-	-	(12,540)	-	12,540	-

37 Financial risk management (continued)

Consolidated	Carrying amount	Interest rate risk				Foreign exchange risk				Other price risk			
		-1%		+1%		-10%		+10%		-10%		+10%	
31 December 2008	\$'000	Result \$'000	Equity \$'000	Result \$'000	Equity \$'000	Result \$'000	Equity \$'000	Result \$'000	Equity \$'000	Result \$'000	Equity \$'000	Result \$'000	Equity \$'000
Financial assets													
Cash and cash equivalents	107,254	(1,073)	-	1,073	-	-	-	-	-	-	-	-	-
Accounts receivable	292,631	-	-	-	-	-	-	-	-	-	-	-	-
Finance lease receivable	21,787	-	(218)	-	218	-	-	-	-	-	(2,179)	-	2,179
Other financial assets	81,437	-	(814)	-	814	-	-	-	-	-	(8,144)	-	8,144
Listed investments	38,902	-	(389)	-	389	-	-	-	-	-	(3,890)	-	3,890
Unquoted investments	3,613	-	(36)	-	36	-	-	-	-	-	(361)	-	361
Financial liabilities													
Trade payables	42,038	-	-	-	-	-	-	-	-	-	-	-	-
Borrowings	71,346	-	-	-	-	-	-	-	-	-	-	-	-
Total increase/(decrease)		(1,073)	(1,457)	1,073	1,457	-	-	-	-	-	(14,574)	-	14,574

Parent	Carrying amount	Interest rate risk				Foreign exchange risk				Other price risk			
		-1%		+1%		-10%		+10%		-10%		+10%	
31 December 2009	\$'000	Result \$'000	Equity \$'000	Result \$'000	Equity \$'000	Result \$'000	Equity \$'000	Result \$'000	Equity \$'000	Result \$'000	Equity \$'000	Result \$'000	Equity \$'000
Financial assets													
Cash and cash equivalents	73,403	(734)	-	734	-	-	-	-	-	-	-	-	-
Accounts receivable	281,268	-	-	-	-	-	-	-	-	-	-	-	-
Finance lease receivable	21,480	-	(215)	-	215	-	-	-	-	-	(2,148)	-	2,148
Other financial assets	35,501	-	(355)	-	355	-	-	-	-	-	-	-	-
Listed investments	64,554	-	(646)	-	646	-	-	-	-	-	(6,455)	-	6,455
Unquoted investments	30,768	-	(308)	-	308	-	-	-	-	-	(3,077)	-	3,077
Financial liabilities													
Trade payables	27,348	-	-	-	-	-	-	-	-	-	-	-	-
Borrowings	12,328	-	-	-	-	-	-	-	-	-	-	-	-
Total increase/(decrease)		(734)	(1,524)	734	1,524	-	-	-	-	-	(11,680)	-	11,680

37 Financial risk management (continued)

Parent	Carrying amount	Interest rate risk				Foreign exchange risk				Other price risk			
		-1%		+1%		-10%		+10%		-10%		+10%	
31 December 2008	\$'000	Result	Equity	Result	Equity	Result	Equity	Result	Equity	Result	Equity	Result	Equity
Financial assets													
Cash and cash equivalents	73,790	(738)	-	738	-	-	-	-	-	-	-	-	-
Accounts receivable	290,394	-	-	-	-	-	-	-	-	-	-	-	-
Finance lease receivable	21,787	-	(218)	-	218	-	-	-	-	-	(2,179)	-	2,179
Other financial assets	81,034	-	(810)	-	810	-	-	-	-	-	-	-	-
Listed investments	38,902	-	(389)	-	389	-	-	-	-	-	(3,890)	-	3,890
Unquoted investments	21,025	-	(210)	-	210	-	-	-	-	-	(2,103)	-	2,103
Financial liabilities													
Trade payables	25,125	-	-	-	-	-	-	-	-	-	-	-	-
Borrowings	13,113	-	-	-	-	-	-	-	-	-	-	-	-
Total increase/(decrease)		(738)	(1,627)	738	1,627	-	-	-	-	-	(8,172)	-	8,172

(c) Credit risk

The maximum exposure to credit risk at balance date to recognised financial assets, is the carrying amount, net of any provisions for impairment of these assets, as disclosed in the balance sheet and notes to the financial statements. The University has no credit risk for derivative financial instruments.

Credit Risk Exposures

Credit risk is the risk of financial loss arising from another party to a contract or financial position failing to discharge a financial obligation there under. The consolidated maximum exposure to credit risk is represented by the carrying amounts of the financial assets included in the consolidated Balance Sheet.

2009 Consolidated	Financial				
	Governments	Institutions	Students	Others	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets					
Cash assets	-	110,575	-	6	110,581
Receivables	232,903	746	641	36,071	270,361
Finance lease receivables	-	-	-	21,480	21,480
Other financial assets	14,979	20,871	-	158	36,008
Listed investments	-	7,524	-	57,030	64,554
Unquoted investments	-	-	-	3,356	3,356
Total financial assets	247,882	139,716	641	118,101	506,340

37 Financial risk management (continued)

2008 Consolidated	Governments '000	Financial institutions \$'000	Students \$'000	Others \$'000	Total \$'000
Financial assets					
Cash assets	-	107,248	-	6	107,254
Receivables	267,175	6,939	3,665	14,851	292,630
Finance lease receivables	-	-	-	21,787	21,787
Other financial assets	65,831	15,606	-	-	81,437
Listed investments	-	13,360	-	25,542	38,902
Unquoted investments	-	-	-	3,613	3,613
Total financial assets	333,006	143,153	3,665	65,799	545,623

37 Financial risk management (continued)

2009

**Parent entity
(University)**

	Governments \$'000	Financial Institutions \$'000	Students \$'000	Others \$'000	Total \$'000
Financial assets					
Cash assets	-	73,397	-	6	73,403
Receivables	232,902	746	641	46,979	281,268
Finance lease receivables	-	-	-	21,480	21,480
Other financial assets	14,979	20,364	-	158	35,501
Listed investments	-	7,524	-	57,030	64,554
Unquoted investments	-	-	-	30,768	30,768
Total financial assets	247,881	102,031	641	156,421	506,974

2008

**Parent entity
(University)**

	Governments '000	Financial institutions \$'000	Students \$'000	Others \$'000	Total \$'000
Financial assets					
Cash assets	-	73,784	-	6	73,790
Receivables	266,994	961	3,665	18,774	290,394
Finance lease receivables	-	-	-	21,787	21,787
Other financial assets	65,831	15,203	-	-	81,034
Listed investments	-	13,360	-	25,542	38,902
Unquoted investments	-	-	-	21,025	21,025
Total financial assets	332,825	103,308	3,665	87,134	526,932

In 2009, Macquarie University does not have any significant exposure to any individual customer or counterparty, other than the above.

Financing facilities

There was no formal overdraft facility in place as at 31 December 2009. There was an unused Letter of Credit facility of \$70,000 with National Australia Bank at the year-end. There were also unused credit card facilities with ANZ with total of \$5.21 million at the year-end.

In January 1999 the University received approval from the Treasurer of New South Wales to borrow funds to the maximum of \$18 million towards the construction of student accommodation.

Such approval is required under Section 16.1(d) of the Macquarie University Act 1989. The interest rate of the loan was fixed at 7.035% for the period of the loan and the final drawn down amount was \$17.769 million. This loan is unsecured.

The balance of the loan outstanding after allowing for amortised cost adjustment as at 31 December 2009 was \$12.330 million (in 2008 was \$12.911 million).

In October 2007, the University received approval from the Treasurer of New South Wales to issue a Guarantee to the National Australia Bank in order for it to borrow funds to the maximum of \$123.5 million towards the construction of the Macquarie University Hospital.

The average interest rate of the loan was at 7.30% p.a for the period of the loan and the current drawn down amount is \$117.610 million.

The balance of the loan available after allowing for amortised cost adjustment as at 31 December 2009 was \$3.89 million (in 2008 was \$63.53 million).

37 Financial risk management (continued)

(d) Liquidity risk

The University manages liquidity risk by monitoring forecast cash flows and maintains sufficient cash to maintain short-term flexibility and enable the University to meet financial commitments in a timely manner.

Interest Rate Risk Exposures

The consolidated entity's exposure to interest rate risk and the effective weighted average interest rate by maturity periods is set out in the following table. For interest rates applicable to each class of asset or liability refer to individual notes to the financial statements.

Exposures arise predominantly from assets and liabilities bearing variable interest rates as the consolidated entity intends to hold fixed rate assets and liabilities to maturity.

Consolidated - 31 December 2009	Average Interest Rate %	Variable Interest Rate \$'000	Less than 1 Year \$'000	1 to 5 Years \$'000	5+ Years \$'000	Non Interest \$'000	Total \$'000
Financial assets							
Cash and cash equivalents	3.67	80,659	29,916	-	-	6	110,581
Receivables	-	-	-	-	-	270,361	270,361
Finance lease receivable	-	-	-	-	-	21,480	21,480
Other financial assets	4.95	15,137	20,871	-	-	-	36,008
Listed investments	-	384	-	-	-	64,170	64,554
Unquoted investments	-	-	-	-	-	3,356	3,356
Total financial assets		96,180	50,787	-	-	359,373	506,340
Financial liabilities							
Payables	-	-	-	-	-	44,570	44,570
Borrowings	6.07	-	1,033	121,640	7,459	-	130,132
Total financial liabilities		-	1,033	121,640	7,459	44,570	174,702
Consolidated - 31 December 2008							
	Average Interest Rate %	Variable Interest Rate \$'000	Less than 1 Year \$'000	1 to 5 Years \$'000	5+ Years \$'000	Non Interest \$'000	Total \$'000
Financial assets							
Cash and cash equivalents	6.54	90,209	15,610	-	-	1,435	107,254
Receivables	-	-	-	-	-	292,630	292,630
Finance lease receivable	-	-	307	1,445	20,035	-	21,787
Other financial assets	6.36	66,223	15,214	-	-	-	81,437
Listed investments	-	358	-	-	-	38,544	38,902
Unquoted investments	-	-	-	-	-	3,613	3,613
Total financial assets		156,790	31,131	1,445	20,035	336,222	545,623
Financial liabilities							
Payables	-	-	-	-	-	42,038	42,038
Borrowings	7.11	28,984	785	32,737	8,575	265	71,346
Total financial liabilities		28,984	785	32,737	8,575	42,303	113,384

37 Financial risk management (continued)

Parent - 31 December 2009	Average Interest Rate %	Variable Interest Rate \$'000	Less than 1 Year \$'000	1 to 5 Years \$'000	5+ Years \$'000	Non Interest \$'000	Total \$'000
Financial assets							
Cash and cash equivalents	3.65	73,397	-	-	-	6	73,403
Receivables	-	-	-	-	-	281,268	281,268
Finance lease receivable	-	-	-	-	-	21,480	21,480
Other financial assets	5.19	15,137	20,364	-	-	-	35,501
Listed investments	-	384	-	-	-	64,170	64,554
Unquoted investments	-	-	-	-	-	30,768	30,768
Total financial assets		88,918	20,364	-	-	397,692	506,974

Financial liabilities							
Payables	-	-	-	-	-	27,348	27,348
Borrowings	7.04	-	842	4,027	7,459	-	12,328
Total financial liabilities		-	842	4,027	7,459	27,348	39,676

Parent - 31 December 2008	Average Interest Rate %	Variable Interest Rate \$'000	Less than 1 Year \$'000	1 to 5 Years \$'000	5+ Years \$'000	Non Interest \$'000	Total \$'000
Financial assets							
Cash and cash equivalents	6.62	73,784	-	-	-	6	73,790
Receivables	-	-	-	-	-	290,394	290,394
Finance lease receivable	-	-	307	1,445	20,035	-	21,787
Other financial assets	5.90	66,223	14,811	-	-	-	81,034
Listed investments	-	358	-	-	-	38,544	38,902
Unquoted investments	-	-	-	-	-	21,025	21,025
Total financial assets		140,365	15,118	1,445	20,035	349,969	526,932

Financial liabilities							
Payables	-	-	-	-	-	25,125	25,125
Borrowings	7.04	-	785	3,753	8,575	-	13,113
Total financial liabilities		-	785	3,753	8,575	25,125	38,238

Interest rate swap contracts - cash flow hedges

It is policy to protect part of the loans from exposure to increasing interest rates. Accordingly, the Group has entered into interest rate swap contracts under which it is obliged to receive interest at variable rates and to pay interest at fixed rates.

The Group has entered into an interest rate swap starting on 20 October 2010, for a term of 5 years. This amounts to \$98.25 million in at an average interest rate of 6.6%.

The contracts require settlement of net interest receivable or payable each 30 days. The settlement dates coincide with the dates on which interest is payable on the underlying debt. The contracts are settled on a net basis.

Any gain or loss from remeasuring the hedging instruments at fair value is deferred in equity in the hedging reserve, to the extent that the hedge is effective, and reclassified into profit and loss when the hedged interest expense is recognised. The ineffective portion is the recognised in the income statement immediately.

37 Financial risk management (continued)

(e) Fair value estimation

The fair value of financial instruments traded in active markets (such as publicly traded derivatives) is based on quoted market prices at the balance sheet date. The quoted market price used for financial assets held by the University is the current bid prices.

The fair value of financial instruments that are not traded in an active market over the counter is determined using valuation techniques.

The carrying value less impairment provision of trade receivables and payables is a reasonable approximation of their fair values due to the short-term nature of trade receivables. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the University for similar financial instruments.

The carrying amounts and fair values of financial assets and liabilities at balance date are:

Consolidated	Carrying Amount		Fair Value	
	2009	2008	2009	2008
	\$'000	\$'000	\$'000	\$'000
Financial assets				
Cash and cash equivalents	110,581	107,254	110,581	107,254
Receivables	270,362	292,630	270,361	292,630
Finance lease receivable	21,480	21,787	21,480	21,787
Other financial assets	103,918	123,952	103,918	123,952
Total financial assets	506,341	545,623	506,340	545,623
Financial liabilities				
Payables	44,570	42,038	44,570	42,038
Borrowings	130,132	71,346	130,132	71,346
Total financial liabilities	174,702	113,384	174,702	113,384
Total	681,043	659,007	681,042	659,007

Parent	Carrying Amount		Fair Value	
	2009	2008	2009	2008
	\$'000	\$'000	\$'000	\$'000
Financial assets				
Cash and cash equivalents	73,403	73,790	73,403	73,790
Receivables	281,268	290,394	281,268	290,394
Finance lease receivable	21,480	21,787	21,480	21,787
Other financial assets	130,823	140,961	130,823	140,961
Total financial assets	506,974	526,932	506,974	526,932
Financial liabilities				
Payables	27,348	25,125	27,348	25,125
Borrowings	12,328	13,113	12,328	13,113
Total financial liabilities	39,676	38,238	39,676	38,238
Total	546,650	565,170	546,650	565,170

Macquarie University
Notes to the financial statements
31 December 2009
(continued)

37 Financial risk management (continued)

Consolidated	31 December 2009 \$'000	Level 1 \$'000	Level 2 \$'000
Financial assets			
Cash and cash equivalents	110,581	-	110,581
Receivables	270,361	-	270,361
Finance lease receivable	21,480	-	21,480
Other financial assets - current	36,008	-	36,008
Other financial assets - non current listed	64,554	64,554	-
Other financial assets - non current unlisted	3,356	-	3,356
Total	<u>506,340</u>	<u>64,554</u>	<u>441,786</u>

Financial liabilities	31 December 2009 \$'000	Level 1 \$'000	Level 2 \$'000
Payables	44,570	-	44,570
Borrowings	130,132	-	130,132
Total	<u>174,702</u>	<u>-</u>	<u>174,702</u>
Total	<u>681,042</u>	<u>64,554</u>	<u>616,488</u>

Consolidated	31 December 2008 \$'000	Level 1 \$'000	Level 2 \$'000
Financial assets			
Cash and cash equivalents	107,254	-	107,254
Receivables	292,630	-	292,630
Finance lease receivable	21,787	-	21,787
Other financial assets - current	81,437	-	81,437
Other financial assets - non current listed	38,902	38,902	-
Other financial assets - non current unlisted	3,613	-	3,613
Total	<u>545,623</u>	<u>38,902</u>	<u>506,721</u>

Financial liabilities	31 December 2008 \$'000	Level 1 \$'000	Level 2 \$'000
Payables	42,038	-	42,038
Borrowings	71,346	-	71,346
Total	<u>113,384</u>	<u>-</u>	<u>113,384</u>
Total	<u>659,007</u>	<u>38,902</u>	<u>620,105</u>

38 Acquittal of Australian Government financial assistance

38.1 DEEWR - CGS and Other DEEWR Grants

Parent entity (UNIVERSITY) ONLY	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	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programmes)	77,993	71,708	693	698	82	76	464	375	1,224	1,201	470	660	1,878	(22)
Net accrual adjustments	3,014	1,625	-	-	-	-	-	-	-	-	-	-	-	-
Revenue for the period	81,007	73,333	693	698	82	76	464	375	1,224	1,201	470	660	1,878	(22)
Surplus / (deficit) from the previous year	-	-	-	-	-	-	-	-	-	-	(1,799)	-	362	2,506
Total revenue including accrued revenue	81,007	73,333	693	698	82	76	464	375	1,224	1,201	(1,329)	660	2,240	2,484
Less expenses including accrued expenses	(81,007)	(73,333)	(693)	(698)	(82)	(76)	(464)	(375)	(1,224)	(1,201)	(485)	(2,459)	(2,240)	(2,122)
Surplus / (deficit) for reporting period	-	-	-	-	-	-	-	-	-	-	(1,814)	(1,799)	-	362

38 Acquittal of Australian Government financial assistance (continued)

38.1 DEEWR - CGS and Other DEEWR Grants (continued)

Parent entity (UNIVERSITY) ONLY	Improving the Practical Component of Teacher Education Initiative		Transitional Cost Program		Diversity & Structural Adjustment Fund ²		Total	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programmes)	373	556	1,638	2,345	815	1,063	85,630	78,660
Net accrual adjustments	-	-	-	-	-	-	3,014	1,625
Revenue for the period	373	556	1,638	2,345	815	1,063	88,644	80,285
Surplus / (deficit) from the previous year	-	-	-	-	1,181	213	(256)	2,719
Total revenue including accrued revenue	373	556	1,638	2,345	1,996	1,276	88,388	83,004
Less expenses including accrued expenses	-	(556)	(1,638)	(2,345)	(921)	(95)	(88,754)	(83,260)
Surplus / (deficit) for reporting period	373	-	-	-	1,075	1,181	(366)	(256)

¹Includes the basic CGS grant amount, Maths and Science Transition Loading and HEFA Transition Fund.

²Includes Collaboration and Structural Adjustment Program.

38 Acquittal of Australian Government financial assistance (continued)

38.2 Higher Education Loan Programmes

Parent entity (UNIVERSITY) ONLY

		HECS+HELP -- (Au stralian Government payments only)		FEE-HELP		Total	
		2009	2008	2009	2008	2009	2008
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		58,618	46,978	18,481	17,364	77,099	64,342
		4,252	2,236	5,655	877	9,907	3,113
		<u>62,870</u>	<u>49,214</u>	<u>24,136</u>	<u>18,241</u>	<u>87,006</u>	<u>67,455</u>
		<u>62,870</u>	<u>49,214</u>	<u>24,136</u>	<u>18,241</u>	<u>87,006</u>	<u>67,455</u>
		<u>(62,870)</u>	<u>(49,214)</u>	<u>(24,136)</u>	<u>(18,241)</u>	<u>(87,006)</u>	<u>(67,455)</u>

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

38 Acquitment of Australian Government financial assistance (continued)

38.3 Scholarships

Parent entity (UNIVERSITY) ONLY

	Australian Postgraduate Awards		International Postgraduate Research Scholarship		Commonwealth Education Cost Scholarships ¹		Commonwealth Accommodation Scholarships		Indigenous Access Scholarships		Total	
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	2,434	1,864	388	373	706	633	534	566	58	53	4,120	3,489
	<u>2,434</u>	<u>1,864</u>	<u>388</u>	<u>373</u>	<u>706</u>	<u>633</u>	<u>534</u>	<u>566</u>	<u>58</u>	<u>53</u>	<u>4,120</u>	<u>3,489</u>
	303	288	(107)	(80)	595	417	1,025	740	49	-	1,865	1,365
	2,737	2,152	281	293	1,301	1,050	1,559	1,306	107	53	5,985	4,854
	(2,282)	(1,849)	(437)	(400)	(1,226)	(455)	(1,557)	(281)	(5)	(4)	(5,507)	(2,989)
	<u>455</u>	<u>303</u>	<u>(156)</u>	<u>(107)</u>	<u>75</u>	<u>595</u>	<u>2</u>	<u>1,025</u>	<u>102</u>	<u>49</u>	<u>478</u>	<u>1,865</u>

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

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 reporting period

¹Includes National Priority Scholarships.

38 Acquittal of Australian Government financial assistance (continued)

38.4 DIISR Research

Parent entity (UNIVERSITY) ONLY	Institutional Grants Scheme		Research Training Scheme		Systemic Infrastructure Initiative		Research Infrastructure Block Grants		Implementation Assistance Programme		Australian Scheme for Higher Education Repositories		Commercialisation Training Scheme	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programmes)	5,832	5,829	11,097	10,997	-	-	3,162	3,438	146	138	251	235	114	108
Net accrual adjustments	5,832	5,829	11,097	10,997	-	-	3,162	3,438	146	138	251	235	114	108
Revenue for the period	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus / (deficit) from the previous year	-	-	-	-	-	701	-	-	137	67	68	127	170	97
Total revenue including accrued revenue	5,832	5,829	11,097	10,997	-	701	3,162	3,438	283	205	319	362	284	205
Less expenses including accrued expenses	(5,832)	(5,829)	(11,097)	(10,997)	-	(701)	(3,162)	(3,438)	(137)	(68)	(273)	(294)	(31)	(35)
Surplus / (deficit) for reporting period	-	-	-	-	-	-	-	-	146	137	46	68	253	170

38 Acquitment of Australian Government financial assistance (continued)

**38.4 DIISR Research (continued)
Parent entity (UNIVERSITY) ONLY**

	Total	
	2009	2008
	\$'000	\$'000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programmes)	20,602	20,745
Net accrual adjustments	<u>-</u>	<u>-</u>
Revenue for the period	<u>20,602</u>	<u>20,745</u>
Surplus / (deficit) from the previous year	375	992
Total revenue including accrued revenue	<u>20,977</u>	<u>21,737</u>
Less expenses including accrued expenses	<u>(20,532)</u>	<u>(21,362)</u>
Surplus / (deficit) for reporting period	<u>445</u>	<u>375</u>

38 Acquittal of Australian Government financial assistance (continued)

38.5 Other Capital Funding

Parent entity (UNIVERSITY) ONLY

	Better Universities Renewal Funding		Education Investment Fund		Total
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000	
	-	11,873	15,000	-	15,000
	-	11,873	15,000	-	15,000
	9,323	-	-	-	9,323
	9,323	11,873	15,000	-	24,323
	(9,323)	(2,550)	(5,407)	-	(14,730)
	-	9,323	9,593	-	9,593
	-	-	-	-	9,323

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

38 Acquitment of Australian Government financial assistance (continued)

38.6 Australian Research Council Grants

(a) Discovery

Parent entity (UNIVERSITY) ONLY

	Projects		Fellowships		Total	
	2009 \$ '000	2008 \$ '000	2009 \$ '000	2008 \$ '000	2009 \$ '000	2008 \$ '000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programmes)	7,091	7,941	77	658	7,168	8,599
Net accrual adjustments	-	-	-	-	-	-
Revenue for the period	<u>7,091</u>	<u>7,941</u>	<u>77</u>	<u>658</u>	<u>7,168</u>	<u>8,599</u>
Surplus / (deficit) from the previous year	4,027	5,049	666	669	4,693	5,718
Total revenue including accrued revenue	11,118	12,990	743	1,327	11,861	14,317
Less expenses including accrued expenses	(7,988)	(8,963)	(370)	(661)	(8,358)	(9,624)
Surplus / (deficit) for reporting period	<u>3,130</u>	<u>4,027</u>	<u>373</u>	<u>666</u>	<u>3,503</u>	<u>4,693</u>

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

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 reporting period

38 Acquittal of Australian Government financial assistance (continued)

38.6 Australian Research Council Grants (continued)

(b) Linkages

Parent entity (UNIVERSITY) ONLY

	Special Research Initiatives		International		Projects		Total	
	2009	2008	2009	2008	2009	2008	2009	2008
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programmes)	-	-	15	11	2,157	1,695	2,172	1,706
Net accrual adjustments	-	-	15	11	2,157	1,695	2,172	1,706
Revenue for the period	34	34	19	50	1,105	1,533	1,158	1,617
Surplus / (deficit) from the previous year	34	34	34	61	3,262	3,228	3,330	3,323
Total revenue including accrued revenue	(34)	-	(22)	(42)	(2,829)	(2,123)	(2,885)	(2,165)
Less expenses including accrued expenses	-	34	12	19	433	1,105	445	1,158
Surplus / (deficit) for reporting period	-	-	-	-	-	-	-	-

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

38 Acquitment of Australian Government financial assistance (continued)

38.6 Australian Research Council Grants (continued)

(c) Networks and Centres

Parent entity (UNIVERSITY) ONLY

	Research Networks		Centres		Total	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
	712	1,397	-	844	712	2,241
	<u>712</u>	<u>1,397</u>	<u>-</u>	<u>844</u>	<u>712</u>	<u>2,241</u>
	534	1,250	-	-	534	1,250
	1,246	2,647	-	844	1,246	3,491
	(1,573)	(2,113)	-	(844)	(1,573)	(2,957)
	<u>(327)</u>	<u>534</u>	<u>-</u>	<u>-</u>	<u>(327)</u>	<u>534</u>

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

38 Acquittal of Australian Government financial assistance (continued)

38.7 OS-HELP

	Parent entity Macquarie	
	University ONLY	
	2009	2008
	\$'000	\$'000
Cash Received during the reporting period	603	399
Cash Spent during the reporting period	(354)	(336)
Net Cash received	249	63
Cash Surplus / (deficit) from the previous period	(64)	(127)
Cash Surplus / (deficit) for reporting period	185	(64)

39 Retrospective correction of prior periods

The University has followed the requirements of AASB 108 'Accounting Policies, Changes in Accounting Estimates and Errors' and has retrospectively restated the comparative amounts for the prior period(s) in which the errors occurred.

Treatment of State Authorities Non Contributory Superannuation Scheme (SANCS)

In previous years, the University has recognised a receivable from the Commonwealth for unfunded deferred liabilities relating to all NSW State Superannuation Schemes (SASS, SSS and SANCS).

In February 2010, it has been brought to the University's attention that the Commonwealth does not support the unfunded liability relating to SANCS. To date, this scheme has not been included in the 'Commonwealth Supplementation of Superannuation Expenses' claim form and SANCS is not included as a Superannuation Scheme registered by the Commonwealth for supplementation of superannuation expenses under the Higher Education Support Act 2003 and in accordance with clause 5.35.1 of the Other Grants Guidelines.

As it is now uncertain that the Commonwealth receivable for SANCS reported in prior years will be received and due to the materiality of the deferred superannuation receivable, this has been recognised as a prior period error.

Provision of Annual Leave

The prior period error arose from the exclusion of superannuation oncosts on the outstanding annual leave balances.

The inclusion of a superannuation oncosts on the outstanding annual leave balances has impacted the Statement of Financial Position and the Income Statement.

Due to the materiality of the adjustment, it has been recognised as a prior period error.

39 Retrospective correction of prior periods (continued)

The following table summarises the retrospective adjustment.

	Consolidated		Parent	
	2008	2007	2008	2007
	\$'000	\$'000	\$'000	\$'000
Non Current Receivables				
Deferred government contribution for superannuation				
Original amount included in previous annual financial statements	269,841	121,339	269,841	121,339
Write back of SANCS receivable	<u>(3,397)</u>	<u>(737)</u>	<u>(3,397)</u>	<u>(737)</u>
Amended deferred government contribution for superannuation	<u>266,444</u>	<u>120,603</u>	<u>266,444</u>	<u>120,603</u>
Current provisions expected to be settled after more than 12 months				
Employee benefits				
Annual leave - original	3,411	2,796	3,411	2,796
Adjustment for taken up 14% superannuation in calculating annual leave	<u>1,895</u>	<u>1,926</u>	<u>1,895</u>	<u>1,926</u>
Total change in current provisions	<u>5,306</u>	<u>4,722</u>	<u>5,306</u>	<u>4,722</u>
Operating Result				
Original amount included in previous annual financial statements*	26,195		19,031	
Adjustment for change in SANCS liability*	<u>(2,660)</u>		<u>(2,660)</u>	
Adjustment for change in annual leave provision	<u>30</u>		<u>30</u>	
Amended operating result	<u>23,565</u>		<u>16,401</u>	
Equity - Retained Surplus				
Original amount included in previous annual financial statements	751,167	724,972	721,060	702,029
Adjustment for change in SANCS liability	<u>(3,397)</u>	<u>(737)</u>	<u>(3,397)</u>	<u>(737)</u>
Adjustment for change in annual leave provision	<u>(1,895)</u>	<u>(1,926)</u>	<u>(1,895)</u>	<u>(1,926)</u>
Amended retained surplus	<u>745,874</u>	<u>722,309</u>	<u>715,767</u>	<u>699,366</u>

*No disclosure provided for 2007 operating result, the cumulative impact is included in the Retained Surplus.

40 Events occurring after the balance sheet date

There has not occurred in the period between the end of the financial year (31 December 2009) and the date of this report any item, transaction or event of a material nature to significantly affect the financial position of the University.

END OF AUDITED FINANCIAL STATEMENTS

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