

MACQUARIE
UNIVERSITY



IMAGE: PAUL WRIGHT



Annual Report 2011



IMAGE: F. J. GAYLOR

Contact us

Location: Balaclava Road, North Ryde, Sydney, Australia
Postal address: Macquarie University, NSW 2109, Australia
Business hours: Monday – Friday, 9am – 5pm

T: +61 2 9850 7111
F: +61 2 9850 7433
mq.edu.au

External costs incurred in the production of this Annual Report totalled \$1815.52

ISSN 0728–9480
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Annual Report

For the period 1 January 2011 to 31 December 2011

The Hon Adrian Piccoli, BEc, LLB MP
Minister for Education
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 2011. 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 and President

The Macquarie edge

- ranked in the **top two per cent of universities in the world**, offering internationally recognised and respected degrees
- **number one in environmental sciences and ecology research in Australia and New Zealand** reflecting Macquarie's commitment to research excellence
- an outstanding proportion of research ranked as well-above world standard (ERA 5 out of 5) making **Macquarie first in New South Wales** and fourth in Australia
- **research driven by international collaboration** – forty per cent of Macquarie's research includes an international co-author, placing Macquarie fourth in Australia in this measure
- **a world leader in biological sciences, Earth sciences, environmental sciences, physical sciences, and psychology and cognitive sciences** (rating 5 out of 5 in the Federal Government's Excellence in Research for Australia initiative)
- **Australia's most technologically advanced hospital** including the country's only gamma knife for leading-edge treatment of brain cancer and a cyclotron for the production of radioactive isotopes for medical imaging
- an investment in the Australian Hearing Hub that will deliver the **worlds' leading research facility in hearing** including the market leader **Cochlear Ltd**
- the **only curriculum to offer people, planet and participation units** so students can engage with the local and global community
- a campus in one of the **largest business and technology precincts in the southern hemisphere**, creating a hub of innovation and excellence
- multi-billion dollar investment in facilities and infrastructure, including the **most high-tech university library in Australia**
- international excellence in applied finance with over 1200 **students at campuses in Sydney CBD, Melbourne, Singapore and Beijing**
- a **126-hectare park-like campus** protected by our **award-winning sustainability** practices

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IMAGE: PAUL WRIGHT

Macquarie University leading the way

Macquarie University is renowned for excellence in learning, teaching and research across interdisciplinary areas, for its unique work-ready, life-ready curriculum, and for providing students from all walks of life with the very best education and pathway to success.

Macquarie University is located on a beautiful 126 hectare campus in the heart of Australia's largest high-technology corridor. This location has enabled the University to bring world-leading companies on campus, and to New South Wales, such as Cochlear, Panasonic, Nortel, Siemens and 10 other companies. Macquarie foresees that its unique collaborative environment will bring more of the best companies in the world to campus in the coming years. The University's partnerships with industry allow a collaborative approach to research and teaching, and provide Macquarie students with first-class internship opportunities with world-leading companies to ensure Macquarie graduates are highly sought after and command high starting salaries.

Dedicated to excellence

In the recent Excellence in Research for Australia (ERA) initiative, Macquarie is ranked fourth in Australia in terms of research at the highest level, achieving the maximum '5' rating – outstanding performance well above world standard – in biological sciences, Earth sciences, environmental sciences, physical sciences, and psychology and cognitive sciences. In total, 80 per cent of Macquarie's research activity is rated as performing at world standard or higher.

Over the past five years Macquarie has built on its outstanding reputation through targeted investment in areas of national and international significance. Ninety top-class researchers have been recruited through the University's Concentrations of Research Excellence (CORE) program, which is centred on 18 high-performing research areas.

These activities and achievements are supported by investments of more than \$600 million in facilities and infrastructure that attract and retain high-quality students and researchers, alongside commercial developments that promote strategic alliances with external commercial and research-based institutions. As well as providing high-quality teaching and research facilities, these investments build an endowment for future generations.

Macquarie students are taught to think differently – they don't just learn what to think, they learn how to think. The University's programs offer both specialisation and breadth of study, and are structured to ensure students develop qualities, skills and knowledge that are essential for them to succeed in a challenging, changing world.

The University provides a wide range of scholarships which have an emphasis on social inclusion and equity and are awarded on the basis of financial need and/or other hardship. It offers generous scholarships to mature-aged and Indigenous students, students from a refugee background, or students who display academic excellence or sporting achievement.

In 2011, Macquarie's unique Participation and Community Engagement (PACE) initiative placed over 1000 students in businesses and organisations in the local community adding value to community organisations and providing enormous personal development to students. PACE expanded its partnerships and signed 73 new partnership agreements with a range of government entities, NGOs, private sector companies and community based-organisations in the Sydney metropolitan area. Macquarie also encourages all students to enrich their learning through international experiences and opportunities. The University's unique leadership and exchange programs broaden students' views of the world, develop their social conscience and strengthen their career prospects. Macquarie's Student Exchange Program is one of the most extensive of any Australian university, with partner universities in more than 50 countries.

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 2011.

Members

The following persons were members of the Macquarie University Council during 2011:

The Hon Michael Egan – Chancellor
Ms Elizabeth Crouch – Deputy Chancellor
Professor Steven Schwartz – Vice-Chancellor and President
Professor Julie Fitness – Vice-President, Academic Senate
Mr Andrew Bissett
Dr Wylie Bradford
Ms Maxine Brodie
Professor Linda Cupples
Mr Chum Darvall
The Hon Patricia Forsythe
Mr Greg Jones
Professor Deb Kane
Mr Greg Lindsay, AO
Mr Warren Mundine
Mr Edwin Nelson
The Hon Sandra Nori
Mr Steve Rubic
Ms Amy Smith
Mr Greg Ward
Mr John Wigglesworth

Meetings of members

Information about the numbers of meetings of the members of Macquarie University's Council held during the year ended 31 December 2011, and the number of meetings attended by each member, appears on page 9 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.

Review of operations

The activities of the Council of Macquarie University during 2011 included:

- receipt of the Vice-Chancellor's yearly report on progress against 2011 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 key performance indicators
- approval of increases in fees effective from 2011
- 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 International and Development portfolio
- approval of key compliance reports including the *Macquarie University 2010 Annual Report*
- approval of the *2012 Consolidated Budget* and *2012 Capital Management Plan*.

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 2011.

Likely developments and expected results of operations

There have been no developments of significance since the end of 2011.

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.

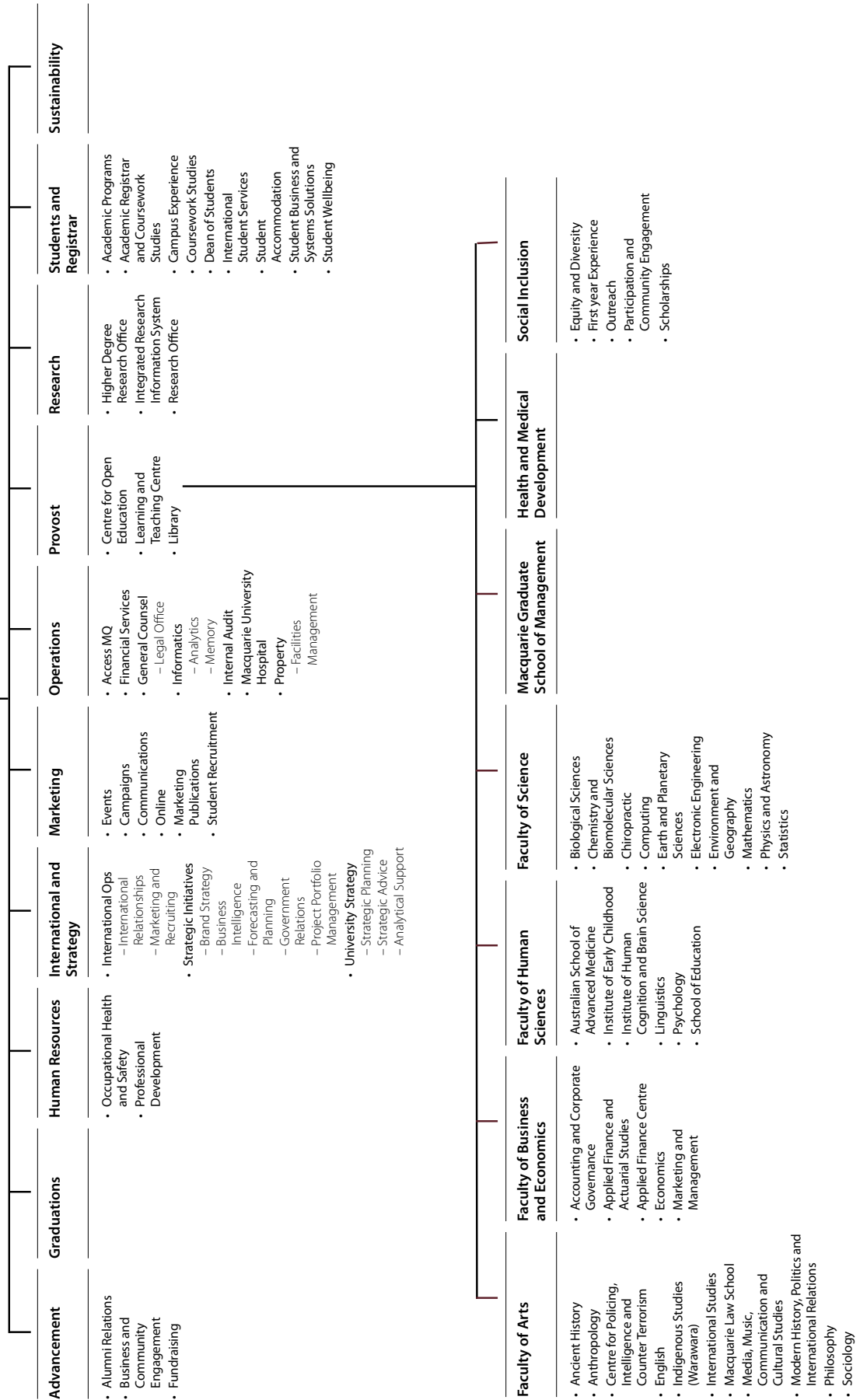
This report is made in accordance with a resolution of the members of the Macquarie University Council.



Michael Rueben Egan
Chancellor
Member of the Macquarie University Council
North Ryde, NSW
12 April 2012

Organisational chart

Vice-Chancellor



Principal office bearers

Visitor

Her Excellency the Governor of New South Wales

Chancellor

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

Deputy Chancellor

Ms Elizabeth Crouch, BEc *Macq.*, FAICD

Vice-Chancellor and President

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 Jim Piper, BSc *Otago*, PhD *Otago*, FOSA, FAIP

Deputy Vice-Chancellor, Chief Operating Officer

Dr Peter Dodd, BCom *NU*, MCom *Qld*, MSc *Rochester*, PhD *Rochester*

Deputy Vice-Chancellor (Students and Registrar)

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

Chief Financial Officer

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

Director, Human Resources

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

Vice-President (International and Strategy)

Mr David Wright, B Com *UC*, LLB *UC*, GDLP *ANU*

Macquarie University Council

(Membership as at 31 December 2011)

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 objectives and interests of the University.

Members of Council

The Chancellor

Elected pursuant to Section 10(1) of the Act

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

Current term to 28 February 2014

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 Chair of the Academic Senate

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

Professor Julie Fitness, BA *Canterbury*, MA (Hons) *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.*, FAICD

Current term to 31 December 2012

The Hon Patricia Forsythe, BA DipEd *Newcastle (NSW)*

Current term to 31 December 2012

Mr Gregory Mackenzie Jones, BA *Macq.*, MA *Macq.*

Current term to 31 December 2012

Mr Warren Mundine, Hon DUniv *Sthn Cross*, FAIM MAICD

Retired 31 December 2011

The Hon Sandra Christine Nori, BEc *Syd.*

Current term to 31 December 2012

John Wigglesworth, BEc *Macq.*, CA

Current term to 31 December 2012

Appointed by Council

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

Mr Greg Ward, BEc *Macq.*, MEc *Macq.*, FCA., F Fin
Current term to 31 December 2013

Elected by and from the academic staff

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

Dr Wylie Bradford, BEc(Hons) *Newcastle (NSW)*,
MPhil *Cambridge*, PhD *Cambridge*
Current term to 31 December 2013

Professor Linda Cupples, BSc(Hons) *Monash and Melbourne*,
PhD *Melbourne*
Current term to 31 December 2013

Professor Deb Kane, BSc(Hons) *Otago*, PhD *St Andrews*
Current term to 31 December 2013

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 2012

Elected by and from the students of the University

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

Ms Amy Smith
Retired 21 May 2011

Mr Edwin Nelson
Appointed 22 May 2011 and term concludes 21 May 2012

Appointed by Council

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

Mr Andrew Bissett, BCom *Macq.*, MCom *Macq.*, MBA *Macq.*,
CA., GAICD., CISA.
Current term to 30 June 2015

Mr Chum Darvall BA *Macq.* F Fin and FAICD
Current term to 31 December 2012

Mr Gregory John Lindsay, AO BA *Macq.*, DipTchg STC
Current term to 31 December 2013

Mr Steven Rubic, BHealthAdmin *NSW*, MBA *MGSM*, FAICD
Current term to 31 December 2012

Members' attendance at meetings

	Council	
	A	B
The Hon Michael Egan	6	6
Ms Elizabeth Crouch	6	6
Professor Steven Schwartz	5	6
Professor Julie Fitness	6	6
Mr Andrew Bissett	3	6
Ms Maxine Brodie	6	6
Dr Wylie Bradford	5	6
Professor Linda Cupples	6	6
Professor Deb Kane	6	6
Mr Chum Darvall	3	6
The Hon Patricia Forsythe	5	6
Mr Greg Jones	6	6
Mr Greg Lindsay AO	4	6
Mr Warren Mundine	3	6
Mr Edwin Nelson	3	4
Mr Steve Rubic	4	6
The Hon Sandra Nori	5	6
Ms Amy Smith	2	2
Mr Greg Ward	3	6
Mr John Wigglesworth	6	6

A Number of meetings attended.

B Number of meetings eligible to attend.

Executive performance summary

Name	Position	Remuneration and performance payment	Statement of performance
Professor Steven Schwartz	Vice-Chancellor and President	\$722,421 Bonus earned \$162,240 Long term bonus \$300,000	Has been in this role for the full reporting period. All learning, teaching and research targets were achieved. Achieved financial and institutional performance targets.
Professor Judyth Sachs	Deputy Vice-Chancellor (Provost)	\$433,952 Bonus \$71,386	Has been in the role for the full reporting period. Achieved student growth targets. Delivered new postgraduate curriculum and new learning management system. Developed new undergraduate and masters degrees.
Professor Jim Piper	Deputy Vice-Chancellor (Research)	\$378,732 Bonus \$59,162	Has been in the role for the full reporting period. Increased research staff, students and income. Achieved quality targets in trial ERA and delivered collaborative projects on time and within budget
Dr Peter Dodd	Deputy Vice-Chancellor and Chief Operating Officer	\$308,109 Bonus \$67,200	Has been in the role for the full reporting period. Delivered major capital projects on time, on budget. Improved organisation-wide technology. Managed successful first year operations of Macquarie University Hospital.
Ms Deidre Anderson	Deputy Vice-Chancellor (Students and Registrar)	\$309,425 Bonus \$50,000	Has been in the role since September 2011. Delivered improved student support services, student consultation processes and retail, sport and recreation offerings.
Ms Caroline Trotman	Deputy Vice-Chancellor (International and Development)	\$253,677 Bonus \$64,896 Benefits \$345,292	In the role until September 2011. Delivered increased market share and international exchange partnerships.
Mr John Gorman	Chief Financial Officer	\$380,825 Bonus \$62,565	Has been in the role for the full reporting period. Delivered a second Aa2 rating. Improved budget processes. Improved audit framework.
Mr Tim Sprague	Director, Human Resources	\$329,393 Bonus \$54,026	Has been in the role for the full reporting period. Delivered review of support services. Improved appointment, promotion and workload processes.
Mr David Wright	Vice-President International and Strategy	\$229,975 (part year) Bonus – not eligible in 2011	Has been in the role since April 2011. Developed strategic framework. Delivered several major strategic projects and international engagement strategy.

Notes: Bonus payments paid in 2011 relate to 2010 performance, hence the statement of performance reflects 2010 performance. Remuneration includes superannuation.

Research excellence

Macquarie is one of the country's leading research universities, bringing the best minds together and enabling them to conduct cutting-edge research without traditional disciplinary boundaries.

Research quality

The Australian Government announced the results of the first Excellence in Research for Australia initiative in January 2011. Macquarie's research strengths were assessed in 21 out of a possible 25 broad fields of research. Of these, five fields of research were awarded the highest possible rating of 5 which is described as 'outstanding performance well above world standard'. These fields were: biological sciences, Earth sciences, environmental sciences, physical sciences, and psychology and cognitive sciences. History and archaeology, electrical and electronic engineering, and linguistics were rated as 4 which is 'above world standard', while a further nine of the University's research areas were classed as being 'at world standard'. These results place Macquarie firmly within the top echelon of research intensive universities in Australia.

The 2011/2012 Leiden Ranking reinforced Macquarie University's outstanding research performance by placing the University fourth in Australia in terms of scientific impact. Using a sophisticated set of bibliometric indicators, the Leiden Ranking measures the scientific performance of 500 major universities worldwide.

Research publications

Macquarie University researchers increased their output of research publications in 2010 by almost 5 per cent over 2009, with significant increase in the numbers of book chapters and conference papers. The Faculty of Science continued to contribute strongly to this outcome, producing almost half of the refereed journal articles reported by the University.

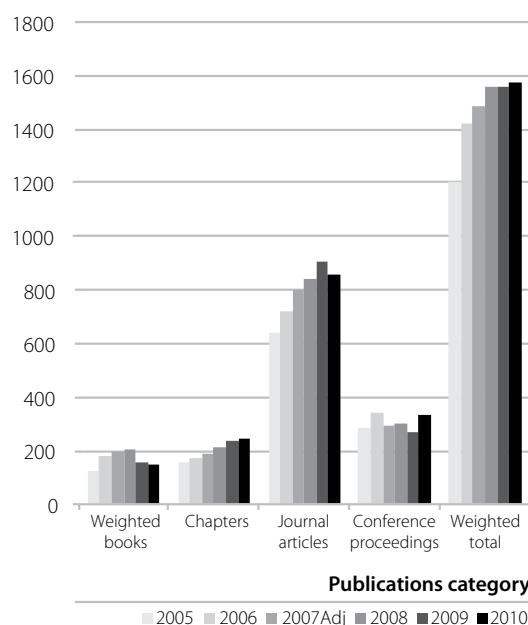
Macquarie is ranked third in the country when considering the number of highly cited researchers per FTE academic. In terms of 2010 weighted research publications per academic FTE, Macquarie again outperformed all non-Group of Eight universities and all but two Group of Eight universities.

Macquarie University researchers actively cooperate with other researchers both nationally and internationally. In 2011, 40 per cent of Macquarie University research article publications were co-authored with researchers from another country, while 38 per cent were co-authored with researchers from another Australian university or institution.

Building on its international reputation for outstanding research in environmental science, Macquarie University was ranked 11th in the world for highly cited research papers in environment/ecology (*Thomson Reuter's Essential Science Indicators*). This placed Macquarie alongside Princeton, Stanford, NASA and the Smithsonian Institute

as the institutions producing the most cited research in environmental science.

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



Research funding

Macquarie University researchers attract significant funding through competitive research grants and negotiated research contracts. In 2011, the University reported \$34.66 million of competitive external research earned during 2010. In addition, the University was awarded \$27.05 million of research block grants from the Australian Government in 2011.

Medical research at Macquarie is increasing following the foundation of, and recruitment of staff into, the Australian School of Advanced Medicine and the Macquarie University Hospital. Macquarie University achieved record success in its 2011 grant applications to the National Health and Medical Research Council, with a quarter of all applications successful. In 2011 the NHMRC awarded \$4.5 million for projects that will commence at the University in 2012 – almost double the sum awarded in 2010.

During 2011, Macquarie researchers were awarded over \$18 million in funding from the Australian Research Council for 37 project grants and 17 fellowships.

An early analysis of research income received in 2011 indicates that the University will exceed its 2010 research income total by approximately \$10 million (~30 per cent).

Research partnerships

National highlights in the development of partnerships include the establishment of two new prestigious ARC Centres of Excellence – the Centre for Cognition and its Disorders, and the Centre for Core to Crust Fluid Systems.

The University is also a major partner in two other ARC Centres of Excellence – the Centre for Ultrahigh-bandwidth Devices for Optical Systems and the Centre for Engineered Quantum Systems.

Leading researcher Dr Stephen Hanly was appointed as the inaugural CSIRO-Macquarie University Chair in Wireless Communications, with funding provided by the Science and Industry Endowment Fund and Macquarie University.

Macquarie University became a Foundation Partner in the Centre for International Finance and Regulation. Sponsored by the Australian and New South Wales governments and comprising a consortium of universities and associates, the centre will actively link academia with policy makers, regulators and industry.

Internationally, Macquarie has entered into agreements with a number of leading Chinese universities to further develop collaboration in research and teaching including academic exchange in areas of mutual strength and interest. Under these agreements, and in partnership with the China Scholarship Council, the University will jointly offer a number of postgraduate research scholarships for three years full-time PhD research in 2012–2015.

Higher degree research enrolments and completions

Macquarie's higher degree research (HDR) training program is strategically focused to ensure high achieving applicants receive candidature places and scholarships. The University's targeted higher degree research scholarships reward candidates and successful researchers working in priority areas. As depicted in Figure 2, higher degree research enrolments have increased by 35 per cent between 2005 and 2011, rising from 1430 to 1932.

The University achieved its highest ever number of HDR completions in 2011 (244) exceeding the University's target of 230. As shown in Figure 3 Macquarie has increased its annual HDR completions by 96 (or 65 per cent) between 2005 and 2011 and the University ranks in the top 10 Australian Universities in (weighted) completions. With a continued focus on improving research training management systems and processes it is expected that the number of completions will continue to increase annually.

Major improvements in higher degree research program management, both centrally and within the faculties, have resulted in steadily increasing approval ratings in the national Postgraduate Research Experience Questionnaire with a significant improvement in satisfaction (from 89.1 to 92.0) in the 'broadly agree' category for overall satisfaction.

In 2011 Macquarie University announced it will adopt a new postgraduate degree structure from 2013, making it the first Australian university to fully align with European, North American and Asian qualifications. The Academic Senate voted in favour of a new two-year research training masters degree as the standard pathway to PhD study.

A major focus of 2011 was the quality, resourcing and development of HDR supervision. The University's Supervision Enhancement Program was redesigned and a new website was developed as a resource specifically for HDR supervisors.

The Director of Higher Degree Research, Dr Ren Yi has been appointed President of the Executive Committee of the Australasian Research Management Society (ARMS). ARMS is the professional society for specialists who manage and administer research. At the 2011 ARMS Annual General Meeting the Faculty of Human Sciences research team: Associate Professor Mark Wiggins, Professor Jennifer Bowes, Mr Colm Halbert, Ms Peggy Hui and Ms Kay Bowes-Tseng received the ARMS Awards for Excellence in the team category for their implementation of high-quality services across the lifecycle of research management.

Figure 2: Higher degree research student enrolments

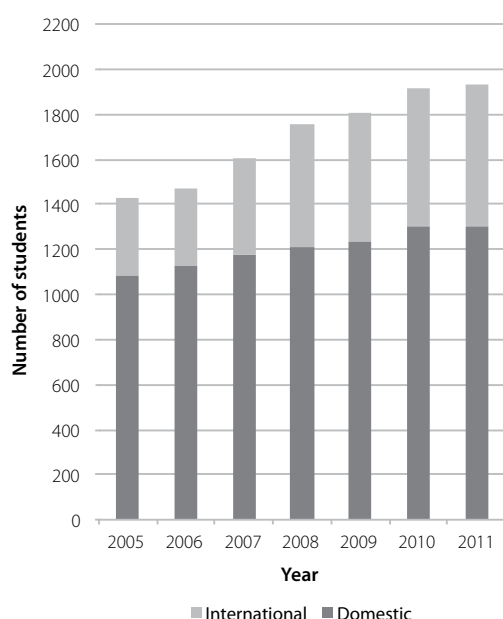
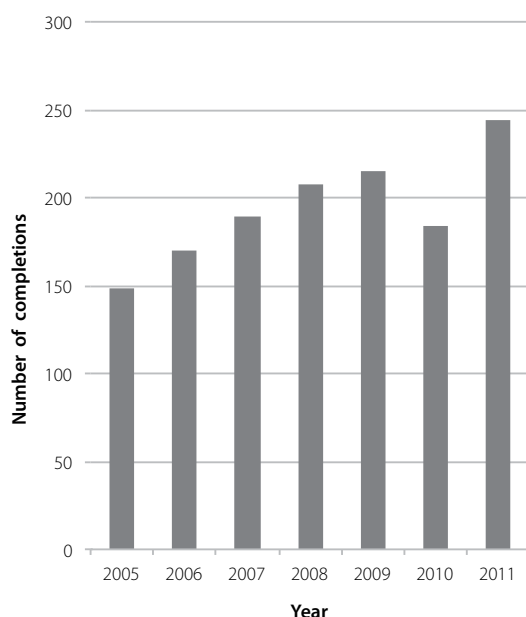


Figure 3: Higher degree research student completions



Research excellence recognised

ARC Future Fellowships

In 2011, eight prestigious ARC Future Fellowships were awarded to researchers for projects commencing in 2012. Macquarie's success rate of 47 per cent was well above the national average success rate (31 per cent). The Future Fellowships were awarded as follows:

Dr Elena Belousova will investigate the origin and evolution of the continental crust and its tectonic and genetic links to the mantle beneath it.

Associate Professor Stephen Lack will study two exciting new branches of algebra – quantum algebra and postmodern algebra – which is expected to lead to important advances in physics, geometry and computing.

Associate Professor Robyn Langdon will advance knowledge of the thinking processes and the associated neural changes that cause the lifelong social disability schizophrenia.

Dr Joshua Madin will develop a novel 'first principle' approach to integrate biomechanics and ecology to move from an individual to population level understanding of the effects of environmental change.

Associate Professor Marion Maddox will analyse a range of educational controversies in France, USA and Australia to propose programs and policies that enhance inclusion in religiously diverse societies.

Dr Gabriel Molina Terriza will study nature through the use of twisted photons.

Dr Sandra Piazzolo will investigate in detail how rocks flow in the lowest part of the Earth's crust.

Dr Daniel Zucker will address basic questions about the formation and evolution of galaxies like our Milky Way.

ARC Discovery Early Career Researcher Awards

Eight promising early career researchers were awarded an ARC Discovery Early Career Researcher Award to be undertaken at Macquarie:

Dr Nicolas Bulloz will develop and test a multidisciplinary theory of the means used by people and social institutions to gather information about human individuals.

Dr Kelly Clemens will model the changes to the brain and behaviour of rats during the development of nicotine-seeking habits with a view to better understanding how to reduce tobacco dependence.

Dr Rochelle Cox will examine how closely and usefully hypnosis models clinical delusions: the outcomes may guide the development of more effective treatments.

Dr Melissa Farnham aims to understand how the pathways in the brain which control blood pressure develop 'memory' after repeated episodes of low oxygen.

Dr Paul Formosa will explore what dignity is, its philosophical basis and its practical implications for bioethics.

Dr Elizabeth Madin seeks to understand how both fishing and marine reserves can shape coral reef landscapes by changing the way herbivores behave while foraging for food.

Dr Alexandra Woolgar will develop innovative brain imaging techniques and use them to examine this process in vision, fundamental for understanding the human brain, and advancing neuroscience in Australia.

Dr Melanie Zeppel aims to understand plant water use as the timing of rain shifts to help us manage Australia's water more effectively.

NHMRC fellowships

As one of the country's leading professors of medical physiology, based in the University's Australian School of Advanced Medicine, Professor Paul Pilowsky was awarded a Principal Research Fellowship. Dr Quincy Wong from the Department of Psychology was awarded an Early Career Researcher Fellowship to investigate cognitive factors in youth that increase vulnerability to social phobia.

Other research highlights

Dr Anina Rich was a 2011 People's Choice Award Finalist for the prestigious Australian Museum Eureka Prize for Outstanding Young Researcher.

Dr Linda Graham received the Paul Bourke Early Career Research Award. Issued by the Academy of the Social Sciences in Australia, the award is presented to one outstanding Australian scholar each year.

Dr Melanie Bishop was recognised for her outstanding contributions to our understanding of how the marine environment is increasingly threatened by human development at the prestigious 2011 Young Tall Poppy Science Awards for NSW.

Associate Professor Arthur Shores and Dr Andrew Gardner were recognised by the US-based professional organisation, the National Academy of Neuropsychology (NAN). Shores was recently made an Honorary Fellow of NAN and is among the first group of Australians to receive this prestigious distinction. Gardner, who completed his Doctor of Psychology (Clinical Neuropsychology) thesis under Shores' primary supervision in

2010, received the 2011 Outstanding Dissertation Award for his thesis.

Professor Marcus Stoodley was awarded the John Mitchell Crouch Fellowship by the Royal Australasian College of Surgeons.

Professor Tim Flannery was appointed to head the Australian Government's newly created independent commission on climate change. Flannery is Chief Commissioner and leads a panel of six experts including Professor Lesley Hughes.

Distinguished Professors

The title of Distinguished Professor is awarded to eminent professors of exceptional distinction who have made an outstanding contribution to their field or discipline, and to the University. In 2011 these highly prestigious awards were made to Professor Murray Goot and Professor Bill Griffin.

Macquarie's Research Excellence Awards

These awards promote excellence across the full spectrum of research activity. The 2011 winners were:

Excellence in Research – Social Sciences, Business and Humanities

Genes for Therapy

Team Leader: Associate Professor Jennifer Hudson

Excellence in Research – Science and Engineering

Twinkle Twinkle Little Diamond

Team Leader: Dr James Rabeau

Excellence in Higher Degree Research – Social Sciences, Business and Humanities

Reading and Learning to Read: Morphological processing in children and adults

Team Leader: Ms Elisabeth Beyersmann

Excellence in Higher Degree Research – Science and Engineering

Analysis of pulsatile function of the retinal vasculature for non-invasive assessment of cerebrospinal fluid pressure

Team Leader: Mr Seyyed Mojtaba Golzan

Excellence in External Research Partnership

Sharing knowledge, mutual benefits and self-determined futures: Collaborating with Bawaka Cultural Experiences, North East Arnhem Land

Team Leaders: Dr Sandy Suchet-Pearson and Dr Kate Lloyd

Excellence in Research in Sustainability

The legacy of lead in Australian cities and environments

Team Leader: Dr Mark Patrick Taylor

2011 Early Career Researcher of the Year

Dr Linda Graham

Outstanding learning and teaching

Macquarie focuses on motivating and inspiring students, reflecting a command of a field of study, fostering independent learning, respecting students as individuals and participating in scholarly activities to enhance learning and teaching.

During 2011, Macquarie's commitment to learning and teaching was borne out in a number of initiatives. The new University library opened without one day of closure to on-campus users, while a new Learning Management System (an online digital repository, and data capture of lectures and lecture content), an online student administration customer relationship management system, a new timetabling system, and iLab (by which students can remotely access disciplinary software previously only available on campus) were launched to great success.

The year ended with incorporation of Summer School into the academic year as Session 3 by offering Commonwealth Supported Places to domestic undergraduate and some postgraduate students.

2011 achievements:

- established the Participation and Community Engagement initiative with 73 partnership agreements and 29 participation units accredited by Academic Senate
- development of the first flexible learning space on campus – the C5C Forum
- adoption of Learning Space Design Principles
- adoption of a regime for 'Academic Quality in the Context of Online Education'
- founding of the Teaching Excellence Academy where national award winning teachers advise the Provost on issues relating to teaching quality
- development of the Teaching Standards Framework into an online tool, funded by DEEWR
- collection of, and reward for, Teaching Esteem Factors through the Teaching Index
- establishment of the position of DVC (Students and Registrar)
- professional development for all teaching staff at North Sydney Girls High School and North Sydney Boys High School through the Uni for a Day program
- establishment of the Macquarie Collection in the University of Papua New Guinea Library.

Teaching excellence

Our goals for quality teaching include continual improvements in curriculum; fostering student engagement; supporting research-enhanced learning and teaching; recognising and rewarding excellence; promoting diversity, equity and international awareness; and supporting student learning.

The Vice-Chancellor's awards for learning and teaching continued in 2011, recognising eight members of staff and two programs. The Australian Learning and Teaching Council announced Professor James Dalziel as one of the five recipients of the prestigious 2011 National Teaching Fellowships. The win marks a special milestone for the University, as it is the first time a National Teaching Fellowship has been awarded to someone from Macquarie.

The University celebrated further success with the following staff winning Australian Learning and Teaching Council Citations for Outstanding Contribution to Student Learning:

- the BIOL114 team consisting of Associate Professor Marie Herberstein, Ms Rekha Joshi, Mr James O'Hanlon and Mr Matthew Bulbert
- Mr Rod Lane
- Dr Jana Lay-Hwa Bowden
- Professor Quentin Parker
- Dr Karin Speedy
- Associate Professor Dominic Verity.

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.

Macquarie promotes a vibrant teaching and learning environment, and we take pride when it helps our students succeed and gain recognition for their work.

- Katherine Berthon, Matthew Samson, Robert Wetton and Christopher Wright won four of the 20 prestigious Prime Minister's Australia Asia Endeavour Awards
- Ryan Harvey a student in Macquarie's Bachelor of Commerce with Bachelor of Laws was named The College of Law – Law Student of the Year.

Student enrolments

In 2011, 37,921 students were enrolled at Macquarie University, an increase of 789 (2.1 per cent) over 2010. The increases were mainly in higher degree research and bachelor degrees, but were partly offset by decreases in master degrees by coursework.

The University's total equivalent full-time student load in 2011 was 27,084, an increase of 455 (1.7 per cent) over 2010. Of the total student load, 22 per cent was in higher degree and 78 per cent in bachelor degree (including honours) programs.

Student enrolments 2011 ¹	
Type of attendance	
Full-time	25,603
Part-time	12,318
Gender	
Female	21,214
Male	16,707
Total	37,921

Enrolments by program level 2011 ¹	
Doctorate by research	1773
Professional doctorate	107
Masters degree by research	107
Masters degree by coursework	7412
Other postgraduate programs	1823
Postgraduate total	11,222
Bachelor degrees (including honours)	25,183
Other undergraduate degrees	298
Non-award and enabling degrees	1218
Undergraduate total	26,699

Enrolments by home location 2011 ¹	
Africa and the Middle East	305
Americas	852
North-East Asia	8655
Northern and Western Europe	585
Oceania and Antarctica	41
South and Central Asia	467
South-East Asia	1476
Southern and Eastern Europe	158
International total	12,539
Domestic total	25,382

Student load ² by discipline 2011 ¹	
Agriculture, environmental and related studies	356
Architecture and building	19
Creative arts	1288
Education	1993
Engineering and related technologies	175
Health	723
Information technology	629
Management and commerce	10,462
Natural and physical sciences	2738
Society and culture	8701
Total	27,084

Student awards 2011 ³	
Higher doctorate	0
Honorary award	1
Non-professional doctorate by research	213
Professional doctorate	25
Masters degree by research	16
Masters degree by coursework	2926
Other postgraduate programs	829
Postgraduate total	4010
Bachelor degrees (including honours)	5384
Other undergraduate degrees	47
Undergraduate total	5431

1 Source: preliminary calendar year data as at 22 February 2012.

Individual figures may not add up to totals due to rounding.

2 Equivalent full-time student load.

3 Source: AMIS data as at 22 February 2012.

Note: The definition of student enrolments in this annual report is the same as 2007–2009 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

The University's growing international reputation was reflected in a 2011 *New York Times* syndicated survey of global CEOs, which ranked Macquarie University in the top 100 universities worldwide for quality of graduates. The Macquarie Graduate School of Management's Master of Business Administration continues to be well regarded internationally, ranked among the top 100 in the world by *The Economist – Which MBA?* survey in 2011.

There were 12,539 international students at Macquarie University in 2011, equivalent to 33 per cent of the student population. Of those, 5603 students (from 110 countries) commenced their studies at Macquarie in 2011. Additionally, 741 students enrolled in the University's offshore programs in China, Hong Kong, Japan, Korea, Malaysia and Singapore.

The University continues to encourage a global outlook in its students through the Participation and Community Engagement (PACE) initiative and the Global Leadership Program, which continued its success with the enrolment of another 1873 students in 2011. Some 540 Macquarie University students went on exchange in 2011, with the University boasting more than 200 exchange partners in over 50 countries.

In 2011, the University expanded its generous scholarship program for international students, which attracts the world's brightest students to study at the North Ryde campus. The introduction of a partial scholarship (MUIS Merit) means more than 100 full and partial scholarships are available to international students each year. A number of new scholarships have also been established in partnership with governments in South America and South East Asia.

Our world-leading cotutelle program grew, with 28 new agreements: bringing the total to over 130. The program provided collaborative research opportunities to 95 students this year. Another 31 international agreements were signed in 2011 including MOU, student exchange, scholarships, study abroad and transnational agreements, and were established with institutions in Japan, UK, France, Germany, China, South Korea, Norway, Vietnam, Colombia, Hong Kong, India, Italy, Thailand and the United States.

International marketing focused on online channels, with more than one million international users visiting the University website (which now includes specific country/language content) during 2011. The University's strong social media presence also grew, with the addition of profiles in the Chinese sites Weibo and RenRen in addition to the already strong presence on facebook.



Working with community and alumni

Macquarie University values partnerships with alumni and the community that strengthen opportunities for enterprise and innovation, and contribute to the development of the local, national and international community.

Institutional advancement

In 2011, the Office of Institutional Advancement made significant progress in implementing a fundraising portfolio of nine active campaigns. With the support of the Macquarie University Foundation and the faculties, Advancement has raised more than \$13 million since fundraising commenced in 2008, creating an important base of supporters for future philanthropic gifts.

In 2011, the University welcomed new Patrons of the Joan and John Lincoln Society at the annual Society lunch hosted by Chancellor the Hon Michael Egan and Vice-Chancellor Professor Steven Schwartz. Patrons also enjoyed a number of other events including tours of the University planetarium and new library, a lecture on the Faculty of Science's FIRST robotics program, and a reunion for alumni and staff from 1967. Thirty-three people have made confirmed bequests to Macquarie since the program was introduced in 2009.

In 2011, alumni donated more than \$120,000 for equity scholarships through the annual appeal: thanks to their generosity, the University was able to create 12 new scholarships for students in need. Other achievements included a \$1 million anonymous gift for a Chair in Soft Power and a donation of \$600,000 to support the ancient Israel program, both within the Faculty of Arts.

Alumni relations

With over 132,000 graduates in more than 120 countries, the University continues to find innovative ways to connect with Macquarie graduates. Through enhanced online communications including alumni web community, social media, podcasts, enews and email, and a new suite of events and volunteering opportunities, the University engaged 41,689 alumni throughout the year. The University Alumni continued to welcome new graduates into the Macquarie alumni community with 70 volunteering to assist at graduation ceremonies.

The University developed the first interactive online version of *Macquarie Matters* and sent it to 67,408 alumni in December 2011. This was a key sustainability project for alumni relations reducing the number of hard copy magazines printed.

Macquarie's new suite of events included the Colloquium Lecture Series which featured the University's top academics sharing their latest research with over 700 alumni and community members. The presenters were Professor Sue O'Reilly, Professor David Throsby, Professor Naguib Kanawati and Professor Ron Rapee.

Macquarie launched 'Backpack to Briefcase', a forum for recent graduates. Over 350 alumni registered to learn how professional networking can advance careers from an experienced alumni panel – Iggy Pintardo (social media expert), Danny Choo (HR director perspective) and Melinda Howes (CEO perspective). The event was moderated by Executive Dean of the Faculty of Business and Economics Professor Mark Gabbott. Alumnus the Hon Tanya Plibersek MP was keynote speaker at the Alumni Spring lunch which was well attended by Macquarie alumni working in the corporate world.

The Alumni Awards for Distinguished Service honoured seven graduates at a special dinner at Darling Harbour: Sabrin Rahman, Christine Cawsey AM, Trevor Parmenter AM, Senator John Faulkner, Wei Kylie Chen, Jennifer Star and Elaine Laforteza were recognised for their achievements.

Finally, Global Philanthropic benchmarked Macquarie University's alumni relations with ten Australian and overseas universities. Macquarie's alumni engagement program rates well in terms of the comprehensiveness of the program, and its practices and strategies.

Community engagement

Community engagement is an important aspect of the University's commitment to being a good neighbour. Macquarie's efforts to increase community engagement have focused on a range of cultural activities such as music performances, movies and art gallery exhibitions with more than 10,500 visitors to campus for these activities during the year. The University introduced a new online registration process to streamline the booking process for these events.

More than 6000 people attended Macquarie's most popular events including: Music in May, Balmain Sinfonia and Macquarie University Singers performances, Movies@Macquarie and Cinema in the Park. Campus walks were expanded to include 14 walks touring the sculpture park, the Arboretum, the new library and a special sustainability walk. The Art Gallery produced six distinctive, high-class exhibitions and related events, which attracted more than 4000 visitors.

City of Ryde partnership

Macquarie University and City of Ryde Council announced a new partnership in 2011.

The 'town and gown' partnership will allow the City of Ryde to leverage the world-class research capabilities of the University in delivering its 2021 Community Strategic Plan. In return, Macquarie staff and students will be able to undertake unique research projects and see their results applied to real-world situations in the local community.

Under the University's Participation and Community Engagement (PACE) initiative, the City of Ryde will connect students with key not-for-profit organisations operating in the local government area, giving them practical opportunities and experience while offering their hosts additional skills and resources not otherwise available.

The memorandum of understanding marks a strengthening of the relationship between the University and the City of Ryde Council, and provides greater opportunities for research projects that will benefit the local community.



World-class infrastructure

Macquarie University is investing in a number of infrastructure projects to ensure the campus has 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.

Learning and Research Centre (library)

The Learning and Research Centre represents a new generation of library design, creating dynamic, collaborative and open spaces for learning. Construction on the \$94 million project commenced in October 2008 and was completed in February 2011. It officially opened on 8 August 2011.

Australian Hearing Hub

The Australian Hearing Hub is being established to enhance research, education and training capacity in hearing and speech sciences through collaboration. The building will be sited on University Avenue, opposite Cochlear Ltd, and will form the western gateway into the University.

Projected partners include some of the University's leading research teams (language sciences and cognitive sciences) and clinical research/professional training teams (audiology and speech language pathology); Australian Hearing with the National Acoustic Laboratories; research and implantation teams from Cochlear Ltd Australia's leading hearing technology company; and major not-for-profit organisations offering clinical and related social services for hearing disorders, such as The Shepherd Centre.

The building is designed to have approximately 24,000m² of gross floor area over six levels plus two basements for parking. Construction commenced in early 2011. The project budget is estimated at \$120 million and has a targeted completion date of late 2012.

Master Plan

The University Master Plan follows the successful approval of the University Concept Plan in 2009. It is being developed to accommodate flexible growth over the next 30–50 years and define how the University will build a leading Australian campus. It is nearing completion and is expected to be adopted by mid 2012.

Macquarie and Lotus Theatres

The refurbishment of Macquarie Theatre commenced in December 2011, which will take the venue from a 1970s traditional theatre into a more modern, sustainable teaching and learning facility allowing large group teaching alongside small group active learning space.

The project was initiated by an Australian Government Teaching and Learning Capital Fund grant of \$4.23 million, with the remaining funding provided by the University. Part of the grant has been used in the establishment of the Lotus Theatre, a \$3.5 million 500 seat theatre sustainably constructed with a steel frame and tensile fabric covering.

The Lotus Theatre, which will be completed early 2012, will provide replacement teaching space while Macquarie Theatre is undergoing its refurbishment, and can be used as additional teaching space for the remainder of its lifespan.

MUSAC extension

In 2011 the Macquarie University Sport and Aquatic Centre (MUSAC) was extended to provide a new weights area and multipurpose studio. The \$2.1 million project also included the refurbishment of the fitness area, including the cycle studio. It was completed in August 2011.

Temporary car park

A temporary car park, X8, located on the former golf driving range off Culloden Road, was constructed in 2011 to provide replacement parking for the three car parks demolished to make space for the Australian Hearing Hub.

The \$2.17 million car park was designed by civil and traffic engineers to a high environmental standard using matting which enables the existing grass to grow through. This system, with run-off sediment traps and retention ponds, means the land can more easily be returned to open space at the end of the car park's life span, if required.

Campus Hub

Refurbishment of the Campus Hub (Building C10A) was completed in 2011. It provides natural lighting, additional seating, new facilities and modern outlets.

Other refurbishments

Other significant refurbishments undertaken in 2011 included relocating Informatics to state-of-the-art, purpose-designed offices in building E6B, as well as a complete refurbishment of T1 and T2 theatres in Building C5C, with new AV suites and adaptive learning and teaching design.

The upper three levels of C5A were also totally refurbished with two levels of general teaching labs and one level customised into chiropractic teaching labs.

Award-winning sustainability practices

Educational institutions have a responsibility to ensure that students and staff have the knowledge and experience to contribute to a more sustainable society. Macquarie acknowledges this responsibility through learning and teaching, and community engagement, and on-campus operations.

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

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

Education and engagement

Learning and teaching

The University committed to a four-year project to address how sustainability fits into the curriculum from a content and pedagogical approach. The project will commence in 2012, and ensure students leave Macquarie with an understanding of current environmental and social issues affecting local, national and international communities.

The Green Steps program, which upskills students in the practical delivery of environmental sustainability, ran during Semester 2 with 17 students enjoying the five-day training workshop and placement in work, school or government.

Staff from various areas on campus took part in a three hour sustainable procurement workshop to develop a better understanding of terms like life cycle assessment, whole of life value for money, offsetting and greenwashing. Participants received a seven step framework for sustainable purchasing to assist them when making decisions.

Cycle skills workshops were also held each quarter to help staff and students develop their confidence and competency in bike maintenance and cycle safety. Each of the sessions averaged around 15 people.

Engagement

The Sustainability Representative Network (SRN) continued to grow, with over 60 staff members volunteering their time. In 2011 the University offered \$5000 in grants to SRN members to assist them in undertaking small actions in their departments. Initiatives included establishing a worm

farm, building a vegetable garden and purchasing reusable crockery and cutlery.

Similarly, Macquarie launched the Student Sustainability Network to better engage students. There are 170 students in the Network with a core group of 20 who actively and regularly undertake actions and initiatives. Members go through a number of skills and knowledge development sessions, as well as run a small event, in order to receive a certificate and letter of reference to use for future employment.

The University held the third Department Sustainability Challenge during the latter half of the year. The Challenge encourages departments to undertake actions in eight key theme areas such as participation, energy, waste, governance and transport. A total of 40 departments took part in 2011, with Campus Experience – Retail taking the coveted first prize.

Macquarie launched the green campus guide, an online interactive system which shows staff what they can do in their office and kitchen space, just by clicking on an image. The guide was recognised externally as the Award site of the day.

The University's connections with Australasian Campuses Towards Sustainability (ACTS) became stronger with the Sustainability Officer joining the Director of Sustainability on the Executive Board. ACTS undertook a large number of international initiatives, including a collaborative resource sharing agreement between the American based Association for the Advancement of Sustainability in Higher Education and the UK based Environmental Association for Universities and Colleges. There was also a substantial amount of activity in response to Rio+20 processes through the United Nations Commission on Sustainable Development, as well as development of an international performance improvement and management tool for the tertiary education sector.

Increasing resource recovery and efficiency

Actions undertaken to improve resource use included:

Energy

- installation of a further 40 electrical sub-meters across campus to allow for better data capture: nearly all buildings on campus can be separately monitored to manage usage
- commencement of the roll out and set up of energy management software to monitor output from the meters and better optimise efficiency.

Waste

- through a furniture recycling scheme, 746 pieces of furniture were re-used across campus saving thousands of dollars, tonnes of waste, and greenhouse gas emissions
- continued initiatives to separate paper and cardboard, as well as other more environmentally damaging items such as ewaste, batteries and mobile phones.

Water

- bathroom refurbishments to improve efficiency in one of the high-use buildings, including replacement of existing taps and urinals
- the stormwater capture and reuse capabilities were utilised to water the sports fields, and testing is almost complete for the natural reed bed sewerage treatment system: combined these system will save millions of litres of water annually
- more than 30 water leaks were detected and repaired as a result of the University's comprehensive online monitoring system.

Transport improvements

The transport decisions made by Macquarie staff and students have enormous impact on traffic congestion and greenhouse gas emissions. Some of the transport initiatives implemented in 2011 include:

- partnering with Jayride to provide a comprehensive online carpooling support system on campus
- developing and distributing the Macquarie University Transport Access Guide (TAG) to assist staff and students travel to work responsibly
- participating in the National Ride to Work and Walk to Work days.

Enhancing biodiversity

The key advances made in this area include:

- preparation of an environmental plan for Mars Creek catchment in the western grounds of the University
- completion of design for the first stages of the Mars Creek rehabilitation program under the environmental plan
- planting of over half a hectare of native habitat in the former golf range, incorporating approximately 15,000 local tree, shrub and grass seedlings
- more than 15 bushcare events involving students, staff, the campus pre-schools and visiting school students across the year.

Planning and development

Governance and strategy

The key advances made in this area include:

- discussion around sustainability included as part of standing agendas items within department meetings
- sustainability training modules included as a compulsory part of induction for all new staff.

Infrastructure planning

In order to ensure that what the University builds and how it upgrades buildings is sustainable, Macquarie drafted an Environmentally Sustainable Development Strategy for the Built Environment to form part of the University's Master Plan. The Strategy's four main areas of focus are: improving community, targeting efficiency, reducing our eco-footprint and creating a living laboratory.

Notable highlights

Awards

- Innovation Award in Best Bushcare Site for the Sydney Turpentine Ironbark Forest remnant restoration project as part of the Bushcare@MQ group
- Second place in Best Bushcare Site for the Bushcare@MQ group in the Ecology Reserve on Mars Creek
- Innovation Award in Best Edible Garden for the Arboretum's Bush Tucker Garden
- Winner of Best Pre-School Garden for Gumnut Cottage's outdoor environment.

Arboretum

The Macquarie University Arboretum continued to expand with the incorporation of a Bush Tucker Garden which replaced car parks and provides a seating area and information on the use of plants found within the garden. An Indian Spice Garden was also established and will develop in 2012.

Further information

Refer to the sustainability website: mq.edu.au/sustainability

Dedicated staff

Macquarie University invests in its people. Both academic and professional staff benefit from the University's focus on developing staff capability and rewarding excellence.

Throughout 2011, the University developed a people management system to increase Macquarie's technical and management capacity. The intent of this system is to link performance management, development, and succession management, enabling improved identification and tracking of academic and professional staff talent and potential. The first outcome achieved was the implementation of an online performance management system.

Additionally, the University launched the management and leadership development framework. In 2011 the focus was on providing better leadership development for new heads of department. This included the use of 360 degree feedback and tailored coaching. The focus on this group is to build a leadership cohort and mitigate the impact of the organisation's ageing workforce.

Policy and procedure

Macquarie completed the final series of projects to improve processes and service under the banner 'HR Renewal'. The projects included design and trial of an online timesheet system for casual and sessional staff; and selection of an attendance, rostering and overtime payments system. Following a tender process, the University selected PageUp to supply the Talent At Macquarie system (TAM), and from 2012 paper-based staff Performance Development Reviews will be phased out, and instead, reviews will be completed online.

The HR Renewal also involved the introduction of new policy and the review of existing policies and procedures. This included simplifying and streamlining processes, introducing new technologies in strategic recruitment to identify passive candidates in target markets, and streamlining the recruitment and appointment process. The University updated the Recruitment and Selection Policy to include criminal record and qualifications checking: Macquarie engaged an external provider (VERIFY) to make these checks where appropriate. The University also made improvements in automation of standard processes such as capturing qualifications and casual re-appointments, as well as the provision of an online HR reporting and query system for unit managers.

Wage and salary movements

All staff covered by the Macquarie University Enterprise Agreements received two 2 per cent salary increases in 2011. The first 2 per cent was at the end of March, and the second 2 per cent was at the end of September. The modal increase for senior management employed outside of the Enterprise Agreement was 4 per cent.

The Academic Staff Enterprise Agreement includes annual salary increases of 4 per cent, along with a one-off adjustment to salary rates effective in March 2012. There have been no significant wage movements outside of these increases.

Industrial relations policies and practices

The University continued enterprise bargaining negotiations with the NTEU on an Academic Staff Agreement through the first half of 2011. The NTEU lodged an appeal against the 2010 Professional Staff Agreement, and against the University of Wollongong and the University of New South Wales, which have similar agreements. After the appeal against the University of New South Wales agreement failed, the NTEU withdrew their appeal against the Macquarie agreement.

The University came to an agreement with the NTEU on a new Academic Staff Agreement. The University put this agreement to staff and the agreement was certified on 29 September 2011. This brought a protracted round of enterprise bargaining to a close. The Academic Agreement expires in June 2013.

In August 2011 the University released a call for expressions of interest in voluntary separation. The University received approximately 150 expressions of interest. Following a process of review of the potential impact on the University, 41 professional and nine academic staff were retrenched.

Staff statistics

The number of non-casual (full-time and fractional full-time) staff as at 31 March 2011 was 2345, an increase of 182 (8 per cent) over 2010.

There were 187 female academic staff at the level of Level C (Senior Lecturer) or above (42 per cent of all female academic staff), compared to 375 males (60 per cent of all male academic staff).

Of the 1285 professional staff, 474 (37 per cent) were in academic faculties and research centres of the University, 344 (27 per cent) in central administration, 152 (12 per cent) in the library and 63 (5 per cent) in the Office of the Academic Registrar. The balance of 252 (20 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 2011 was 2145, an increase of 157 FTE (7.9 per cent) over 2010. The change consisted of an increase of 45 FTE for academic staff and 112 FTE for professional staff. In 2011 the FTE of casual staff was 566, including 320 academic and 246 professional.

Dedicated staff *continued*

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: 2008–2011 ¹				
Academic classifications	2008	2009	2010	2011
Level A	164	156	163	175
Level B	246	248	260	275
Level C	211	212	213	222
Level D	132	145	154	158
Level E	124	118	129	134
Deputy Vice-Chancellor	4	4	4	4
Vice-Chancellor	1	1	1	1
Casual ²	235	236	256	320
Total academic	1117	1120	1180	1288
Professional classifications ³				
HEW Level 1	1	1	1	1
HEW Level 2	26	31	28	25
HEW Level 3	37	37	37	44
HEW Level 4	80	81	71	74
HEW Level 5	177	173	173	206
HEW Level 6	202	250	254	265
HEW Level 7	170	196	197	231
HEW Level 8	102	104	112	124
HEW Level 9	71	93	106	116
HEW Level 10	80	82	72	85
Above HEW Level 10	1	7	15	7
Casual ²	185	191	223	246
Total professional	1132	1245	1289	1423
Full-time/part-time total	1829	1938	1988	2145
Casual total	420	427	480	566⁴
Total University	2249	2365	2468	2711⁴

1 As at 31 March 2011. 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.

4 2011 casual data is derived by 2010 actual casual figures as noted in footnote 2 (273) + estimated pay-once staff from the Faculty of Business and Economics (except staff on consultancy agreements) (47.2) FTE are subject to change due to DEEWR FTE threshold of 1.2 FTE per staff member. Other faculty pay-once staff members have not yet been included in calculations.

Information regarding Macquarie's Equal Employment Opportunity can be found on page 31.

Health and safety

Macquarie University operates across a wide range of work environments, resulting in an increased risk profile. The Health and Safety Unit provides direction and leadership on health and safety; assists the University in identifying and eliminating risks and hazards; ensures that regular workplace inspections and audits are undertaken; ensures that accidents and incidents are investigated as they occur; and makes recommendations to University management regarding the health and safety needs of the University.

The following section outlines the University's performance in health and safety in 2011.

The University's incident profile remained stable from 2010 to 2011, with most incidents occurring as a result of:

- ergonomic design or a failure to adopt good ergonomic practices
- manual handling techniques
- motor vehicle accidents
- slips, trips or falls.

Incident results

Performance measure	2009	2010	2011
Incidents reported (staff only)	164	148	166
FTE employees	2079	2647	2595
Incidence rate (per 100 employees)	7.8	5.59	6.32
Frequency rate (per million hours worked)	23.51	15.83	35.51
Incidents to claims lodged rate	43%	45%	32%

Incidents by activity

	2009	2010	2011
At work incidents			
– manual handling	9	10	2
– maintenance	12	8	0
– undertaking experiments	4	2	1
– moving equipment	6	6	4
– administration	48	50	58
– commuting on campus	36	40	42
– other	9	1	1
At work incidents total	124	117	108
Attending approved break or sporting event	7	9	20
Travelling to and from work	33	28	36
Field trips	–	0	2
Total incidents	164	154	166

No significant incidents were reported to WorkCover NSW in 2011.

Workers compensation claims

A total of 52 claims for workers compensation were lodged in 2011, compared to 66 claims in 2010. The University's claim lodgment rate decreased from 5.59 per 100 FTE in 2010 to 1.59 per 100 FTE in 2011.

Overall the University's performance on workers compensation measures continues a downward trend, with reductions in the average cost per claim and in the duration that an injured worker remains off work.

There were no fatalities reported in 2011.

Policy issues

The University continues to increase its investment into health and safety, with approval of an additional two Health and Safety Coordinators in 2012, as well as an increase in the health and safety budget. The additional resources will allow the unit to provide health and safety support across the entire University group, including the controlled entities as well as increasing our capability in supporting student safety.

Harmonisation

In 2012, new health and safety laws will come into effect in Australia, leading to significant changes in how workplace safety is managed. The Health and Safety Unit has played a pivotal role in ensuring that the University and its controlled entities are positioned to meet its legislative obligations under the new laws. Throughout 2011, the Unit provided training to officers, senior managers and staff with specific responsibilities and obligations; as well as establishing a dedicated webpage to provide further information and resources for all members of the University community.

Retro paid loss (workers compensation premium) model

Macquarie University and its controlled entities were successful in their reapplication for entry into the retro paid loss model in 2012. The University was able to demonstrate significant improvement in its health and safety systems and safety outcomes.

As a result of strong case and claims management, the group's premium for 2011 rose 1.47 per cent (\$1,054,347 to \$1,069,524), with the University's premium demonstrating a similar rise (\$614,126 to \$644,427).

The Health and Safety Unit played a critical role in managing and monitoring the group's performance in the scheme and ensuring that the full financial benefits of the scheme were realised.

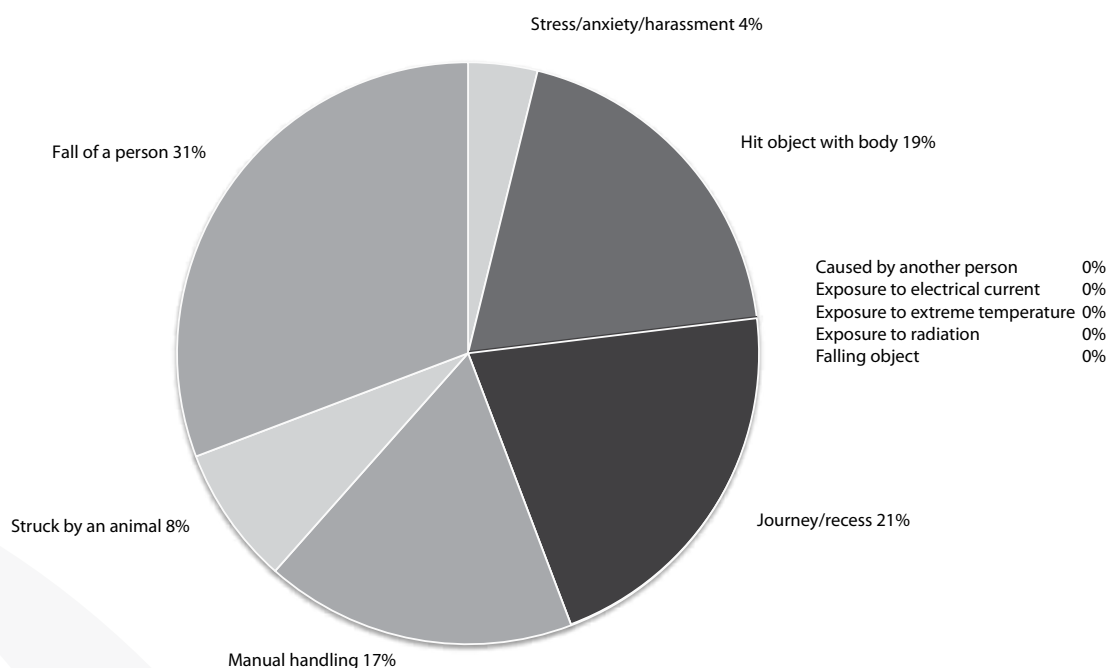
Note: Total staff figures differ slightly from statistics reported on pages 23 and 24. Pages 23 and 24 are DEEWR audited. Numbers in this section were sourced from Human Resources in order to enable categorisation and reporting on health and safety.

Workers compensation results

Performance	2008	2009	2010	2011
Claim numbers	55	71	66	52
Claims (per 100 FTE)	2.76	3.42	2.49	2.00
Total claims costs	\$230,385.75	\$214,154.00	\$222,058.43	\$284,931.37
Average cost of claim	\$5,008.38	\$3,016.25	\$3,364.52	\$3,372.00
Premium as a percentage of payroll	0.4%	0.43%	0.61%	0.20%

Claims by accident type	2008	2009	2010	2011
Burns and scalds	0	2	1	0
Caused by another person	0	1	0	0
Exposure to electrical current	0	0	0	0
Exposure to extreme temperature	0	1	0	0
Exposure to radiation	0	0	0	0
Fall of a person	17	17	0	16
Falling object	0	0	0	0
Stress/anxiety/harassment	2	2	5	2
Hit object with body	5	7	11	10
Journey/recess	9	12	7	11
Manual handling	12	22	21	9
Struck by an animal	0	0	2	0
Other	10	8	1	4

Figure 4: Claims by accident type 2011



Inclusive of all

Macquarie University is a vibrant, diverse and innovative university, committed to social inclusion and equality of opportunity in employment and education.

Social Inclusion is concerned with creating an accessible and fair university which recognises, values and celebrates the diversity of students and staff.

With the Social Inclusion Plan integrated into the Macquarie University Academic Plan, 2011 saw many successful initiatives, collaborations and the infusion of equity principles into the day-to-day business of the University.

Macquarie established a First Year Experience Unit, to ensure a smooth transition into university for new students, and an outreach program (LEAP – Learning, Education, Aspiration, Participation) for students from low socio-economic backgrounds. The year also saw Macquarie awarded sixth place in the national top ten employers for their support of gay, lesbian, bi-sexual, transgender and intersex staff (Workplace Equality Index – Pride in Diversity inaugural awards).

Access and inclusion initiatives

Alternative pathways to university

Macquarie's Centre for Open Education offers an entry pathway via non-award courses to all domestic students able to pay tuition fees and who meet the more flexible entry requirements. Applications are on a case-by-case basis with consideration of non-academic factors. In 2011 there were 554 non-award pathway applications: 52 per cent with no previous tertiary study, 9 per cent had incomplete undergraduate study, and 7 per cent were mature age.

The University offered the Bachelor of Arts and Bachelor of Science by distance as pathways for students with incomplete tertiary study, those living in low socio-economic or regional areas, mature age students and incarcerated students.

Open Universities Australia offers an entry pathway for non-award undergraduate admission, with access to a Bachelor of Arts after successful completion of four units at pass grade (GPA 2.0). In 2011, there were 11,620 unit enrolments in the online program: 2.2 per cent of students were Indigenous, 1.5 per cent lived in remote areas, 7.7 per cent had disability, 5.6 per cent spoke a language other than English at home and 17 per cent did not complete high school.

The University offers a range of special consideration entry schemes, including:

- the Lighthouse Scheme for students whose disadvantage seriously affected their senior schooling
- the Jubilee Scheme for applicants over 21 years of age who have not previously undertaken any university study

- an Alternative Entry Program for Indigenous applicants seeking undergraduate enrolment
- uniTEST for students deemed to have the capability to study at tertiary level, but who may not have demonstrated this in their final year school results due to disadvantage
- the Special Tertiary Admissions Test offers an alternative pathway for non-school leavers and mature age students whose ATAR rank may not be sufficient
- the Rural Bonus Scheme for students from rural and regional Australia.

Scholarships

Macquarie offers a range of generous social inclusion and equity scholarships, awarded on the basis of financial need or other hardship. Most are renewable for up to four years. Since the equity scholarship program was introduced in 2008, over 1100 students have received funding. Of all students assisted in 2011, 61 per cent demonstrated geographic disadvantage, 24 per cent had a long-term medical condition or disability, 18 per cent were sole parents and 21 per cent had significant carer responsibilities. Of all 2011 equity scholarship recipients, 14 per cent were from a linguistically diverse background, 1 per cent came from refugee backgrounds, and 4 per cent were mature age students.

Equity related scholarships recipients 2010–2011

Scheme	2010	2011
Accommodation Scholarships	67	55
Education Costs Scholarships	135	143
Indigenous Access Scholarships	0	8
Indigenous Commonwealth Accommodation Scholarships	–	4
Indigenous Commonwealth Education Costs Scholarships	–	6
Macquarie Higher Study Scholarships (new)	–	41
Macquarie University Indigenous Block Grant Program	60	60
Merit Scholarships	30	35
Non Current School Leaver Scholarships (new)	–	14
Refugee Scholarships (new)	–	1

Indigenous engagement

Patyegarang Aboriginal and Torres Strait Islander Advancement Strategy

Following the 2010 review of Indigenous education at Macquarie, the Senior Management Group developed and endorsed the Patyegarang ATSI Advancement Strategy. The strategy will be officially launched in 2012 and has seven priority areas:

- academic programs and pathways
- access and participation
- community engagement and outreach
- Indigenous wellbeing
- research advancement
- retention and completion
- sustainable employment.

Warawara: Department of Indigenous Studies

Warawara continued to offer an Indigenous studies major. In 2011, 183 Indigenous students enrolled in a variety of programs across the University. There were 162 undergraduate students, 16 postgraduate coursework students and five higher degree research students.

The successful work of Warawara and the Institute of Early Childhood was recognised through the award of the 2011 Future Justice Prize through the philanthropic Future Leaders organisation and the ACU Institute of Legal Studies.

In 2011, Warawara provided support for all Indigenous students at Macquarie. Services included academic advice, induction, referral and pastoral care, an Indigenous student common room and IT access through a dedicated computer laboratory. Indigenous students are encouraged to participate in individual and small-group tuition through the Indigenous Tutorial Assistance Scheme.

Academic staff based in Warawara conducted guest lecturing in mainstream courses. Warawara staff were integral in the provision of advice to the University on cultural competency development and on a range of equity matters affecting Indigenous Australians.

In 2011, enrolments opened for the new Master of Indigenous Education. This degree is the only one of its kind in Australia and is also the first postgraduate degree offered by Warawara.

Learning, teaching and research

In 2011, Macquarie continued to forge relationships with a number of schools with strong cohorts of Indigenous students, to build aspiration and increase awareness of educational opportunities and campus life. Projects included:

- the Daruganora project
- the Museum of Ancient Cultures Away Program
- the Indigenous Science Education Program.

The Indigenous related research undertaken in 2011 included investigation into the academic supervision provided to Indigenous doctoral students, incorporation of Darug family histories and knowledge of place into the University curriculum, development of mathematical skills of Indigenous pre-school children, and engagement with Indigenous families in early childhood settings.

In 2011 Warawara staff won an Australian Research Council grant, under the leadership of the Deputy Director, Warawara; and in September the University was delighted to appoint its first Elder-in-Residence.

Equity and Diversity Unit

The Equity and Diversity Unit undertook a range of activities to boost Indigenous awareness, including:

- the 'Close the Gap' event which highlighted Indigenous health, education and housing
- National Reconciliation Week which was recognised with a flag raising ceremony, and the planting of a native grove of trees
- NAIDOC Week which was celebrated by holding a yarning circle with Elder Aunty Joan Tranter
- the first Indigenous Literacy Day event which was held in the newly opened library, in collaboration with the national Indigenous Literacy Foundation.

In 2011, Macquarie strengthened its undergraduate Indigenous Cadetship program and placed eight cadets across the University. Cadets receive professional and pastoral support and attend in-house professional development workshops. Support is also available for the cadet's workplace with the aim of increasing the Indigenous cultural competency, knowledge and understanding of supervisors and colleagues.

Student mentoring and support

In 2011 the University established the First Year Experience (FYE) unit, which is responsible for the successful adjustment of students in their first year and a range of support programs to address issues of student transition.

The FYE Unit conducted Academic Orientations in 2011 for more than 4000 students. Mentors@Macquarie raised its profile and engaged more than 500 mentors – trained volunteers from second year and above, who guide, facilitate and offer expert ‘insider’ advice. Equity considerations and cross-cultural understanding were integral to their induction.

Other initiatives in students mentoring and support in 2011 included:

- the Learning Centre for Numeracy Skills Program
- the Writing Skills Program
- the Telemachus Ancient History Mentor Program
- the Peer Assisted Study sessions and Peer Assisted Learning sessions.

Multicultural Policies and Services Program

Students from over 55 countries study at Macquarie and one third of staff are from culturally and linguistically diverse (CALD) backgrounds.

Building cross-cultural competency through learning, teaching and research

Macquarie’s Participation and Community Engagement (PACE) initiative is an integral part of the curriculum which develops the capabilities of students to actively contribute to the well-being of people and the planet. Students have the opportunity to apply academic learning to real world contexts: locally, regionally and internationally.

In 2011, over 1000 students enrolled in participation units and engaged in participation activities with partners in the Sydney region, and 85 students participated in 11 international projects in six developing countries. PACE expanded its partnerships and signed 73 new partnership agreements in the Sydney metropolitan area, with a range of government entities, NGOs, private sector companies and community-based organisations.

During 2011, the Macquarie Global Leadership Program continued to provide a structured 30-hour program for students to develop cross-cultural understanding through elective workshops focusing on global issues and professional skills development. The program attracted 2860 students.

Ten per cent of undergraduate participants were local students from culturally and linguistically diverse backgrounds.

Further initiatives to increase cross-cultural awareness through learning and teaching included:

- the Centre for Research on Social Inclusion which held the Inclusive Futures Conference
- the Faculty of Business and Economics which developed the academic resource *How to Teach with Inclusive Practice*
- the Department of Psychology which investigated the transition from school to career for Indigenous and immigrant youth.

Supporting students and staff from culturally and linguistically diverse backgrounds

Macquarie University provides a range of on-campus primary and allied health services including medical, counseling, welfare (including financial scholarships advice), disability support and careers advice to students from diverse backgrounds: all of which were available in multiple languages. There was an increase in participation by students in these services, programs, events and activities in 2011.

The University has targeted and tailored assistance for commencing students and students identified as being at ‘moderate’ or ‘high risk’ of failing or not continuing their studies. These include: triage (health and wellbeing assessment), intervention services, prevention education, learning and teaching assessment for reasonable accommodation (students with disability), mentoring, personal coaching, and financial and tenancy workshops. A 24/7 Care MQ Line ensured immediate response was provided to students at risk, or in need of health or safety related support. A bilingual service centre is available to answer enquiries in a range of languages.

Macquarie provides facilities, services and amenities such as a multi-faith prayer room, housing, child care, Women’s Room, Queerspace and social spaces. The University Chaplaincy serves 13 faith groups and in 2011 a Chaplaincy Advisory Panel was formed to guide the University in relation to spiritual care and operations on campus.

A free and confidential Employee Assistance Service is also available to all staff including a 1800 number and a 24/7 helpline. Paid education leave is available to staff from non-English speaking backgrounds undertaking an approved English language training course.

University snapshot

Further initiatives to support students and staff from CALD backgrounds include:

- the Arts Equity Internship Project to provide opportunities for students in equity groups to gain professional experience working within a discipline
- the Lucy Mentor Program to connect disadvantaged female students with high-level mentors in the public, private and non-for-profit sector
- a new Postgraduate Certificate in Community Interpreting (Linguistics), providing a multilingual curriculum to meet the needs of interpreters working in the community
- the Department of Computing continued to run communication skills programs for PhD students focusing on oral presentation preparation and writing skills, attended mainly by CALD students.

During 2011, the Equity and Diversity Unit commenced development of a University-wide strategy for building cultural competency. This included redrafting the Multicultural Services and Programs Plan for the University and analysing statistics on CALD staff and students across a range of parameters at faculty level. Faculty diversity profiles will also provide faculty-level statistical evidence and equity related recommendations for 2012.

In 2011, Macquarie continued its participation in the Courageous Conversations About Race collaboration with 10 Australian universities. The collaboration aims to address the range of situations and issues that may arise in a university environment around the inclusion and support of people from diverse cultural and linguistic backgrounds.

In 2011, the unit continued to offer free sign language classes to interested staff and students, while the Language Cafe initiative continued to create a welcoming space where students and staff can interact. The coordinator of the University's Ally Network (supporting the gay, lesbian, bisexual, transgender, intersex, queer community at Macquarie) was representative on the City of Sydney's Pride in Colour initiative.

Engaging with diverse communities

In partnership with the Ethnic Communities' Council of New South Wales, Macquarie launched the inaugural Building Inclusive Communities Awards in 2011. These awards recognise individuals and groups in New South Wales whose work promotes understanding across cultures, and makes a significant contribution in helping to build a culturally inclusive Australian community. In 2011, 55 nominations were received and the awards ceremony was held at Parliament House.

During 2011, Macquarie held its third Diversity Week, themed 'People, Power, Potential'. This week of activities raised awareness and shared experiences of the diverse cultures, practices and beliefs on campus. Opened by SBS journalist and alumnus Yalda Hakim, the week's activities included film screenings, food fairs, guest lectures and debates to displays and artworks.

The University has a wide range of initiatives to engage with diverse communities, including:

- hosting a series of concerts of Hindustani Classical Music and events in partnership with the India Research Centre
- a Managing Equity, Diversity and Inclusion in the Workplace Symposium, in collaboration with the Diversity Group (University of Sydney) and Hudson Recruiters – the focus of the symposium was on gender and cultural diversity.

Multicultural Policies and Services Program goals for 2012

- develop a University-wide Building Cultural Competency Strategy to strengthen cross-cultural understanding and competency of all Macquarie staff and students
- continue and strengthen the Macquarie Outreach Program (LEAP)
- continue successful collaborations with agencies such as the Ethnic Communities' Council New South Wales (the Building Inclusive Communities Awards) and SBS Broadcasting (SBS Media Mentorship program)
- strengthen the mechanisms which allow CALD staff and students to participate fully in academic and campus life, be involved in decision making and have their needs identified and addressed
- continue to support career advancement, professional development opportunities and visibility of CALD staff, and monitor equity in human resources processes
- ensure that equity and diversity related policy and procedures support, respect and value CALD staff and students
- provide a range of cultural events and celebrations throughout the year and ensure that equity considerations are inherent in their design
- continue to provide language and literacy programs for CALD students and staff, monitor usage rates and identify specific needs based on direct feedback
- monitor University and student publications to ensure balanced representation for CALD students and staff in content and images.

Employment equity and diversity

Gender equity

In 2011, the overall representation of women on staff was 55 per cent (1301 women from a total of 2386 permanent and fixed-term staff), exceeding the 50 per cent government benchmark.

The representation of women on the three key University decision-making bodies in 2011 was as follows:

- 33 per cent on University Executive (3 out of 9 members)
- 37 per cent on University Council (7 out of 19 members)
- 32 per cent on Academic Senate (12 out of 38 positions)

Representation of academic women in 2011 was 42 per cent which was marginally below the 2010 sector average of 43 per cent (latest figures available).

In terms of representation of women in the professoriate, women's representation at Level D (Associate Professor) in 2011 was 36 per cent and at the most senior Level E (Professor) it was 29 per cent. Both of these figures are above the 2010 sector averages, which are 32 per cent and 23 per cent respectively. It is pleasing to note that between 2008 and 2010 there was a significant increase of 9 per cent in the representation of women at Level E, which remained steady in 2011. The 2011 figure (29 per cent) is the highest of the past 5 years, and is 6 per cent above the 2010 sector average for that level.

There was a 3 per cent increase (from 80 to 83) in the Group Distribution Index (GDI) for academic women over the reporting period. GDI with values less than 100 indicate that women are concentrated at lower salary levels.

In 2011, 267 academic women were employed in continuing positions (40 per cent). This percentage has remained steady since 2009 (249: 41 per cent). The ratio of full-time to part-time academic women in continuing employment has remained steady for 3 years (90 per cent to 10 per cent).

There was one voluntary redundancy and no forced separations of academic women in 2011. The overall rate at which academic women left the Macquarie workforce in 2011 (39 per cent) was the same as 2010, and 5 per cent lower than in 2009. In 2011, 46 per cent of separations were due to agreed contracts expiring and 51 per cent for 'other' reasons such as resignations and retirements.

As at 31 March 2011, women represented 25 per cent of the 52 Concentrations of Research Excellence (CORE) appointments. As CORE appointments are at senior levels

C, D and E, this recruitment is significantly below women's workforce representation at each of these levels. It was pleasing to note that the percentage of women applying to participate in the Outside Studies Program in 2011 was 44 per cent (33 out of 75). This is 2 per cent above their workforce participation rate. Women's success rate was 91 per cent.

In 2011, 45 per cent of all applications for academic promotion were from women (34 out of 75). Women's representation by level was:

- For Level B, 57 per cent of applications (8 out of 14) and 55 per cent of promotions (6 out of 11). The proportion of female applicants who were promoted was 75 per cent (6 out of 8). Macquarie workforce representation at Level B in 2011 was 48 per cent compared to the 2010 sector average of 51 per cent.
- For Level C, 52 per cent of applications (15 out of 29) and 52 per cent of promotions (12 out of 23). The proportion of female applicants who were promoted was 80 per cent (12 out of 15). Macquarie workforce representation at Level C in 2011 was 37 per cent compared to the 2010 sector average of 41 per cent.
- For Level D, 36 per cent of applications (8 out of 22) and 36 per cent of promotions (5 out of 14). The proportion of female applicants who were promoted was 63 per cent (5 out of 8). Macquarie workforce representation at Level D in 2011 was 36 per cent compared to the 2010 sector average of 32 per cent.
- For Level E, 30 per cent of applications (3 out of 10) and 38 per cent of promotions (3 out of 8). The proportion of female applicants who were promoted was 100 per cent (3 out of 3). Macquarie workforce representation at Level E in 2011 was 29 per cent compared to the 2010 sector average of 23 per cent.

In 2011, the workforce participation rate of women on professional staff was 65 per cent. They remained clustered in mid-range employment levels. Their Group Distribution Index (GDI) during the reporting period was 93 which was the same as the previous year.

Women on professional staff remained under-represented in full-time ongoing positions (58 per cent in 2011). This under-representation has remained the same over the past two years. Women were significantly over-represented in part-time ongoing professional roles (93 per cent) and in contract fractional positions (74 per cent). This latter figure has increased by eight per cent over the past 3 years (66 per cent in 2009). Representation of women in contract full-time positions has shown an upward trend over the past three years from 55 per cent in 2009, to 60 per cent in 2010 to 63 per cent in 2011.

In 2011, 75 per cent of all professional voluntary redundancies were taken by women (44 out of 59), while 50 per cent of all forced separations of professional staff were women (4 out of 8). The overall rate at which women on professional staff leave the Macquarie workforce has increased to 66 per cent in 2011 (141) which is a 4 per cent increase from 2010 (129) and a 6 per cent increase from 2009 (138).

The University continues to have generous parental leave allowing four weeks' paid leave on the child's birth (for birth mother and partner) plus 22 weeks of paid leave for the primary carer. The University recognises same sex parents and the adoption and fostering of children. In 2011, 117 staff (86 women – 74 per cent – and 31 men) took parental leave. Of the number of days taken, 10 per cent were taken by men – a three per cent increase from the previous reporting year.

In 2011, as part of the University's EO Management Plan for Women, the Equity and Diversity Unit sponsored four women to attend the five day Women in Research Leadership residential program (LH Martin), and 15 to attend the University's Women, Work and Management Conference. Macquarie Women events were held for International Women's Day and links were made between senior women's groups at Macquarie and Cochlear Ltd.

Indigenous Australians¹

According to voluntary responses, the representation of Aboriginal people and Torres Strait Islanders in the Macquarie workforce remains below the government benchmark of 2.6 per cent (academic: 0.8 per cent and professional: 1.1 per cent). Anecdotally, Macquarie had six academic and 21 professional Indigenous employees in 2011. Eight of the professional staff were undergraduate Indigenous cadets employed on 12 month contracts at HEW 2 at 0.2 fraction; and two were Indigenous trainees employed in professional staff roles on 1–2 years contracts full-time at HEW 2. The employment contracts of cadets continue for the duration of their degree, contingent on academic success and full-time study status. In 2011, funding for the Indigenous Cadetship Program received an increase of 50 per cent.

In 2011, there were three professional staff trainees who were employed following successful completion of their traineeships (one in a continuing position and two in casual and fixed term contracts). In 2011, eight cadets were employed in HEW 2 contract positions across four faculties.

In 2011, Indigenous staff were employed in three of the four levels of academia. The University is yet to appoint an Indigenous professor. One Indigenous staff member was

promoted to Level C in 2011 and a deputy director position was created in Warawara, Department of Indigenous Studies.

In 2011, the University continued the Indigenous Staff Development Fund which supports the professional development of Indigenous staff (including attendance at national and international conferences) and provided opportunities to enhance the academic and professional careers of Indigenous staff.

Due to low response rates to voluntary data gathering it is not possible to comment on pay equity for Indigenous staff.

People with disability

In 2011, Macquarie was delighted to finalise its first Disability Action Plan for roll out in 2012. The University recognises that employment equity for people with disability requires targeted interventions on a number of fronts. During the reporting year the University, in partnership with CRS Australia, embarked on a program to provide work placements for people with disability across the University. The initial two placements both resulted in further employment at Macquarie (casual and project). Macquarie has also worked with CRS Australia on a range of support services to enhance retention of staff with disability and increase opportunities for graduate employment. Raising the awareness of disability issues, rights and responsibilities in the Macquarie workforce is a key part of professional development.

The overall workforce participation rate of people with disability at Macquarie has remained the same (4 per cent) over the past two years. In 2011, for staff with disability requiring workplace adjustment, the University's rate reached the government target of 1.1 per cent.

The representation of academic staff with disability was 5 per cent and of professional staff with disability 4 per cent in 2011. For both academic and professional staff with disability requiring workplace adjustment it was 1 per cent. According to the voluntary data, academic staff with disability were primarily employed at Level C in 2011 (47 per cent of all academic staff with disability) and in mid-range professional staff positions at HEW 5–7 (highest at HEW 6 at 26 per cent).

During the reporting year there were no voluntary redundancies and no forced separations for academic staff with disability. There were two voluntary redundancies taken by professional staff with disability and two separations due to resignation and retirement. Eighty-four per cent of those academic staff with disability employed in continuing

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.

positions were in full-time roles. Academic staff with disability were more than twice as likely to be employed in part-time continuing roles as people without disability (16 per cent in 2011 against 7 per cent for people without disability).

People from CALD² backgrounds

In 2011, the overall workforce participation rate of CALD staff was 28 per cent, and has remained well above the 19 per cent government benchmark for the past three years. According to the voluntary data gathered, representation of CALD staff in the academic workforce was 25 per cent and for professional staff 33 per cent. Similarly, these rates have remained constant for both cohorts over the past three years.

The highest number of CALD academics in 2011 was at Senior Lecturer's Level D (26 per cent).

It is of note that CALD academic staff were externally recruited most frequently to the more junior Level A (43 per cent of all externally recruited academic staff). Of all externally recruited CALD academic staff, 33 per cent were recruited to Level B and the same proportion of staff were recruited to Level C.

There was one voluntary redundancy and no forced separations from the University for CALD academic staff during 2011.

Of all CALD academic staff employed in continuing positions, 95 per cent were in full-time roles and 5 per cent in part-time roles, which is similar to the rates for all academic staff. Of all CALD academic staff employed in contract positions, 82.5 per cent were in full-time roles and 17.5 per cent in part-time roles. CALD staff are significantly over-represented in full-time contract positions when compared to all staff (70 per cent).

The GDI for both academic and professional CALD staff remained below the government benchmark of 100 (95 and 96 respectively).

Employment equity goals for 2012

- implement the employment equity recommendations in the University's report to the Equal Opportunity for Women in the Workplace Agency
- implement the employment related recommendations within the new Patyegarang ATSI Advancement Strategy
- strengthen the undergraduate Indigenous Cadetship program, including increasing numbers by 50 per cent, workshops for cadets, supervisors and work area colleagues and events which build a stronger sense of community for Indigenous and non-Indigenous staff
- monitor the advancement of equity cohorts within the Macquarie workforce and continue to provide equity observers for all academic promotion rounds
- launch and monitor the progress of the new Disability Action Plan 2012–2017 and develop local area operational plans and strategies which promote and support employment for people with disability (including significantly increasing work experience placements)
- monitor the recruitment and advancement of CALD staff including their over-representation in external recruitment to Level A and in full-time contract employment
- continue to improve Human Resources policy, processes and professional development with regard to reviews and restructures, succession planning, talent and leadership strategies (academic and professional) to ensure that equity and diversity principles are embedded in strategic and operational responses
- continuously improve information and professional development on legislation, rights and responsibilities around discrimination for staff and students, with a focus on prevention of cyber bullying and harassment.

Total staff figures differ slightly from statistics reported on pages 23 and 24. Pages 23 and 24 are DEEWR audited. Numbers in this section were sourced from Human Resources in order to enable categorisation and reporting on equity.

EEO group representation (2007–2011) – benchmark comparison at 31 March 2011¹

Professional staff

	2007	2008	2009	2010	2011	Government benchmark or target
Women ²	64.0%	63.0%	61.1%	62.9%	64.9%	50%
Aboriginal people and Torres Strait Islanders ³	1.6%	0.9%	0.5%	0.5%	1.1%	2.6%
People whose first language was not English ³	27.0%	27.0%	31.8%	32.2%	32.5%	19%
People with disability ³	7.0%	6.0%	4.9%	4.6%	4.1%	N/A
People with a disability requiring work-related adjustment ³	1.3%	1.0%	0.7%	1.1%	1.1%	1.1%

Academic staff

	2007	2008	2009	2010	2011	Government benchmark or target
Women ²	43.0%	43.0%	42.1%	42.1%	41.7%	50%
Aboriginal people and Torres Strait Islanders ³	0.9%	0.9%	0.9%	0.8%	0.8%	2.6%
People whose first language was not English ³	23.0%	23.0%	26.0%	25.6%	25.0%	19%
People with disability ³	6.0%	5.0%	4.6%	4.4%	4.6%	N/A
People with a disability requiring work-related adjustment ³	1.6%	0.8%	0.8%	1.1%	1.2%	1.1%

1 Continuing and fixed-term staff numbers are as at 31 March 2011

2 Actual persons

3 Based on voluntary responses to EO questions

EEO Group Distribution Index⁴ (2007–2011) – benchmark comparison at 31 March 2011¹

Professional staff

	2007	2008	2009	2010	2011	Government benchmark
Women	94	95	94	93	93	100
Aboriginal people and Torres Strait Islanders	N/A	N/A	N/A	N/A	N/A	100
People whose first language was not English	95	94	97	98	96	100
People with a disability	101	95	93	93	92	100
People with a disability requiring work-related adjustment	N/A	N/A	N/A	N/A	N/A	100

Academic staff

	2007	2008	2009	2010	2011	Government benchmark
Women	80	78	82	80	83	100
Aboriginal people and Torres Strait Islanders	N/A	N/A	N/A	N/A	N/A	100
People whose first language was not English	85	87	93	96	95	100
People with a disability	100	102	99	102	97	100
People with a disability requiring work-related adjustment	N/A	N/A	N/A	N/A	N/A	100

1 Continuing and fixed-term staff numbers are as at 31 March 2011

2 Actual persons

3 Based on voluntary responses to EO questions

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.

EEO group representation (FTE) within Levels at 31 March 2011^{1,2}

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	100%	0.0%	0.0%	100%	100%
Level 2	25	38.3%	0.0%	12.2%	26.7%	0.0%
Level 3	44	62.3%	4.9%	40.8%	3.3%	0.0%
Level 4	76	71.4%	0.0%	24.8%	2.8%	0.0%
Level 5	211	67.4%	1.8%	44.3%	4.7%	0.0%
Level 6	277	74.1%	1.2%	33.8%	4.3%	1.3%
Level 7	238	60.5%	0.6%	36.5%	2.9%	2.0%
Level 8	127	59.4%	1.3%	29.0%	1.3%	1.5%
Level 9	119	49.5%	0.0%	26.5%	3.6%	0.0%
Level 10 +	95	45.8%	1.8%	21.9%	7.3%	1.8%
TOTAL	1211	63.2%	1.1%	33.1%	4.1%	1.0%

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	176	53.3%	1.7%	34.4%	5.8%	4.2%
Level B	276	47.6%	1.3%	23.8%	2.3%	0.3%
Level C	227	37.0%	0.6%	24.3%	6.8%	1.7%
Level D	156	36.0%	0.8%	26.4%	3.2%	0.0%
Level E ⁴	147	29.4%	0.0%	23.3%	4.0%	1.0%
TOTAL	976	41.7%	0.8%	25.4%	4.4%	1.1%

1 FTE: Full-time equivalences

2 Continuing and fixed-term staff

3 Based on the responses to equity questions

4 Level E includes Vice-Chancellor and Deputy Vice-Chancellors

Note: Figures may not add up to total due to rounding

Operations

Informatics

Informatics creates, operates and delivers information technology products and services throughout the University. It incorporates Macquarie Analytics and Macquarie Memory, fusing structured and unstructured data into actionable insights. Its purpose is to lift investment yield from infrastructure to innovation and deliver the best possible digital campus experience.

Operation

In terms of personnel, no structural changes were made in 2011 with energies directed towards teambuilding and work practice reform.

During the course of the year Informatics:

- united campus customer service within the OneHelp support system, now adopted almost universally
- lifted forecast and non-forecast capex project completion rate from 52 per cent in 2010 to 73 per cent in 2011, an increase of 21 per cent
- accommodated unplanned project volume growth of 27 per cent relative to baseline in the same period
- continued introduction of equitable resource pricing
- continued to improve operational culture including reduced downtime and increased reliability, as well as improved energy efficiency
- began offering project management office expertise to groups like the Research Office, Access MQ, library, U@MQ and Marketing
- won a number of industry awards for best practice, especially in the field of business intelligence
- became supplier of choice for computer infrastructure for MGSM and ASAM, complementing the support crossover that began in 2010
- repatriated Logistics, Programmes, Implementation and Development teams to campus.

Products

Technology delivery at Macquarie is taking a relatively differentiated form, most clearly illustrated by the adoption of product management and marketing techniques within Informatics. Informatics holds that product – not service – orientation offers the most agile and productive path to both great digital experience and responsible fiscal management.

To that end, over and above operational activities in 2011 we created and delivered significant advantage with:

- iLab – computer laboratory on the internet, providing 350 lab seats without brick and mortar investment
- iTeach – the initial installment of an ambitious web product tailored to help teachers create, change and share online unit design and delivery through the equally new iLearn learning management system
- Units – online unit guide and curriculum mapping, now publishing every undergraduate unit guide
- Tracker – campus-wide consumer relationship management, leveraged by ask.mq.edu.au and serving 55,750 visitors in its first three months of operation
- Datamart – a single place to go shopping for operational institutional data
- Datamodel – real-time interactive web-based scenario and financial modelling, used by Student Load Planning
- Dataswitch – comprehensive, robust, reliable intersystem information flow, leveraged by iLearn for planned registration of 220,000 class registrations across the three 2012 sessions
- Truth – secure digital document repository, leveraged by Memory and used to mitigate risk for 6 million historical documents at launch
- BoardPad – paperless University Council and controlled entity Boards, a first in the Australian university context
- OneVision – campus digital broadcast network, leveraged immediately for student engagement by Marketing, Campus Experience and the library.

Technology

The year of data

A six pronged product strategy was executed in 2011, yielding three consumer products – Datamart, Datamodel, Databank – built on top of three infrastructure products – Dataswitch, Datacore, Datagrid.

The overarching mantra for information technology at Macquarie University is “there’s a link for that”, no matter the question. Datamart provides a modern, entirely browser-based experience for the discovery and consumption of structured data and reporting, with a unique, sharable link to every piece of information. Datamodel offers collaborative simultaneous access to shared spreadsheets that enables rapid iterative planning by hundreds of people in the shortest possible timeframe in the most transparent way. For the first time Databank provides a single authoritative source of trustworthy data that serves as a kind of ‘Switzerland’ between all other systems.

These six Data products enabled Macquarie to achieve outstanding Excellence in Research Awards rankings, submit more accurate DEEWR responses and publish better decision-making telemetry at many levels. Data will continue as a major investment focus in 2012.

OneNet – network technology

In 2011 Macquarie University augmented OneNet, its state-of-the-art data network infrastructure in a number of ways.

Macquarie is the first organisation in the southern hemisphere to acquire and deploy the latest 40Gbps core network technology from Avaya. This investment was made to shift from a disaster recovery to business continuity strategy reflecting the increasingly online and 24/7/365 nature of a modern digital campus. The equipment goes on stream in 2012 and will deliver capacity for years to come as the University takes advantage of federal interconnection with the National Broadband Network, National eResearch Tools and Resources and Research Data Storage initiatives.

Through further investment Macquarie expanded OneNet WiFi coverage to all high traffic outdoor areas to improve mobility of data around campus. Significantly, the MGSM campus now fully participates in OneNet, improving the ability for people to flow and leverage assets cross-campus. Investment in 2011 will see approximately 1000 wireless access points ready for Session 1 2012.

Planning and initial investments were made for OneNet Dorm in 2011. Negotiations commenced to provide OneNet for all on-campus accommodation in 2012 including Dunmore Lang College, Robert Menzies College, Herring Road Townhouses and Macquarie University Village.

Core technology improvements

Informatics maintained investment in the core systems that manage University student, staff and financial information. During 2011, major upgrades were again carried out in student management, human resources and finance systems ensuring each is current and supported.

2012 in anticipation

During 2010 and 2011 there were 30 individual information technology business units within Macquarie University servicing various faculties and offices. An operational model review delivered late in 2011 recommended centralisation of all non-student facing technology functions to the Informatics group.

Accordingly, many resources and activities in 2012/2013 will focus on uniting campus IT into an effective whole. The guiding principle: to transition all commoditised products and services centrally while retaining in-faculty specialty services.

At the same time, a \$9.9 million capex portfolio of 40 projects is planned for 2012, including:

- automated international student enrolment applications
- student examination directory including visual and electronic identity verification
- Datacore application migrations, replacing the current seven-year-old database engine to achieve performance and risk mitigation goals
- completion of business continuity capability, replacing obsolete disaster recovery doctrine
- completion of the Sydney Basin Fibre Network to interconnect institutions and hospitals in the greater Sydney area
- sustainability initiatives including reassessment of printing, improved personal computing procurement and intention to measure the campus IT carbon footprint
- decommissioning of a number of key legacy systems, especially in relation to HR to reduce complexity, improve interconnectedness and maintainability
- continued investment in all products, especially Units, iTeach and Google Apps for teaching and learning, and the Data series for research needs.

Government Information (Public Access)

From 1 July 2010 the new *Government Information (Public Access) Act 2009* (GIPA Act) replaced the *Freedom of Information Act 1989* (NSW).

Access to information held by the University was available by either searching the University's website or by contacting the University. The University would then assess and decide whether the information requested is readily available, could be disclosed as part of a proactive release of information, could be disclosed through informal release, or that a formal access application was required. The application fee for a formal GIPA Act application was \$30.

During the period 1 July 2010 to 31 December 2010 there was one instance where the applicant sought a review of the University's decision by the Information Commissioner. The Information Commissioner's review was determined in February 2011 with a recommendation to the University to release the information sought. There was a subsequent release of information by the University to the applicant in February 2011.

During the period 1 January 2011 to 31 December 2011 Macquarie University received four formal access applications for information. These applications were determined within statutory timeframes. In one of the four applications the information requested was not held by the University. A fifth application was viewed by the University as not complying with the formal requirements of Section 41 of the Act. In this instance the applicant sought a review of the University's decision by the Information Commissioner. This review had not been determined by 31 December 2011.

Assistance for any matter concerning the GIPA Act is available from:

The Right to Information Officer
Building E11A, Room 155
Macquarie University
NSW 2109
T: +61 2 9850 1561
E: gipa@mq.edu.au

The statistical reports that follow correspond to Schedule 2 of the *Government Information (Public Access) Amendment Regulation 2010*.



Table A: Number of applications by type of applicant and outcome*

	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/deny whether information is held	Application withdrawn
Media	0	0	0	0	0	0	0	0
Members of Parliament	0	0	0	0	0	0	0	0
Private sector business	0	0	0	0	0	0	0	0
Not-for-profit organisations or community groups	0	0	1	0	0	0	0	0
Members of the public (application by legal representative)	0	0	0	1	0	0	0	0
Members of the public (other)	3	0	2	0	0	1	0	0

* More than one decision can be made in respect of a particular access application. If so, a recording must be made in relation to each such decision. This also applies to table B.

Table B: Number of applications by type of application and outcome

	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/deny whether information is held	Application withdrawn
Personal information applications*	3	0	2	1	0	2	0	0
Access applications (other than personal information applications)	0	0	1	1	2	0	0	0

	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/deny whether information is held	Application withdrawn
Access applications that are partly personal information applications and partly other	0	0	0	0	0	0	0	0

* A personal information application is an access application for personal information (as defined in Clause 4 of Schedule 4 to the Act) about the applicant (the applicant being an individual).

Table C: Invalid applications

Reason for invalidity	Number of applications
Application does not comply with formal requirements (Section 41 of the Act)	1
Application is for excluded information of the agency (Section 43 of the Act)	0
Application contravenes restraint order (Section 110 of the Act)	0
Total number of invalid applications received	1
Invalid applications that subsequently became valid applications	0

Table D: Conclusive presumption of overriding public interest against disclosure: matters listed in Schedule 1 to Act

	Number of times consideration used*
Overriding secrecy laws	0
Cabinet information	0
Executive Council information	0
Contempt	0
Legal professional privilege	0
Excluded information	0
Documents affecting law enforcement and public safety	0
Transport safety	0
Adoption	0
Care and protection of children	0
Ministerial code of conduct	0
Aboriginal and environmental heritage	0

* More than one public interest consideration may apply in relation to a particular access application and, if so, each such consideration is to be recorded (but only once per application). This also applies in relation to table E.

Table E: Other public interest considerations against disclosure: matters listed in table to Section 14 of Act

	Number of occasions when application not successful
Responsible and effective government	0
Law enforcement and security	0
Individual rights, judicial processes and natural justice	0
Business interests of agencies and other persons	0
Environment, culture, economy and general matters	0
Secrecy provisions	0
Exempt documents under interstate Freedom of Information legislation	0

Table F: Timeliness

	Number of applications
Decided within the statutory timeframe (20 days plus any extensions)	4
Decided after 35 days (by agreement with applicant)	0
Not decided within time (deemed refusal)	0
Total	4

Table G: Number of applications reviewed under Part 5 of the Act (by type of review and outcome)

	Decision varied	Decision upheld	Total
Internal review	0	0	0
Review by Information Commissioner*	1	0	1
Internal review following recommendation under section 93 of Act	0	0	0
Review by ADT	0	0	0
Total	1	0	1

* The Information Commissioner does not have the authority to vary decisions, but can make recommendations to the original decision maker. The data in this case indicates that a recommendation to vary or uphold the original decision has been made by the Information Commissioner.

Table H: Applications for review under Part 5 of the Act (by type of applicant)

	Number of applications for review
Applications by access applicants	0
Applications by persons to whom information the subject of access application relates (see Section 54 of the Act)	0

Insurance

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. Following an exhaustive tendering process Marsh Limited was appointed as the University's insurance brokers for a three-year term in July 2010. The open market approach adopted by the University secured the best available terms from its existing insurers.

The additional insurance requirements in respect of the Macquarie University Hospital have been examined by Marsh Limited and are in place.

The University group has been accepted by New South Wales WorkCover as a participant in the Retro Paid Loss Premium model in respect of its Workers Compensation insurance requirements. This model is driven largely by claims costs and provides incentives for employers with strong performance in occupational health and safety, injury management and return to work. The University expects substantial savings on premium cost provided that claims costs are maintained at current levels.

Internal audit and risk management

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).

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 2010–2012 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 new three-year strategic internal audit and risk management plan for 2010–2012 was developed following a high-level business risk assessment of the University's operations in conjunction with management. A consultative process to arrive at the corporate risk register was completed and the corporate risk register was updated via one-on-one meetings with each member of executive, meetings with primary and secondary risk owners and a workshop with the executive team.

The plan and the updated corporate risk register were approved by the University's Audit and Risk Committee. The committee acknowledges the changing nature of the University's business and the change in the external business environment. The University has a program of major capital developments which are funded by a mix of cash reserves, debt and government contributions. Each of these projects imports new and different levels of risk into the University.

In addition to the business risk assessment, internal audits undertaken in 2011 involved assessments of internal controls and associated risks, and compliance with University policies and procedures and government guidelines.

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.

Credit card certification

During the 2011 financial year, credit card use was in accordance with both the University's credit card policy and purchasing policy. These policies are based on the requirements of the New South Wales Treasury.

Credit card use within the University is largely limited to work related travel expenses and accommodation, 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 supervising officer who has appropriate delegation. 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 2011, 85 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 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 or student who is 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 an officer 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 conducting regular fraud and corruption awareness activities.

Privacy

Macquarie University is committed to protecting the privacy of its members in accordance with the *Privacy and Personal Information Protection Act 1998 (NSW)* (PPIPA) and the *Health Records and Information Privacy Act 2002 (NSW)* (HRIPA). Individuals have the right to know how their personal and health information which is collected by the University is used, disclosed, stored and how it may be accessed.

The role of Privacy Officer is assigned to the General Counsel and the role of Privacy Contact Officer is assigned to the Manager, Records and Archives.

Macquarie University's Privacy Management Plan was developed to comply with Section 33 of PPIPA and is being reviewed and updated to include reference to the University's obligations under HRIPA.

The Privacy Management Plan details:

- the policies and practices that the University has in place to comply with PPIPA
- the dissemination of privacy policies and practices within the University procedures in relation to an internal review under Part 5 of PPIPA
- other matters which are considered relevant to the University in relation to PPIPA

During 2011, the University received no formal requests for a review of the University's handling of personal information

under Part 5 of PPIPA. The University received and resolved one request for access to records under Section 14 of PPIPA.

Student complaints, appeals and discipline

A number of committees receive student complaints and appeals and address disciplinary matters.

Academic Appeals Committee

The Academic Appeals Committee met three times in 2011 to determine appeals by undergraduate and postgraduate coursework students against their exclusion under the relevant degree rules.

Academic Appeals Committee determinations

Appeals	2007	2008	2009	2010	2011
Considered	216	357	304	289	231
Successful	128	141	84	59	52

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 did not meet to consider any cases in 2011.

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. There were four appeals in 2011: two were against decisions to disenrol students, one was against a fail grade for a PhD, and one was against a decision not to allow a candidate to resubmit their thesis for examination. None of the appeals were upheld, though the committee did encourage discussions between the University and the candidates in order to find alternative ways forward.

Discipline Committee

The Discipline Committee met 12 times during 2011 and reviewed 112 student cases (49 in 2010). The table below provides 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.

2011 cases by type of offence

Type of offence	Number of cases
Altering marks in class test/exam	2
Collusion in an exam	2
Forging/amending medical certificate	3
Forging signature/documents	4
Plagiarism	30
Sitting/arranging for exam for another student	9
Sitting test more than once	1
Unauthorised notes in exam	60
Withdrawn case	1

2011 cases by penalty

Penalty	Number of cases
Community service – 20 hours	1
Community service – 30 hours	5
Community service – 50 hours	23
Enrolment suspended	1
Excluded permanently	5
Exclusion from enrolment – half a year	45
Exclusion from enrolment – one year	10
Exclusion from enrolment – one trimester at Macquarie City Campus	1
Fail in the unit/assignment/probation	15
No action/probation	6

Travel

The University spent \$15.2 million on travel and related staff development and training in 2011. 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 \$31.28 million. The surplus for the consolidated University represented 4.2 per cent of revenue.

State superannuation schemes

The University's liability under the State Superannuation Scheme (SSS) and State Authorities Superannuation Scheme (SASS) was \$362.5 million as at 31 December 2011 (\$258.1 million in 2010). This is matched by an asset based on future funding expected from the Australian Government.

Consolidated income analysis

Income totaled \$738.27 million, an increase of 7.5 per cent. This increase has been driven by a number of factors:

- income from HECS-HELP (both government and student payments) increased by \$6.6 million owing to increased student load in Commonwealth Supported Places
- income from fees and charges has increased by \$36.6 million primarily from an increase in fee-paying overseas student revenue and other non-course fees and charges, being hospital services revenue
- other revenue increased by \$6.1 million owing to increase in donations and bequests of \$1.6 million, commercial rent \$2.5 million, recoveries \$1.3 million and food sales, hotel, retail and other \$0.7 million.

Consolidated expense analysis

Expenses totaled \$707 million, an increase of 15.8 per cent. This increase has occurred over several expense categories:

- academic and general staff salaries and related costs increased by \$50.4 million (15 per cent) due to salary increases and the appointment of additional staff including the hospital operations
- depreciation and amortisation increased by \$11.3 million due to the planned capital program: the full-year impact of Macquarie University Hospital and Clinic, Cochlear Ltd and the library buildings becoming operational
- other expenses have increased by \$21.4 million resulting partly from significant increase in Macquarie University Hospital expenditure of \$15.6 million and increase in scholarships, grants and prizes of \$5.7 million.

Consolidated balance sheet

Net assets increased by \$20.6 million from 2010 to 2011 with total assets increasing by \$149.2 million and total liabilities increasing by \$128.6 million. This includes an increase of \$104.4 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 2011.

Indicator	Result	Risk
Revenue growth	7.5%	Low
Proportion of revenue from Australian Government grants	23.58%	Low
Growth in Australian Government funding from 2010	(4.5%)	Low
Proportion of revenue from overseas student fees	31.05%	High
Growth in revenue from overseas student fees from 2010	6.64%	Low
Consecutive deficits recorded	0	Low
Number of weeks income cash and investments is equivalent to	12.2	Low
Current ratio	1.12	Low
Adjusted current ratio ¹	1.34	Low
Borrowings to equity ratio	20%	High

¹ In 2006 the University introduced a change in reporting of long service leave liabilities for employees. The current liability of long service leave entitlements has been determined as all leave that was unconditional as at 31 December 2011. The University expects that \$24.6 million of this current liability will be settled after 12 months and the current ratio has been adjusted to reflect this.

Returns on University investments

Indicator	Actual returns	Benchmark	Actual returns	Benchmark
	2010	2010	2011	2011
Cash and cash equivalent	5.2%	5.16%	5.24%	5.16%
Australian equities	2.36%	1.9%	(9.54%)	(10.98%)
International equities	(6.74%)	9.24%	23.46%	(7.07%)
Debt securities	13.42%	6.04%	7.23%	11.36%
Property	1.26%	(0.68%)	(5.42%)	(1.56%)

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 is a summary of financial performance against budget for 2011.

Income statement

Indicator	Budget 2011 \$'000	Actual 2011 \$'000
Revenue from continuing operations	755,832	738,271
Expenses from continuing operations	702,436	706,991
Operating result from continuing operations	53,396	31,280

Balance sheet

Indicator	Budget 2011 \$'000	Actual 2011 \$'000
Current assets	172,709	162,888
Non-current assets	1,881,938	2,033,184
Total assets	2,054,647	2,196,072
Current liabilities	133,901	145,751
Non-current liabilities	552,557	669,678
Total liabilities	686,458	815,429
Net assets	1,368,189	1,380,643

Cash flow statement

Indicator	Budget 2011 \$'000	Actual 2011 \$'000
Net cash provided by operating activities	102,762	84,384
Net cash used in investing activities	(162,212)	(105,491)
Net cash provided by financing activities	36,708	18,882
Net increase/(decrease) in cash and cash equivalents	(22,742)	(2,225)

Macquarie University has consolidated the following controlled entities:

- Access Macquarie Ltd (AccessMQ)
- Australian Proteome Analysis Facility Ltd (APAF)
- Centre for Money, Banking and Finance Ltd (CMBF)
- COH Property Trust
- LAMS Foundation Ltd
- LAMS International Pty Ltd (LAMS Intl)
- Macquarie Graduate School of Management Pty Ltd (MGSM)
- Macquarie University Property Investment Company Pty Ltd
- Macquarie University Property Investment Company No 2 Pty Ltd
- Macquarie University Property Investment Company No 3 Pty Ltd
- Macquarie University Property Investment Trust (MUPIT)
- MGSM Limited (formerly ACN 153 973 481)
- MU Hospital Pty Ltd
- MUH Operations Pty Ltd
- MUH Operations No 2 Limited
- MUPH Clinic Pty Ltd
- MUPH Hospital Pty Ltd
- Risk Frontiers Flood (Australia) Pty Ltd
- Risk Frontiers Group Pty Ltd
- U@MQ Ltd

The following nine subsidiaries were trading in 2011.

Access Macquarie Ltd

Access Macquarie Ltd (AccessMQ) is a public company limited by guarantee. AccessMQ provided English language training to students from over 40 countries and IELTS testing for over 11,000 candidates in 2011. Its quality teaching resulted in students achieving 15 per cent higher grades of the first year at Macquarie University. Its continued management of research and consulting projects serves as a vital link between academics and researchers from Macquarie University and industry. In 2011, the AccessMQ research and consulting practice attracted in excess of \$8 million in research and consulting engagements.

Australian Proteome Analysis Facility Ltd

Australian Proteome Analysis Facility Ltd (APAF) is a public company limited by guarantee, wholly owned by Macquarie University. APAF was the birthplace of the term proteomics in 1995 and was the world's first dedicated high throughput proteomics laboratory. APAF has over 15 years of experience in providing proteomic services, and combined with leading-edge infrastructure and expertise provides total solutions for proteomic research needs.

Centre for Money, Banking and Finance Limited

Centre for Money, Banking and Finance Limited (CMBF) is a public company limited by guarantee and wholly owned by Macquarie University. CMBF administers the delivery of the University's Master of Applied Finance program in Sydney and other locations, domestically and internationally. The program has approximately 1000 students enrolled and is internationally recognised in the global banking and finance industry.

LAMS International Pty Ltd

LAMS International Pty Ltd (LAMS) is a private company limited by shares and Macquarie University owns 77 per cent of the entity. LAMS is an eLearning system that allows teachers to author and structure learning activities for students in any age group. AccessMQ provides administrative and technical support for LAMS. LAMS sponsored two successful LAMS Conferences in 2011, one in Singapore and the other in Sydney, Australia.

Macquarie Graduate School of Management Pty Ltd

Macquarie Graduate School of Management (MGSM) is a not-for-profit, private company limited by shares and wholly owned by Macquarie University. The three primary divisions of MGSM are Award Programs, Research and Executive Education, which are supported by the MGSM's conference centre on the main campus. MGSM was again ranked among the world's top 100 MBA programs (*The Economist*, October 2011). It also ranked number one in New South Wales, number four in Australia, and number seven in the Asia-Pacific region.

Macquarie University Property Investment Trust

Macquarie University Property Investment Trust (MUPIT) is a trust and wholly owned by Macquarie University. The Trust was established in 2007 for the purpose of investing in the construction of two new buildings, entering into lease agreements, and issuing new units to related entities under the control of the Trustee Company.

MUH Operations No 2 Ltd

MUH Operations No 2 Ltd (MUH) is not-for-profit, public company limited by guarantee and controlled by Macquarie University. The Hospital's objectives are to provide evidenced-based care of the highest quality to every one of its patients; to provide education to its scholars by supporting University-based learning and actively supporting the professional development of its staff; and by supporting innovation in clinical care by providing the most advanced hospital facilities, links to research space and better information systems. Performance of the company's operations are measured in terms of occupancy levels, patient days, average length of stay, patient revenue per patient day, labour work hours per patient day, and clinical and pharmaceutical supplies costs per patient day. The Board reviews the Company's performance at each of its meetings.

Risk Frontiers

Risk Frontiers is a private company limited by shares and wholly owned by Macquarie University. Risk Frontiers is a research centre sponsored by the insurance industry to aid better understanding and pricing of natural hazard risks in the Asia-Pacific region. Its aims are to undertake risk assessment and research into natural hazards, develop databases of natural hazards and their impacts on communities and insured assets, and develop loss models to improve the pricing of natural hazard catastrophe risks. It is the preferred provider of research to the New South Wales State Emergency Service and works with various government agencies and a number of corporate and utility organisations on risk-related issues.

U@MQ Ltd

U@MQ is a public company limited by guarantee and wholly owned by Macquarie University. The principal activities of U@MQ are to provide products, services and facilities to the members of the University community including staff and students that complement and support the academic activities of the University. Those services and facilities include sporting and recreational facilities, food, beverage, retail services and childcare. The company's operations are measured in terms of number of transactions per outlet, average outlet transactions revenue, sports membership numbers, child care utilisation rates, customer satisfaction rates, per cent of cost of goods sold against revenue, per cent of wages, and per cent of direct expenses against revenue.

The financial statements for these entities are available from the University on request.

Contact the Office of Financial services on +61 2 9850 7201 or at finance@mq.edu.au.

Financial Statements

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Independent auditor's report



INDEPENDENT AUDITOR'S REPORT

Macquarie University

To Members of the New South Wales Parliament

I have audited the accompanying financial statements of Macquarie University (the University), which comprise the statements of financial position as at 31 December 2011, the statements of comprehensive income, the statements of changes in equity and the statements of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information of the University and the consolidated entity. 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.

Opinion

In my opinion, the financial statements:

- give a true and fair view of the financial position of the University and the consolidated entity, as at 31 December 2011, and of the financial performance and cash flows for the year then ended in accordance with Australian Accounting Standards
- 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 2010
- comply with the 'Financial Statement Guidelines for Australian Higher Education Providers for the 2011 Reporting Period' (the DEEWR Guidelines), issued by the Australian Government Department of Education, Employment and Workplace Relations (now administered by the Department of Industry, Innovation, Science, Research and Tertiary Education), 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.

Emphasis of matter regarding loans made by the University to a related party

Without qualification to the opinion expressed above, I draw attention to Notes 20 and 34 to the financial statements. During the year, Macquarie University provided loans totalling \$68.4 million (\$31.6 million at 31 December 2010) to MUH Operations No. 2 Limited (the Company). The University assessed these loans as fully recoverable in the medium term. As disclosed in Note 20, the Company is the operator of Macquarie University Hospital which commenced operations in June 2010 and is in its start up phase.

University Council's Responsibility for the Financial Statements

The Council of the University is responsible for the preparation of the financial statements that give a true and fair view in accordance with Australian Accounting Standards, the PF&A Act and the DEEWR Guidelines, and for such internal control as the Council determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

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. Those standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about 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 control relevant to the entity's preparation of the financial statements that give a true and fair view 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 entity's internal control. 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
- about the effectiveness of their internal control
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information which may have been hyperlinked to/from the financial statements.

Independence

In conducting my audit, I have complied with the independence requirements of the Australian Auditing Standards and other relevant ethical pronouncements. The PF&A Act further promotes independence by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- 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

16 April 2012
SYDNEY

Statement of appointed officers

Macquarie University
Statement of Appointed Officers
For the year ended 31 December 2011

Statement of Appointed Officers

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

1. The financial statements present a true and fair view of the financial position of the University at 31 December 2011 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 2010* and the Financial Statement Guidelines for Australian Higher Education Providers for the 2011 Reporting Period issued by the Australian Government (Department of Industry Innovation Science Research and Tertiary Education).
3. The financial statements have been prepared in accordance with Australian Accounting Standards, which include 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



J Wigglesworth
Chair Audit and Risk Committee



E A Crouch
Chair Finance and Facilities Committee

Sydney
12 April 2012

Income statement

Macquarie University
Income Statement
For the year ended 31 December 2011

Notes	Consolidated		Parent	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Income from continuing operations				
Australian Government financial assistance				
Australian Government grants	3	174,097	182,298	174,043
HECS-HELP - Australian Government payments	3	77,706	72,278	77,706
FEE-HELP	3	27,061	26,435	27,061
State and Local Government financial assistance	4	4,151	2,707	4,151
HECS-HELP - Student payments		19,532	18,316	19,532
Fees and charges	5	355,528	318,881	287,996
Investment revenue	6	15,395	12,168	16,319
Royalties, trademarks and licences	7	655	506	604
Consultancy and contracts	8	21,986	17,194	14,939
Other revenue	9	42,160	36,011	42,097
Total income from continuing operations		738,271	686,794	664,448
Expenses from continuing operations				
Employee related expenses	10	385,473	335,071	314,187
Depreciation and amortisation	11	50,343	39,063	48,949
Repairs and maintenance	12	8,521	8,499	6,175
Borrowing costs	13	25,624	13,873	25,624
Impairment of assets	14	1,101	(436)	883
Deferred superannuation expense	10/37	637	592	637
Other expenses	15	235,292	213,896	202,832
Total expenses from continuing operations		706,991	610,558	599,287
Operating result before income tax		31,280	76,236	65,161
Operating result from continuing operations		31,280	76,236	65,161
Operating result after income tax for the period		31,280	76,236	65,161
Operating result attributable to members of Macquarie University	28(b)	31,280	76,236	65,161

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 2011

	Notes	Consolidated		Parent	
		2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Operating result after income tax for the period		31,280	76,236	65,161	100,554
Gain(loss) on revaluation of property, plant and equipment	28(a)	(14,057)	50,032	(14,299)	50,032
Revaluation of available for sale investments	28(a)	(11,745)	173	(11,745)	173
Revaluation of patents	28(a)	270	(20)	270	(20)
Net Actuarial gain(loss) recognised in respect of Defined Benefit Plans	28(b)	(4,219)	(1,089)	(4,219)	(1,089)
Total comprehensive income		(29,751)	49,096	(29,993)	49,096
Total comprehensive income attributable to members of Macquarie University		1,529	125,332	35,168	149,650

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 2011

	Notes	Consolidated		Parent	
		2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
ASSETS					
Current assets					
Cash and cash equivalents	17	79,200	81,425	54,989	38,788
Receivables	18	33,599	30,175	22,544	25,937
Inventories	19	3,749	3,641	207	191
Other financial assets	20	36,134	19,557	19,464	27,720
Other non-financial assets	21	10,206	12,618	9,312	10,534
Total current assets		162,888	147,416	106,516	103,170
Non-current assets					
Receivables	18	401,906	279,223	401,906	279,223
Other financial assets	20	58,091	74,703	126,007	98,508
Property, plant and equipment	22	1,557,157	1,528,241	1,552,577	1,523,583
Intangible assets	23	667	515	667	515
Other non-financial assets	21	15,363	16,800	18,364	19,963
Total non-current assets		2,033,184	1,899,482	2,099,521	1,921,792
Total assets		2,196,072	2,046,898	2,206,037	2,024,962
LIABILITIES					
Current liabilities					
Trade and other payables	24	47,223	54,475	34,569	40,407
Borrowings	25	1,152	1,013	971	903
Provisions	26	60,712	47,878	55,508	44,209
Other liabilities	27	36,664	40,918	33,990	39,726
Total current liabilities		145,751	144,284	125,038	125,245
Non-current liabilities					
Borrowings	25	277,958	258,247	277,377	258,162
Provisions	26	382,291	279,780	381,427	278,883
Other liabilities	27	9,429	4,497	9,429	4,098
Total non-current liabilities		669,678	542,524	668,233	541,143
Total liabilities		815,429	686,808	793,271	666,388
Net assets		1,380,643	1,360,090	1,412,766	1,358,574
EQUITY					
Parent entity interest					
Reserves	28(a)	458,486	484,018	458,235	484,009
Retained earnings	28(b)	922,157	876,072	954,531	874,565
Parent entity interest		1,380,643	1,360,090	1,412,766	1,358,574
Total equity		1,380,643	1,360,090	1,412,766	1,358,574

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

Statement of changes in equity

Macquarie University Statement of Changes in Equity For the year ended 31 December 2011

	Consolidated			Parent		
	Reserves \$'000	Retained earnings \$'000	Total: Owners of the parent \$'000	Reserves \$'000	Retained earnings \$'000	Total \$'000
Balance at 1 January 2010	433,833	802,173	1,236,006	433,824	775,100	1,208,924
Retrospective changes	-	-	-	-	-	-
Balance as restated	433,833	802,173	1,236,006	433,824	775,100	1,208,924
Profit or loss	-	76,236	76,236	-	100,554	100,554
Revaluation of property, plant & equipment	50,032	-	50,032	50,032	-	50,032
Gain on available for sale financial assets	173	-	173	173	-	173
Revaluation of patent reserves	(20)	-	(20)	(20)	-	(20)
Net gain/ (loss) on Defined Benefit	-	(1,089)	(1,089)	-	(1,089)	(1,089)
Total comprehensive income	50,185	75,147	125,332	50,185	99,465	149,650
Others	-	(1,248)	(1,248)	-	-	-
Balance at 31 December 2010	484,018	876,072	1,360,090	484,009	874,565	1,358,574
Balance at 1 January 2011	484,018	876,072	1,360,090	484,009	874,565	1,358,574
Adjustment on adoption of AASB 117	-	19,024	19,024	-	19,024	19,024
Balance as restated	484,018	895,096	1,379,114	484,009	893,589	1,377,598
Profit or loss	-	31,280	31,280	-	65,161	65,161
Revaluation of property, plant & equipment	(14,057)	-	(14,057)	(14,299)	-	(14,299)
Gain/(loss) on available for sale financial assets	(11,745)	-	(11,745)	(11,745)	-	(11,745)
Revaluation of patent reserves	270	-	270	270	-	270
Net gain/ (loss) on Defined Benefit	-	(4,219)	(4,219)	-	(4,219)	(4,219)
Total comprehensive income	(25,532)	27,061	1,529	(25,774)	60,942	35,168
Others	-	-	-	-	-	-
Balance at 31 December 2011	458,486	922,157	1,380,643	458,235	954,531	1,412,766

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

Statement of cash flows

Macquarie University
Statement of Cash Flows
For the year ended 31 December 2011

	Notes	Consolidated		Parent	
		2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Cash flows from operating activities					
Australian Government Grants received	3(h)	283,477	294,464	283,477	294,464
State and Local Government Grants received	4	4,151	2,707	4,151	2,707
HECS-HELP - Student Payments		19,532	18,316	19,532	18,316
Receipts from student fees and other customers		493,756	426,366	357,813	370,301
Dividends received	6	4,512	1,954	4,512	1,954
Interest received		10,835	11,274	8,591	9,276
Payments to suppliers and employees (inclusive of GST)		(711,917)	(583,515)	(553,563)	(504,000)
Interest and other costs of finance paid		(19,962)	(13,963)	(19,943)	(13,873)
Net cash provided by / (used in) operating activities	36	84,384	157,603	104,570	179,145
Cash flows from investing activities					
Proceeds from sale of property, plant and equipment		411	1,100	208	972
Payments for property, plant and equipment		(95,040)	(333,488)	(93,596)	(185,110)
Proceeds from sale of financial assets		5,984	16,586	5,984	16,586
Payment for financial assets		(16,846)	-	(300)	-
Loans to related parties		-	-	(19,700)	(27,300)
Net cash provided by / (used in) investing activities		(105,491)	(315,802)	(107,404)	(194,852)
Cash flows from financing activities					
Proceeds from borrowings		20,000	251,253	20,000	247,500
Repayment of borrowings		(965)	(122,130)	(965)	(764)
Repayment of finance leases		(153)	(80)	-	-
Transfer to related parties		-	-	-	(265,644)
Net cash provided by / (used in) financing activities		18,882	129,043	19,035	(18,908)
Net increase / (decrease) in cash and cash equivalents					
		(2,225)	(29,156)	16,201	(34,615)
Cash and cash equivalents at the beginning of the financial year		81,425	110,581	38,788	73,403
Cash and cash equivalents at the end of the financial year	17	79,200	81,425	54,989	38,788

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

Notes to the financial statements

Macquarie University
Notes to the financial statements
31 December 2011

1 Summary of significant accounting policies

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

(a) Basis of preparation

The financial statements are general purpose financial statements which have been prepared on an accrual basis in accordance with Australian Accounting Standards, AASB Interpretations, the requirements of the Department of Industry Innovation Science Research and Tertiary Education (DIISRTE) and the New South Wales Public Finance and Audit Act 1983 and the Public Finance and Audit Regulations 2010. The financial statements for the year ended 31 December 2011 have been authorised for issue by the Macquarie University Council on 12 April 2012.

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 income statement, 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.

Common control transactions

The predecessor method of accounting is used to account for business combinations between the entities in the Group.

Assets acquired and liabilities assumed in common control transactions are measured at acquisition date at the carrying value for the Group's perspective.

Internal restructures arising from transfers of interests in entities that are under the control of the ultimate parent (Macquarie University) are not specifically within the scope of any accounting standard. Therefore, Macquarie University developed an accounting policy using the hierarchy for the selection of accounting policies includes in AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors. Consequently, Macquarie University elected to measure such transactions, including non-cash distribution outside the scope of Australian Interpretation 17 Distributions of Non-cash Assets to Owners, at book value.

Consequently, non-cash distributions involving entities under common control are treated as contributions by owners/distributions to owners and are accounted for through equity, as a redemption of ownership interest.

Transfer of businesses, assets and liabilities involving entities under common control are done at book values through equity.

(b) Basis 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 2011 and the results of all subsidiaries for the year then ended. Macquarie University and its subsidiaries together are referred to in these financial statements 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 holding 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.

1 Summary of significant accounting policies (continued)

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 34.

(ii) **Joint ventures, associates and minority interests**

The proportionate interests in the assets, liabilities and expenses of joint venture operations were not considered material and have not been incorporated in the financial statements. Details of the joint ventures and associates are set out in note 35.

(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.

(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 and cash equivalents 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 statements are 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.

1 Summary of significant accounting policies (continued)

(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.

Finance lease income is recognised in the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the receivable for each period.

(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 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, with the exception of LAMS International Pty Ltd, Risk Frontiers Flood (Australia) Pty Ltd and Macquarie University Property Investment Group. LAMS International Pty Ltd has no income tax liability as at 31 December 2011.

(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 32). Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis, over the period of the lease.

The University is lessor in a number of long term leases of land to commercial organisations. Where substantially all the risks and rewards incidental to ownership are transferred to the lessee at inception, these leases shall be classified as finance leases. Previously these leases had been classified as operating leases. Finance leases are recognised at the lease's inception at the lower of the fair value of the lease property and the present value of the minimum lease payments. The corresponding rent receivables, net of finance lease income, are included in other short term and long term receivables. Each lease receipt is allocated between the receivable and finance lease income. The finance lease income is recognised in the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the receivable for each period (note 16).

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 statements 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.

(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.

1 Summary of significant accounting policies (continued)

(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 statement of financial position.

(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 46 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 2011. Bad debts are written off in the period in which they are identified.

(k) Inventories

Printery, publications, food and beverage, service stores, medical supplies 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.

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

Other financial assets at fair value through income statement (Note 20)

Available-for-sale financial assets (Note 20)

Held to maturity investments (Note 20)

Other financial assets (Note 20)

Reserves and retained earnings (Note 28)

The Group classifies its investments in the following categories: financial assets at fair value through income statement, 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 income statement*

Financial assets at fair value through income statement 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 statement of financial position date.

1 Summary of significant accounting policies (continued)

(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 statement of financial position date which are classified as non-current assets. Loans and receivables are included in receivables in the statement of financial position. (note 18).

(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 statement of financial position 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 income statement. Financial assets carried at fair value through income statement 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.

Subsequent measurement

Available-for-sale financial assets and financial assets at fair value through income statement 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 income statement' 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.

Fair value

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.

Impairment

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.

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.

1 Summary of significant accounting policies (continued)

(n) Property, plant and equipment

Acquisition and additions of non-current assets are capitalised if the value is more than \$1,000 for subsidiaries or \$5,000 for Parent entity, U@MQ Ltd and MGSM Pty Ltd, where individual items are less than these amounts but the project total is collectively greater than the capitalisation limit, the collective total may be capitalised. These additions are recorded at cost in the year of acquisition.

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 in accordance with AASB 116.

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, 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 fair 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 income statement, the increase is first recognised in the income statement. 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 were revalued with dates of inspection between 11 July 2011 to 7 December 2011 and valuation date as at 31 December 2011. 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 2011 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.

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.

1 Summary of significant accounting policies (continued)

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	1.67 to 50
- Infrastructure	5 to 20
- Assets under construction	Nil
<i>Plant and Equipment</i>	
- Computer Equipment	30
- Other Equipment	10 to 30
- Science Equipment	20
- Motor Vehicles	15
- Library Collections: General	20
- Library Collections: Special	Nil
- Works of Art and Museum Collections	Nil
- Medical Equipment	10 to 20
- IT Networks and Infrastructure	5 to 10

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.

(ii) IT software

IT software which is purchased, developed, or implemented, is recorded at historical cost and is amortised over its useful life.

(iii) Patents

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.

(p) Unfunded superannuation

In accordance with the 1998 instructions issued by the Department of Education, Training and Youth Affairs (DETYA) now known as DIISRTE, 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.

1 Summary of significant accounting policies (continued)

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.

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 24 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 statement of financial position date and does not expect to settle the liability for at least 12 months after the statement of financial position 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 during the period of time that is required to complete and prepare the asset for its intended use or sale). 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 statement of financial position 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.

(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".

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

1 Summary of significant accounting policies (continued)

(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.

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 statement of financial position.

1 Summary of significant accounting policies (continued)

Cash flows are included in the statement of cash flows 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 statements 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 2011 reporting periods.

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

(y) Derivatives

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Group designates certain derivatives as either; (1) hedges of the fair value of recognised assets or liabilities or a firm commitment (fair value hedge); or (2) hedges of highly probable forecast transactions (cash flow hedges).

(i) Fair value hedge

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the income statement, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

(ii) Cash flow hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in equity in other comprehensive income. The gain or loss relating to the ineffective portion is recognised immediately in the income statement within other income or borrowing costs.

Amounts that have been recognised in other comprehensive income are reclassified from equity to income statement as a reclassification adjustment in the periods when the hedged item affects profit or loss (for instance when the forecast sale that is hedged takes place). The gain or loss relating to the effective portion of interest rate swaps hedging variable rate borrowings is recognised in the income statement within 'borrowing costs'. The gain or loss relating to the effective portion of forward foreign exchange contracts is recognised in the income statement within 'Fees and charges'.

However, when the forecast cash flow that is hedged results in the recognition of a non-financial asset (for example, inventory or fixed assets) the gains and losses previously recognised in other comprehensive income are either reclassified as a reclassification adjustment to the income statement or are included in the initial measurement of the cost of the asset. The deferred amounts are ultimately recognised in the income statement as other expenses in the case of inventory, or as depreciation in the case of fixed assets.

When a hedging instrument expires or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss that has been recognised in other comprehensive income from the period when the hedge was effective shall remain separately in equity until the forecast transaction occurs. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was recognised in other comprehensive income shall be reclassified to the income statement as a reclassification adjustment.

(iii) Derivatives that do not qualify for hedge accounting

Certain derivative instruments do not qualify for hedge accounting. Changes in the fair value of any derivative instrument that does not qualify for hedge accounting are recognised immediately in the income statement and are included in other income or other expenses.

2 Disaggregated information

(a) Geographical - Consolidated

	Revenue		Results		Assets	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Australia	728,948	685,106	30,452	75,378	2,196,072	2,046,898
Africa	20	-	-	-	-	-
Asia	8,977	1,688	828	858	-	-
Europe	152	-	-	-	-	-
North America	14	-	-	-	-	-
South America	160	-	-	-	-	-
Total	738,271	686,794	31,280	76,236	2,196,072	2,046,898

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

Notes	Consolidated		Parent	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
(a) Commonwealth Grants Scheme and Other Grants				
39.1				
Commonwealth Grants Scheme ^{#1}	96,533	91,054	96,533	91,054
Indigenous Support Program	544	602	544	602
Partnership & Participation Program ^{#2}	1,549	955	1,549	955
Disability Support Program	863	309	863	309
Workplace Productivity Program	-	450	-	450
Capital Development Pool	1,086	110	1,086	110
Diversity & Structural Adjustment Fund ^{#3}	-	525	-	525
Transitional Cost Program	98	523	98	523
Total Commonwealth Grants Scheme and Other Grants	100,673	94,528	100,673	94,528
(b) Higher Education Loan Programs				
39.2				
HECS-HELP - Australian Government payments	77,706	72,278	77,706	72,278
FEE-HELP	27,061	26,435	27,061	26,435
Total Higher Education Loan Programs	104,767	98,713	104,767	98,713
(c) Scholarships				
39.3				
Australian Postgraduate Awards	4,424	3,485	4,424	3,485
International Postgraduate Research Scholarship	431	410	431	410
Commonwealth Education Cost Scholarships ^{#4}	727	(1,246)	727	(1,246)
Commonwealth Accommodation Scholarships ^{#4}	135	(592)	135	(592)
Indigenous Access Scholarships	(109)	38	(109)	38
Total Scholarships	5,608	2,095	5,608	2,095
(d) DIISR Research				
39.4				
Joint Research Engagement Program ^{#5}	5,524	5,689	5,524	5,689
Research Training Scheme	12,077	11,533	12,077	11,533
Research Infrastructure Block Grants	2,725	2,878	2,725	2,878
Implementation Assistance Programme	-	81	-	81
Commercialisation Training Scheme	-	(1)	-	(1)
Sustainable Research Excellence in Universities	1,869	1,409	1,869	1,409
Total DIISR Research Grants	22,195	21,589	22,195	21,589
(e) Other Capital Funding				
39.5				
Teaching and Learning Capital Fund	-	12,929	-	12,929
Education Investment Fund	16,000	25,638	16,000	25,638
Total Other Capital Funding	16,000	38,567	16,000	38,567

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

	Notes	Consolidated		Parent	
		2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
(f) Australian Research Council	39.6				
(i) Discovery	39.6(a)				
Project		8,904	7,905	8,904	7,905
Fellowships		2,511	998	2,511	998
Total Discovery		<u>11,415</u>	<u>8,903</u>	<u>11,415</u>	<u>8,903</u>
(ii) Linkages	39.6(b)				
Infrastructure		750	1,470	750	1,470
Projects		2,352	1,980	2,352	1,980
Total Linkages		<u>3,102</u>	<u>3,450</u>	<u>3,102</u>	<u>3,450</u>
(iii) Networks and Centres	39.6(c)				
Research Networks		(5)	-	(5)	-
Centres		6,126	-	6,126	-
Total Networks and Centres		<u>6,121</u>	<u>-</u>	<u>6,121</u>	<u>-</u>
Total Australian Research Council		<u>20,638</u>	<u>12,353</u>	<u>20,638</u>	<u>12,353</u>
(g) Other Australian Government financial assistance					
Commonwealth Parliament		54	54	-	-
Agriculture, Fisheries and Forestry		131	27	131	27
Attorney-General		60	10	60	10
Defence		30	62	30	62
Education, Employment and Workplace Relations		1,032	9,267	1,032	9,267
Environment, Water, Heritage and the Arts		192	9	192	9
Families, Housing, Community Services and Indigenous Affairs		-	20	-	20
Foreign Affairs and Trade		865	532	865	532
Health and Ageing		2,515	1,927	2,515	1,927
Immigration and Citizenship		94	24	94	24
Innovation, Industry, Science and Research		3,243	350	3,243	350
Prime Minister and Cabinet		111	-	111	-
Resources, Energy and Tourism		7	7	7	7
Other		649	877	649	877
Total Other Australian Government financial assistance		<u>8,983</u>	<u>13,166</u>	<u>8,929</u>	<u>13,112</u>
Total Australian Government financial assistance		<u>278,864</u>	<u>281,011</u>	<u>278,810</u>	<u>280,957</u>

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

#2 Includes Equity Support Program

#3 Includes Collaboration & Structural Adjustment Program

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

#5 Includes Institutional Grants Scheme.

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

	Consolidated		Parent	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Reconciliation				
Australian Government grants [(a) + (c) + (d) + (e) + (f) + (g)]	174,097	182,298	174,043	182,244
HECS-HELP - Australian Government payments	77,706	72,278	77,706	72,278
FEE-HELP	27,061	26,435	27,061	26,435
Total Australian Government financial assistance	278,864	281,011	278,810	280,957

	Consolidated		Parent	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
(h) Australian Government Grants received - cash basis				
CGS and Other DIISRTE Grants	100,673	98,274	100,673	98,274
Higher Education Loan Programmes	109,134	108,464	109,134	108,464
Scholarships	5,608	2,095	5,608	2,095
DIISR Research	22,195	21,589	22,195	21,589
Better Universities Renewal Funding	16,000	38,567	16,000	38,567
ARC grants - Discovery	11,665	8,903	11,665	8,903
ARC grants - Linkages	3,148	3,450	3,148	3,450
ARC grants - Networks and Centres	6,121	-	6,121	-
Other Australian Government Grants	8,933	13,122	8,933	13,122
Total Australian Government Grants received - cash basis	283,477	294,464	283,477	294,464
OS-Help (Net)	39.7	(55)	4	(55)
Total Australian Government funding received - cash basis	283,422	294,468	283,422	294,468

4 State and Local Government financial assistance

	Consolidated		Parent	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
State financial assistance				
State Government Research	3,237	1,901	3,237	1,901
Other State Government financial assistance	914	806	914	806
Total State and Local Government financial assistance	4,151	2,707	4,151	2,707

5 Fees and charges

	Consolidated		Parent	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Course fees and charges				
Fee-paying overseas students	229,234	214,964	220,079	206,487
Continuing education	832	777	832	777
Fee-paying domestic postgraduate students	12,449	13,605	12,386	14,055
Fee-paying domestic undergraduate students	5,838	6,430	7,718	6,430
Fee-paying domestic non-award students	7,293	8,338	3,062	2,742
English language programs	2,043	2,792	1,595	2,792
Income from SIBT	20,381	24,104	20,381	24,104
Total course fees and charges	278,070	271,010	266,053	257,387
Other non-course fees and charges				
Late fees	501	521	501	521
Library fines	201	238	201	238
Parking fees	3,841	4,182	3,857	4,176
Rental charges	8,537	5,680	6,632	3,488
Student accommodation	4,899	5,177	4,899	5,177
Amenities and service fees	3,771	7,954	4,228	7,949
Management fees	1,154	815	-	-
Project research	1,542	1,317	-	-
Hospital services revenue	44,623	12,188	-	-
Others	8,389	9,799	1,625	211
Total other fees and charges	77,458	47,871	21,943	21,760
Total fees and charges	355,528	318,881	287,996	279,147

6 Investment revenue

	Consolidated		Parent	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Dividends	4,512	1,954	4,512	1,954
Interest	10,451	9,485	11,375	7,296
Trust distributions	432	729	432	1,980
Total investment revenue	15,395	12,168	16,319	11,230

7 Royalties, trademarks and licences

	Consolidated		Parent	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Royalties	655	498	604	471
Copyright	-	8	-	8
Total royalties, trademarks and licences	655	506	604	479

8 Consultancy and contracts

	Consolidated		Parent	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Consultancy	2,900	1,328	2,430	1,181
Contract research	19,086	15,866	12,509	10,015
Total consultancy and contracts	21,986	17,194	14,939	11,196

9 Other revenue and income

	Consolidated		Parent	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Donations and bequests	2,975	1,340	2,975	1,332
Scholarships and prizes	377	393	401	393
Other revenue	4,725	4,166	4,029	2,992
Net gain on sale of available-for-sale financial assets	-	440	-	440
Photocopy Income	485	553	484	551
Recoveries	7,258	5,972	33,130	28,022
Publication sales	917	955	1,078	964
Food sales, hotel & retail	10,368	9,119	-	-
Research Quantum	-	1,409	-	-
Commercial rent	4,967	2,486	-	-
Room, Academic dress hire	1,281	1,343	-	-
Child care fees	3,581	3,232	-	-
Members fees	5,226	4,603	-	-
Total other revenue	42,160	36,011	42,097	34,694

10 Employee related expenses

	Consolidated		Parent	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Academic				
Salaries	137,331	128,270	133,279	123,993
Contributions to superannuation & pension schemes	18,347	17,127	17,915	16,692
Payroll tax	8,647	8,162	8,368	7,858
Worker's compensation	342	754	329	728
Long service leave	6,435	2,643	6,418	2,634
Annual leave	938	893	923	942
Total academic	172,040	157,849	167,232	152,847
Non-academic				
Salaries	173,782	146,153	119,031	103,387
Contributions to superannuation & pension schemes	21,283	18,028	16,000	13,918
Payroll tax	8,646	7,686	7,473	6,552
Worker's compensation	346	1,291	264	721
Long service leave	3,873	1,422	3,615	1,528
Annual leave	4,413	2,063	572	587
Other	1,090	579	-	-
Total non-academic	213,433	177,222	146,955	126,693
Total employee related expenses	385,473	335,071	314,187	279,540
Deferred superannuation expense	637	592	637	592
Total employee related expenses, including deferred employee benefits for superannuation	386,110	335,663	314,824	280,132

11 Depreciation and amortisation

	Consolidated		Parent	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Depreciation				
Buildings	21,966	13,952	21,966	13,952
Infrastructure	3,297	3,024	3,297	3,024
Plant and equipment	17,818	15,056	16,634	10,759
Leasehold improvements	210	77	-	-
Motor vehicle	267	256	267	256
Library Collection - General	6,500	6,437	6,500	6,437
Make good provision	268	247	268	247
Total depreciation	50,326	39,049	48,932	34,675
Amortisation				
Patents and trademarks	17	14	17	14
Total amortisation	17	14	17	14
Total depreciation and amortisation	50,343	39,063	48,949	34,689

12 Repairs and maintenance

	Consolidated		Parent	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Buildings and infrastructure	7,089	8,092	6,072	7,326
Others	1,432	407	103	105
Total repairs and maintenance	8,521	8,499	6,175	7,431

13 Borrowing costs

	Consolidated		Parent	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Bank loans	2,234	1,423	2,234	1,423
Bond interest	17,048	5,393	17,048	5,393
Interest rate swap and financing costs	6,342	7,057	6,342	7,057
Total borrowing costs expensed	25,624	13,873	25,624	13,873

The student housing loan and bond issuance are carried at a fixed interest rate of 7.035% and 6.750% respectively until 2020.

In 2011, the University had no capitalised interest and other financing costs relating to qualifying assets (2010: \$3.33 million).

14 Impairment of assets

	Consolidated		Parent	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Receivables and patents	919	242	701	231
Available for sale financial assets	182	(678)	182	1,821
Total impairment of assets	1,101	(436)	883	2,052

15 Other expenses

	Consolidated		Parent	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Scholarships, grants and prizes	39,696	33,995	39,414	33,685
Non-capitalised equipment	9,183	7,265	7,034	6,285
Advertising, marketing and promotions	6,666	6,099	3,918	3,690
Audit fees, bank charges, legal costs, insurance and taxes expenses	9,710	10,955	7,487	8,646
General consumables/materials	41,112	26,714	13,985	15,212
Printing, photocopying and stationery	2,156	2,587	1,275	1,404
Postage	690	785	673	760
Security charges	2,626	2,196	1,988	1,710
Utilities	8,620	7,919	6,827	6,381
Rental, hire and other leasing fees	10,431	16,503	9,059	13,441
Telecommunications	4,174	3,620	1,068	1,270
Travel and related staff development and training	15,188	15,056	14,837	14,225
Contractors/Consultants	36,422	32,256	54,269	53,982
Maintenance contracts	7,376	4,914	7,349	4,915
Subscriptions	1,938	1,919	1,812	1,805
Proceeds from assets sold and/or written off related to property, plant and equipment	1,432	104	1,129	61
Food and beverages	1,126	812	-	-
Agents commission	7,766	9,071	5,520	5,705
MQ fees direction & patents	130	247	-	-
Chairman's fees	20	20	-	-
IT support	865	757	627	704
Examiners' fees	203	167	203	167
Copyright charges	1,023	1,022	1,023	1,022
Motor vehicle expenses	276	193	276	193
Tuition Services	16,753	19,552	16,753	19,552
Removal Charge	1,156	83	1,156	83
Cleaning	3,216	2,767	3,216	2,767
Others	5,338	6,318	1,934	2,330
Total other expenses	235,292	213,896	202,832	199,995

16 Change in Accounting Policy

The University has adopted the changes required by AASB 117 Leases as at 1 January 2011. Long term land leases where substantially all the risks and rewards incidental to ownership are transferred to the lessee at inception, are now classified as finance leases. Previously these leases had been classified as operating leases. Finance leases are recognised at the lease's inception at the lower of the fair value of the lease property and the present value of the minimum lease payments. The corresponding rent receivables, net of finance lease income, are included in other short term and long term receivables. Each lease receipt is allocated between the receivable and finance lease income. The finance lease income is recognised in the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the receivable for each period.

16 Change in Accounting Policy (continued)

The changes adopted provide that where it is impracticable to calculate retrospectively, amendments may be implemented on the basis of the facts and circumstances existing on the date of adoption, recognising the asset and liability related to the land leases newly classified as finance leases at their fair value on that date, with any differences between those fair values recognised in retained earnings. Comparative figures have not been restated to reflect this policy change as it is not possible to determine what the retrospective fair value of these assets would have been at the end of the previous period.

At adoption on 1 January 2011, this change in accounting policy increased finance leases receivable by \$19.024 million and increased opening retained earnings by \$19.024 million. During the year, finance lease income of \$0.895 million was earned and a reduction in lease receivable of \$0.007 million was recognised. At 31 December 2011 the value of finance leases receivable is \$19.017 million.

17 Cash and cash equivalents

	Consolidated		Parent	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Cash at bank and on hand	23,254	27,041	15,510	17,853
Deposits at call	16,467	33,449	-	-
NSW T-Corp Hour Glass Investment Facility	38,601	20,103	38,601	20,103
UBS Cash Plus	878	832	878	832
Total cash and cash equivalents	79,200	81,425	54,989	38,788

(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	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Balances as above	79,200	81,425	54,989	38,788
Balances per statement of cashflows	79,200	81,425	54,989	38,788

(b) Cash at bank and on hand

The National Australia Bank Corporate Cheque Account is interest bearing between 0% and 4.50% (2010 between 0% to 4.50%)

(c) Deposits at call

The deposits are bearing floating interest rates between 4.0% and 6.15% (2010: 2.33% and 5.82%).

Included in the cash at bank and on hand is an amount of \$219,525 as at 31 December 2011 (2010: \$217,600) for the purpose of meeting the objectives of the estate of the late F.J. Walsh bequest.

Refer to Note 38 for details regarding credit risk, liquidity risk and market risk arising from financial instruments.

18 Receivables

	Consolidated		Parent	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Current				
Related parties	-	-	4,358	7,005
Student and other debtors	24,327	16,658	13,161	7,218
Less: provision for impaired receivables	(1,140)	(907)	(1,283)	(664)
Total net receivables	23,187	15,751	16,236	13,559
Accrued income	10,030	14,424	5,926	12,378
Finance lease receivables	382	-	382	-
Total current receivables	33,599	30,175	22,544	25,937
Non-current				
Deferred government contribution for superannuation	362,467	258,070	362,467	258,070
Finance lease receivables	39,439	21,153	39,439	21,153
Total non-current receivables	401,906	279,223	401,906	279,223
Total receivables	435,505	309,398	424,450	305,160

Refer to Note 38 for details regarding credit risk, liquidity risk and market risk arising from financial instruments.

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 2011 was \$354.06 million (2010: \$252.88 million)
- State Authorities Superannuation Scheme for consolidated and parent in 2011 was \$8.41 million (2010: \$5.19 million)

Hence the total non-current deferred government contribution for superannuation for consolidated and parent in 2011 is \$362.47 million (2010: \$258.07 million)

The increase in the asset during 2011 for the State Superannuation Schemes (SSS and SASS) is \$104.40 million (2010: \$27.45 million). 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 37 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 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.

The University also reclassified a number of long term land leases with commercial tenants as finance leases.

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.

18 Receivables (continued)

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.

(a) Impaired receivables

As of 31 December 2011 current receivables of the University with a nominal value of \$1.28 million (2010: \$0.66 million) were impaired.

Consolidated receivables of \$1.76 million (2010: \$0.81 million) 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	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
< 3 months	383	62	241	15
3 to 6 months	385	36	79	30
Over 6 months	993	709	963	619
	<u>1,761</u>	<u>807</u>	<u>1,283</u>	<u>664</u>

As of 31 December 2011, University receivables of \$3.44 million (2010: \$3.35 million) were past due but not impaired. Consolidated receivables of \$4.67 million (2010: \$3.38 million) 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	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
< 3 months	1,203	1,882	1,203	1,874
3 to 6 months	2,119	940	1,483	928
Over 6 months	1,348	523	758	509
Repayment of a debt previously written off	-	38	-	38
	<u>4,670</u>	<u>3,383</u>	<u>3,444</u>	<u>3,349</u>

18 Receivables (continued)

Movements in the provision for impaired receivables are as follows:

	Consolidated		Parent	
	2011	2010	2011	2010
	\$'000	\$'000	\$'000	\$'000
At 1 January	658	1,104	664	1,021
Provision for impairment recognised during the year	942	74	718	217
Receivables written off during the year as uncollectible	(112)	(622)	(109)	(612)
Repayment of debt previously written off	4	102	10	38
At 31 December 2011	<u>1,492</u>	<u>658</u>	<u>1,283</u>	<u>664</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.

19 Inventories

	Consolidated		Parent	
	2011	2010	2011	2010
	\$'000	\$'000	\$'000	\$'000
Current				
<i>Printery</i>				
- at net realisable value	77	72	46	43
<i>Food and beverages</i>				
- at net realisable value	81	68	-	-
<i>Other Inventories</i>				
- at net realisable value	161	148	161	148
<i>Medical supplies</i>				
- at cost	2,729	2,779	-	-
<i>Services store</i>				
- at cost	117	151	-	-
- at net realisable value	584	423	-	-
Total current Inventories	<u>3,749</u>	<u>3,641</u>	<u>207</u>	<u>191</u>
Total Inventories	<u>3,749</u>	<u>3,641</u>	<u>207</u>	<u>191</u>

20 Other financial assets

	Consolidated		Parent	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Current				
Held-to-maturity	36,134	19,557	19,464	19,438
Loans to related parties	-	-	-	8,282
Total current other financial assets	<u>36,134</u>	<u>19,557</u>	<u>19,464</u>	<u>27,720</u>
Non-current				
Available-for-sale	56,659	68,320	57,571	69,232
Unlisted securities - Debt	1,000	-	-	-
Held-to-maturity	432	6,383	-	5,976
Loans to related parties	-	-	68,436	23,300
Total non-current other financial assets	<u>58,091</u>	<u>74,703</u>	<u>126,007</u>	<u>98,508</u>
Total other financial assets	<u>94,225</u>	<u>94,260</u>	<u>145,471</u>	<u>126,228</u>

Current and non-current loans to related parties represent advances to Macquarie University Hospital (MUH) Operations No. 2 Limited, the operator of the Macquarie University Hospital and Clinic, that commenced operations in June 2010 and is in its start up phase.

The loans have been assessed for impairment in accordance with AASB 139 Financial Instruments: Recognition and Measurement, and it has been determined that no impairment of the loan balance is required. The impairment test utilised the present value of a series of estimated future cash flows over a 10 year period discounted at the loan's original effective interest rate.

The Parent considers such advances to be recoverable in the medium term. As at 31 December 2011, the total 10 year evergreen facility was \$90 million, of which \$68 million has been drawn down. At 31 December 2011 \$22 million remained available to be drawn.

Restricted 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 \$2.46 million (2010: \$2.44 million) held by the University solely for the purposes of meeting the objectives of the Nippon Foundation and \$2.0 million (2010: \$2.0 million) for the Numismatic Fund.

The University has been accepted into the Retro Paid Loss Premium Model Workers' Compensation Insurance Scheme. A bank guarantee for \$5.98 million (2010: \$0) has been issued to WorkCover to guarantee insurance premiums in the event of future increased claims events. Other bank guarantees of \$0.62 million (2010: \$0.35 million) have been issued.

Refer to Note 38 for details regarding credit risk, liquidity risk and market risk arising from financial instruments.

21 Other non-financial assets

	Consolidated		Parent	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Current				
Prepayments - Library	3,457	3,330	3,457	3,330
Prepayments - Other	6,749	9,288	5,693	7,069
Lease Asset	-	-	162	135
Total current other non-financial assets	<u>10,206</u>	<u>12,618</u>	<u>9,312</u>	<u>10,534</u>
Non-current				
Other non-financial assets				
Prepayments - Other	15,363	16,800	15,363	16,800
Lease Asset	-	-	3,001	3,163
Total non-current other non-financial assets	<u>15,363</u>	<u>16,800</u>	<u>18,364</u>	<u>19,963</u>
Total Other non-financial assets	<u>25,569</u>	<u>29,418</u>	<u>27,676</u>	<u>30,497</u>

22 Property, plant and equipment

Consolidated	Construction in progress \$'000	Land \$'000	Buildings \$'000	Plant and equipment ¹ \$'000	Leasehold improvements \$'000	Library General \$'000	Library Special \$'000	Works of Arts \$'000	Infrastructure \$'000	Total \$'000
At 1 January 2010										
- Cost	224,180	-	-	8,919	1,128	-	-	29	-	234,256
- Valuation	-	389,500	473,914	72,499	-	29,987	5,619	22,387	62,306	1,056,212
Accumulated depreciation	-	-	(2,348)	(42,159)	(637)	(14,356)	-	-	(478)	(59,978)
Net book amount	224,180	389,500	471,566	39,259	491	15,631	5,619	22,416	61,828	1,230,490
Year ended 31 December 2010										
Opening net book amount	224,180	389,500	471,566	39,259	491	15,631	5,619	22,416	61,828	1,230,490
Additions	117,019	-	131,709	30,571	1,242	7,323	-	130	788	288,782
Revaluation surplus	-	35,150	10,373	-	-	-	-	35	4,474	50,032
Assets included in a disposal group classified as held for sale and other disposals	(712)	-	-	(1,302)	-	-	-	-	-	(2,014)
Depreciation charge	-	-	(13,952)	(15,312)	(324)	(6,437)	-	-	(3,024)	(39,049)
Transfer between asset classes	(225,109)	-	183,922	38,811	(359)	-	-	(28)	2,763	-
Closing net book amount	115,378	424,650	783,618	92,027	1,050	16,517	5,619	22,553	66,829	1,528,241
At 31 December 2010										
- Cost	115,378	-	-	9,238	2,339	-	-	-	-	126,955
- Valuation	-	424,650	784,942	133,341	-	32,126	5,619	22,553	67,092	1,470,323
Accumulated depreciation	-	-	(1,324)	(50,552)	(1,289)	(15,609)	-	-	(263)	(69,037)
Net book amount	115,378	424,650	783,618	92,027	1,050	16,517	5,619	22,553	66,829	1,528,241

¹Plant & equipment includes motor vehicles

Macquarie University
Notes to the financial statements
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(continued)

22 Property, plant and equipment (continued)

Consolidated	Construction in progress ¹ \$'000	Land \$'000	Buildings \$'000	Plant and equipment ² \$'000	Leasehold improvements \$'000	Library General \$'000	Library Special \$'000	Works of Arts \$'000	Infrastructur e \$'000	Total \$'000
Year ended 31 December 2011										
Opening net book amount	115,378	424,650	783,618	92,027	1,050	16,517	5,619	22,553	66,829	1,528,241
Additions	69,507	-	3,330	14,129	473	6,981	-	145	782	95,347
Revaluation surplus	-	30,555	(37,399)	242	-	-	-	(3,899)	(3,556)	(14,057)
Assets classified as held for sale and other disposals	(255)	-	(836)	(955)	(2)	-	-	-	-	(2,048)
Depreciation charge	-	-	(21,966)	(18,085)	(478)	(6,500)	-	-	(3,297)	(50,326)
Transfer between asset classes	(114,856)	10,345	91,396	8,862	460	-	-	-	3,791	-
Closing net book amount	69,774	465,550	818,145	96,220	1,503	16,998	5,619	18,799	64,549	1,557,157
At 31 December 2011										
- Cost	69,774	-	-	8,292	2,969	-	-	-	-	81,035
- Valuation	-	465,550	819,970	150,439	-	33,630	5,619	18,799	64,847	1,558,854
Accumulated depreciation	-	-	(1,825)	(62,511)	(1,466)	(16,632)	-	-	(298)	(82,732)
Net book amount	69,774	465,550	818,145	96,220	1,503	16,998	5,619	18,799	64,549	1,557,157

¹Construction in progress includes WIP for patents and other expenses for property and equipment

²Plant and equipment includes motor vehicles

22 Property, plant and equipment (continued)

Parent	Construction in progress \$'000	Land \$'000	Buildings \$'000	Plant and equipment ¹ \$'000	Leasehold improvements \$'000	Library General \$'000	Library Special \$'000	Works of Arts \$'000	Infrastructure \$'000	Total \$'000
At 1 January 2010										
- 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	75,380	389,500	471,566	34,843	-	15,631	5,619	22,387	61,828	1,076,754
Year ended 31 December 2010										
Opening net book amount	75,380	389,500	471,566	34,843	-	15,631	5,619	22,387	61,828	1,076,754
Additions	116,648	-	281,019	25,461	1,234	7,323	-	130	788	432,603
Revaluation surplus	-	35,150	10,373	-	-	-	-	35	4,474	50,032
Assets classified as held for sale and other disposals	-	-	-	(1,131)	-	-	-	-	-	(1,131)
Depreciation charge	-	-	(13,952)	(11,015)	(247)	(6,437)	-	-	(3,024)	(34,675)
Transfer between asset classes	(76,745)	-	34,612	39,369	-	-	-	-	2,763	-
Closing net book amount	115,283	424,650	783,618	87,527	987	16,517	5,619	22,553	66,829	1,523,583
At 31 December 2010										
- Cost	115,283	-	-	-	1,234	-	-	-	-	116,517
- Valuation	-	424,650	784,942	133,341	-	32,126	5,619	22,553	67,092	1,470,323
Accumulated depreciation	-	-	(1,324)	(45,814)	(247)	(15,609)	-	-	(263)	(63,257)
Net book amount	115,283	424,650	783,618	87,527	987	16,517	5,619	22,553	66,829	1,523,583

¹Plant and equipment includes motor vehicles

Macquarie University
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(continued)

22 Property, plant and equipment (continued)

Parent	Construction in progress ¹ \$'000	Land \$'000	Buildings \$'000	Plant and equipment ² \$'000	Leasehold improvements \$'000	Library General \$'000	Library Special \$'000	Works of Arts \$'000	Infrastructur e \$'000	Total \$'000
Year ended 31 December 2011										
Opening net book amount	115,283	424,650	783,618	87,527	987	16,517	5,619	22,553	66,829	1,523,583
Additions	69,266	-	3,330	12,684	409	6,981	-	145	782	93,597
Revaluation surplus	-	30,555	(37,399)	-	-	-	-	(3,899)	(3,556)	(14,299)
Assets classified as held for sale and other disposals	-	-	(836)	(536)	-	-	-	-	-	(1,372)
Depreciation charge	-	-	(21,966)	(16,901)	(268)	(6,500)	-	-	(3,297)	(48,932)
Transfer between asset classes	(114,856)	10,345	91,396	8,960	362	-	-	-	3,791	-
Closing net book amount	69,693	465,550	818,145	91,734	1,490	16,998	5,619	18,799	64,549	1,552,577
At 31 December 2011										
- Cost	69,693	-	-	-	2,005	-	-	-	-	71,698
- Valuation	-	465,550	819,970	150,439	-	33,630	5,619	18,799	64,847	1,558,854
Accumulated depreciation	-	-	(1,825)	(58,705)	(515)	(16,632)	-	-	(298)	(77,975)
Net book amount	69,693	465,550	818,145	91,734	1,490	16,998	5,619	18,799	64,549	1,552,577

¹Construction in progress includes WIP for patents and other expenses for property and equipment

²Plant and equipment includes motor vehicles

22 Property, plant and equipment (continued)

(a) Valuations of land and buildings

The 2011 revaluations were based on independent assessment by Global Valuation Services Pty Ltd. Land, Building and Infrastructure were revalued with dates of inspection between 11 July 2011 to 7 December 2011 and valuation date as at 31 December 2011. The revaluation reduction was debited to property, plant and equipment revaluation reserve.

(b) Land and Buildings

As at 31 December 2011, 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 rests 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 2011, five buildings are occupied by tenants.

During 2010 the Macquarie University Hospital, Clinic building and Cochlear building were completed. These three developments are recorded in Land and Building and are occupied by the University, its controlled entities and leased to tenants.

23 Intangible assets

Consolidated and Parent	Patents, trademarks and other rights \$'000	Total \$'000
At 1 January 2010		
Cost	382	382
Accumulated amortisation and impairment	(2)	(2)
Net book amount	380	380
Year ended 31 December 2010		
Opening net book amount	380	380
Additions	170	170
Impairment charge	(21)	(21)
Amortisation charge	(14)	(14)
Closing net book amount	515	515
At 31 December 2010		
Cost	532	532
Accumulated amortisation and impairment	(17)	(17)
Net book amount	515	515
Consolidated and Parent		
	Patents, trademarks and other rights \$'000	Total \$'000
Year ended 31 December 2011		
Opening net book amount	515	515
Additions	235	235
Impairment charge	(66)	(66)
Amortisation charge	(17)	(17)
Closing net book amount	667	667
At 31 December 2011		
Cost	701	701
Accumulated amortisation and impairment	(34)	(34)
Closing net book amount	667	667

24 Trade and other payables

	Consolidated		Parent	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Current				
Related parties	-	-	1,064	889
Other entities	15,608	11,204	8,260	9,155
Accrued expense	31,615	43,271	25,245	30,363
Total current trade and other payables	<u>47,223</u>	<u>54,475</u>	<u>34,569</u>	<u>40,407</u>
Total trade and other payables	<u>47,223</u>	<u>54,475</u>	<u>34,569</u>	<u>40,407</u>

Refer to Note 38 for details regarding credit risk, liquidity risk and market risk arising from financial instruments.

25 Borrowings

	Consolidated		Parent	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Current				
Unsecured				
Bank loans	1,152	1,013	971	903
Total current unsecured borrowings	<u>1,152</u>	<u>1,013</u>	<u>971</u>	<u>903</u>
Total current borrowings	<u>1,152</u>	<u>1,013</u>	<u>971</u>	<u>903</u>
Non-current				
Unsecured				
Bank Loans	30,130	10,668	29,549	10,583
Bonds	247,828	247,579	247,828	247,579
Total non-current unsecured borrowings	<u>277,958</u>	<u>258,247</u>	<u>277,377</u>	<u>258,162</u>
Total non-current borrowings	<u>277,958</u>	<u>258,247</u>	<u>277,377</u>	<u>258,162</u>
Total borrowings	<u>279,110</u>	<u>259,260</u>	<u>278,348</u>	<u>259,065</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 2011 was \$10.52 million (in 2010 \$11.49 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% for the period of the loan and the loan was repaid on 27 September 2010.

Refer to Note 38 for details regarding credit risk, liquidity risk and market risk arising from financial instruments.

(a) Assets pledged as security

The Group and parent entity had no assets pledged as security in 2011 and 2010.

25 Borrowings (continued)

(b) Financing arrangements

In August 2010, the University received approval from the Treasurer of New South Wales to borrow a maximum of \$450 million, either by way of bank facilities and/or bond issue in the capital market, with a maximum term of 10 years. In September 2010 the University issued Medium Term Notes (MTN) to the value of \$250 million. The bond coupon rate is 6.75% fixed for 10 years.

The University has entered into bank facilities of \$100 million each with Australia and New Zealand Banking Group (ANZ) and the Commonwealth Bank of Australia (CBA). The rates on both facilities are variable interest rates. During 2011, \$20 million was drawn down (\$10 million each from ANZ and CBA). As at 31 December 2011 \$180 million remained available to be drawn.

(c) Fair value

The carrying amounts of borrowings at statement of financial position date are approximate to their fair value.

(d) Risk exposures

Information about the Group and the parent entity's exposure to interest changes and contractual repricing dates is provided in note 38.

26 Provisions

	Consolidated		Parent	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Current provisions expected to be settled within 12 months				
Employee benefits				
Annual leave	16,997	15,056	14,948	13,209
Long service leave	9,181	4,738	8,209	3,903
Other provisions	1,903	200	1,559	-
Subtotal	<u>28,081</u>	<u>19,994</u>	<u>24,716</u>	<u>17,112</u>
Current provisions expected to be settled after more than 12 months				
Employee benefits				
Annual leave	7,997	7,341	6,373	6,582
Long service leave	24,634	20,543	24,419	20,515
Subtotal	<u>32,631</u>	<u>27,884</u>	<u>30,792</u>	<u>27,097</u>
Total current provisions	<u>60,712</u>	<u>47,878</u>	<u>55,508</u>	<u>44,209</u>
Non-current provisions				
Employee benefits				
Long service leave	7,885	10,181	7,233	9,496
Deferred government benefits for superannuation	366,048	260,959	366,048	260,959
Deferred non-government benefits for superannuation	6,912	5,241	6,912	5,241
Make Good	1,446	1,446	1,234	1,234
Other provisions	-	1,953	-	1,953
Total non-current provisions	<u>382,291</u>	<u>279,780</u>	<u>381,427</u>	<u>278,883</u>
Total provisions	<u>443,003</u>	<u>327,658</u>	<u>436,935</u>	<u>323,092</u>

27 Other liabilities

	Consolidated		Parent	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Current				
Advances Other	78	132	-	-
Prepaid Income	36,586	40,786	33,990	39,172
Lease Incentive	-	-	-	554
Total current other liabilities	<u>36,664</u>	<u>40,918</u>	<u>33,990</u>	<u>39,726</u>
Non-current				
Prepaid Income	-	399	-	-
Interest rate swap liability	9,429	4,098	9,429	4,098
Total non-current other liabilities	<u>9,429</u>	<u>4,497</u>	<u>9,429</u>	<u>4,098</u>
Total other liabilities	<u>46,093</u>	<u>45,415</u>	<u>43,419</u>	<u>43,824</u>

28 Reserves and retained earnings

	Consolidated		Parent	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
(a) Reserves				
Property, plant and equipment revaluation reserve	443,228	457,285	442,977	457,276
Available-for-sale investments revaluation reserve	15,258	27,003	15,258	27,003
Intangible revaluation reserve	-	(270)	-	(270)
Balance at 31 December	<u>458,486</u>	<u>484,018</u>	<u>458,235</u>	<u>484,009</u>

	Consolidated		Parent	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Movements:				
<i>Property, plant and equipment revaluation reserve</i>				
Balance 1 January	457,285	407,253	457,276	407,244
Revaluation - gross	(14,057)	50,032	(14,299)	50,032
Balance 31 December	<u>443,228</u>	<u>457,285</u>	<u>442,977</u>	<u>457,276</u>
<i>Available-for-sale investments revaluation reserve</i>				
Balance 1 January	27,003	26,830	27,003	26,830
Revaluation - gross	(11,745)	173	(11,745)	173
Balance 31 December	<u>15,258</u>	<u>27,003</u>	<u>15,258</u>	<u>27,003</u>

28 Reserves and retained earnings (continued)

	Consolidated		Parent	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Movements:				
<i>Intangible revaluation reserve - convertible bond</i>				
Balance 1 January	(270)	(250)	(270)	(250)
Revaluation - gross	270	(20)	270	(20)
Balance 31 December	-	(270)	-	(270)

(b) Retained earnings

Movements in retained earnings were as follows:

	Consolidated		Parent	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Beginning of the reporting period retained earnings at 1 January	876,072	802,173	874,565	775,100
Adjustment on adoption of accounting standard	19,024	-	19,024	-
Adjusted Retained earnings at 1 January	895,096	802,173	893,589	775,100
Operating result for the period	31,280	76,236	65,161	100,554
Actuarial gain(loss) on defined benefit plans recognised directly in retained earnings	(4,219)	(1,089)	(4,219)	(1,089)
Other movement	-	(1,248)	-	-
Retained earnings at 31 December	922,157	876,072	954,531	874,565

(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.

29 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
Dodd, P
Gorman, PJ
Piper, J
Sachs, J
Schwartz, S
Sprague, T
Trotman, C (until September 2011)
Wright, D (from April 2011)

(ii) *University Council members*

Bissett, A
Bradford, W (from January 2011)
Brodie, M
Crouch, E
Cupples, L (from January 2011)
Darvall, C
Egan, MR
Fitness, J
Forsythe, P
Jones, G
Kane, D (from January 2011)
Lindsay, GJ
Mundine, W (until December 2011)
Nelson, E (from May 2011)
Nori, S
Rubic, S
Schwartz, S
Smith, A (until May 2011)
Ward, G (from January 2011)
Wigglesworth, J (from January 2011)

29 Key management personnel disclosures (continued)

(b) Remuneration of Board/ Council Members and Executives

	2011	Parent Number	2010
Nil to \$9,999	20		17
	2011	Parent Number	2010
Remuneration of executive officers			
\$220,000 to \$229,999	1		-
\$290,000 to \$299,999	-		1
\$350,000 to \$359,999	1		-
\$370,000 to \$379,999	1		1
\$380,000 to \$389,999	1		1
\$410,000 to \$419,999	-		1
\$420,000 to \$429,999	-		2
\$430,000 to \$439,999	1		-
\$440,000 to \$449,999	1		-
\$480,000 to \$489,999	-		1
\$500,000 to \$509,999	1		-
\$660,000 to \$669,999	1		-
\$1,180,000 to \$1,189,999*	1		-
\$1,230,000 to \$1,239,999**	-		1
	9		8

*Consists of salaries of \$0.72 million for 2011 and \$0.46 million of long term and short term incentives.

**Consists of salaries of \$0.71 million for 2010 and \$0.53 million accrued for future payment.

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

	2011	Parent	2010
	\$'000		\$'000
Short-term employee benefits	3,938		3,832
Post-employment benefits	-		-
Other long-term benefits	300		200
Termination benefits	345		-
	4,583		4,032

30 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	
	2011	2010	2011	2010
	\$'000	\$'000	\$'000	\$'000
Assurance services				
(a) Audit services				
Fees paid to The Audit Office of NSW:				
Audit and review of financial statements and other audit work under the <i>Corporations Act 2001</i>	<u>551</u>	435	<u>271</u>	250
Total remuneration for audit services	<u>551</u>	435	<u>271</u>	250
(b) Non-audit services				
<i>Other services</i>				
Fees paid to The Audit Office of NSW:				
Other assurance services	<u>16</u>	13	<u>16</u>	13
Total remuneration for other services	<u>16</u>	13	<u>16</u>	13
Total remuneration	<u>567</u>	448	<u>287</u>	263

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.

31 Contingencies

(a) Contingent liabilities

The Group does not have any contingent liabilities as at 31 December 2011.

32 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 2011 is as follows:

	Consolidated		Parent	
	2011	2010	2011	2010
	\$'000	\$'000	\$'000	\$'000
<i>Property, plant and equipment</i>				
Payable:				
Within one year	85,254	109,634	85,233	109,634
	85,254	109,634	85,233	109,634

Included in the above capital commitment expenditures:

Macquarie University is constructing the new Hearing Hub (\$72.7 million)

(b) Lease commitments

	Consolidated		Parent	
	2011	2010	2011	2010
	\$'000	\$'000	\$'000	\$'000
Commitments in relation to leases contracted for at the reporting date but not recognised as liabilities, payable:				
Within one year	3,665	1,857	3,401	1,486
Later than one year but not later than five years	6,133	2,537	5,925	2,173
Later than five years	23	-	23	-
	9,821	4,394	9,349	3,659
Representing:				
Cancellable operating leases	-	25	-	25
Non-cancellable operating leases	9,821	4,369	9,349	3,634
	9,821	4,394	9,349	3,659

32 Commitments (continued)

(i) Operating leases

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

	Consolidated		Parent	
	2011	2010	2011	2010
	\$'000	\$'000	\$'000	\$'000
Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:				
Within one year	3,665	1,851	3,401	1,480
Later than one year but not later than five years	6,133	2,518	5,925	2,154
Later than five years	23	-	23	-
	<u>9,821</u>	<u>4,369</u>	<u>9,349</u>	<u>3,634</u>

The weighted average interest rate implicit in the operating leases is 7.03% (2010: 16.82%).

(ii) Finance leases - as lessee

	Consolidated		Parent	
	2011	2010	2011	2010
	\$'000	\$'000	\$'000	\$'000
Commitments in relation to finance leases are payable as follows:				
Within one year	236	113	-	-
Later than one year but not later than five years	649	-	-	-
Less: Future finance charge	(123)	(4)	-	-
	<u>762</u>	<u>109</u>	<u>-</u>	<u>-</u>

The weighted average interest rate implicit in the leases is 8.03% (2010: 8.83%).

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

Finance leases - as lessor

	Consolidated		Parent	
	2011	2010	2011	2010
	\$'000	\$'000	\$'000	\$'000
Commitments in relation to finance leases as lessor are as follows:				
Within one year	2,914	1,724	2,914	1,724
Later than one year and not later than five years	11,658	6,896	11,658	6,896
Later than five years	131,464	34,480	131,464	34,480
Less: Future finance charge	(104,314)	(21,947)	(104,314)	(21,947)
	<u>41,722</u>	<u>21,153</u>	<u>41,722</u>	<u>21,153</u>

The weighted average interest rate implicit in the leases is 6.27% (2010: 6.70%)

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. At 1 January 2011 the University reclassified relevant Long Term Land Leases from Operating to Finance Leases.

32 Commitments (continued)

(d) Operating property leases

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

	Consolidated		Parent	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Within one year	3,147	2,682	1,860	1,181
Later than one year but not later than five years	3,740	5,822	3,794	3,171
	6,887	8,504	5,654	4,352

(e) Other expenditure commitments

	Consolidated		Parent	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Commitments for goods and services in existence at the reporting date but not recognised as liabilities, payable:				
Within one year	24,336	29,255	22,546	29,255
Later than one year and not later than five years	2,341	-	-	-
	26,677	29,255	22,546	29,255

33 Related parties

(a) Subsidiaries

(i) Interests in subsidiaries are set out in note 34.

As at 31 December 2011, the University is the ultimate parent entity of nineteen 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.

(ii) Material transactions with controlled entities were:

	2011 \$'000	2010 \$'000
MUH - Rental, Interest & Other Charges (P/L)	17,264	6,703
MUH - Loan (B/S)	68,436	31,582
MGSM - Student fees and other charges (P/L)	16,562	17,457

34 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	
			2011 %	2010 %
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
MU Hospital Pty Ltd	Australia	Ordinary	100	100
MUPH Clinic Pty Ltd	Australia	Ordinary	100	100
MUPH Hospital Pty Ltd	Australia	Ordinary	100	100
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	100
Macquarie University Property Investment Company Pty Ltd	Australia	Ordinary	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	100
MUH Operations No.2 Ltd	Australia	Limited by Guarantee	100	100
COH Property Trust	Australia	Units	100	100
MGSM Limited (formerly ACN 153 973 481) *	Australia	Limited by Guarantee	100	-

* Subsequent to 31 December 2011, Macquarie Graduate School of Management Pty Ltd (MGSM) has agreed to transfer all assets and liabilities of the entity to MGSM Limited.

Macquarie University
Notes to the financial statements
31 December 2011
(continued)

34 Subsidiaries (continued)

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

	Centre for Money, Banking and Finance Ltd \$'000	Australian Proteome Analysis Facility Ltd \$'000	Macquarie Graduate School of Management \$'000	Access Macquarie Ltd* \$'000	LAMS International Pty Ltd \$'000	U@MQ Ltd \$'000	Macquarie University Property Investment Trust \$'000	Macquarie University Property Investment Trust \$'000	MUH Operations No.2 Ltd** \$'000	Total*** \$'000
For the year ended 31 December 2010	3,575	925	27,718	28,328	296	26,385	1,343	13,768	102,338	
Operating income	(3,447)	(856)	(24,466)	(28,123)	(294)	(27,161)	(3,650)	(41,271)	(129,270)	
Operating expense	128	67	3,252	205	2	(776)	(2,307)	(27,503)	(26,932)	
Operating result										
	3,569	1,050	25,422	25,267	246	24,662	99	49,764	130,079	
Operating income	(3,165)	(1,035)	(24,262)	(21,937)	(227)	(26,653)	(92)	(85,764)	(163,135)	
Operating expense	404	15	1,160	3,330	19	(1,991)	7	(36,000)	(33,056)	
Operating result										

For the year ended 31 December 2011

Operating income
Operating expense
Operating result

*Includes Risk Frontiers Flood (Australia) Pty Ltd

**The University Council confirmed at its meeting of 7th December 2011 to continue to provide funds to MUH Operations No.2 Ltd to meet its obligations.

***Other controlled entity balances are nil and have not been separately identified.

34 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 \$'000	Access Macquarie Ltd* \$'000	LAMS International Pty Ltd \$'000	U@MQ Ltd \$'000	Macquarie University Property Investment Trust \$'000	MUH Operations No.2 Ltd \$'000	Total \$'000
As at 31 December 2010									
Current assets	1,649	1,165	18,713	14,470	275	8,715	115	15,680	60,782
Non-current assets	8	-	936	679	17	3,425	-	-	5,065
Total assets	1,657	1,165	19,649	15,149	292	12,140	115	15,680	65,847
Current liabilities	183	522	3,908	12,156	137	2,423	31	16,692	36,052
Non-current liabilities	33	399	332	306	-	226	84	26,491	27,871
Total liabilities	216	921	4,240	12,462	137	2,649	115	43,183	63,923
Net assets	1,441	244	15,409	2,687	155	9,491	-	(27,503)	1,924
Represented by:									
Reserves	-	-	-	-	-	-	-	-	-
Retained profit/(losses)	1,441	244	15,409	2,687	155	9,491	-	(27,503)	1,924
Net equity	1,441	244	15,409	2,687	155	9,491	-	(27,503)	1,924

Macquarie University
Notes to the financial statements
31 December 2011
(continued)

34 Subsidiaries (continued)

	Centre for Money, Banking and Finance Ltd \$'000	Australian Proteome Analysis Facility Ltd \$'000	Macquarie Graduate School of Management \$'000	Access Macquarie Ltd* \$'000	LAMS International Pty Ltd \$'000	U@MQ Ltd \$'000	Macquarie University Property Investment Trust \$'000	MUH Operations No.2 Ltd \$'000	Total \$'000
As at 31 December 2011									
Current assets	2,100	1,001	20,857	13,259	242	7,961	7	15,987	61,414
Non-current assets	22	-	884	346	11	3,749	-	1,000	6,012
Total assets	2,122	1,001	21,741	13,605	253	11,710	7	16,987	67,426
Current liabilities	278	742	4,866	7,256	79	3,163	7	17,306	33,697
Non-current liabilities	-	-	306	332	-	807	-	63,182	64,627
Total liabilities	278	742	5,172	7,588	79	3,970	7	80,488	98,324
Net assets	1,844	259	16,569	6,017	174	7,740	-	(63,501)	(30,898)
Represented by:									
Reserves	-	-	-	-	-	-	-	-	-
Retained profit/(losses)	1,844	259	16,569	6,017	174	7,740	-	(63,501)	(30,898)
Net equity	1,844	259	16,569	6,017	174	7,740	-	(63,501)	(30,898)

*Includes Risk Frontiers Flood (Australia) Pty Ltd

35 Joint ventures, associates and minority interests

Other entities that are operational with percentage holdings of 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 2011 was \$0.24 million (2010: \$0.20 million). The company is independently audited by the Auditor-General of New South Wales and its Financial Statements are not included in the Consolidated Financial Statements 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% interest in the company.

3. Macquarie Medical Imaging (MMI) Pty Ltd

During the year the Group acquired 30% of the ordinary share capital of Macquarie Medical Imaging (MMI) Pty Ltd, which provides radiology services to Macquarie University Hospital and external patients. The Group subscribed to 1,000,000 Series A Preference Shares in MMI Pty Ltd.

36 Reconciliation of operating result after income tax to net cash provided/(used in) operating activities

	Consolidated		Parent	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Operating result for the period	31,280	76,236	65,161	100,554
Depreciation and amortisation	50,287	39,063	48,950	34,689
Net (gain) / loss on sale of non-current assets	297	330	(5)	-
(Gain)/ loss on disposal of fixed assets	(208)	(972)	(208)	(972)
(Increase) / decrease in trade debtors	(105,238)	17,238	(99,591)	24,890
(Increase) / decrease in inventories	(116)	(2,027)	(16)	4
(Increase)/ decrease in prepayments	1,221	(18,877)	1,221	(18,877)
(Increase) / decrease in other operating assets	(18,027)	(1,647)	(18,793)	2,449
Increase / (decrease) increase in other operating liabilities	(91)	(3,483)	(156)	(6,280)
Increase / (decrease) in trade creditors	9,467	19,333	(5,837)	13,060
(Increase)/ decrease in provision for employee entitlements	113,844	29,628	113,844	29,628
Increase / (decrease) in other provisions	1,668	2,781	-	-
Net cash provided by / (used in) operating activities	84,384	157,603	104,570	179,145

37 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) Statements of financial position amounts

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

	SASS	SANCS	SSS	PSF	Total
	2011	2011	2011	2011	2011
	\$'000	\$'000	\$'000	\$'000	\$'000
2011					
Present value of defined benefit obligations	35,160	7,178	436,638	18,585	497,561
Fair value of plan assets	<u>(26,754)</u>	<u>(3,597)</u>	<u>(82,577)</u>	<u>(11,673)</u>	<u>(124,601)</u>
Liability recognised in the statements of financial position	<u>8,406</u>	<u>3,581</u>	<u>354,061</u>	<u>6,912</u>	<u>372,960</u>

	SASS	SANCS	SSS	PSF	Total
	2010	2010	2010	2010	2010
	\$'000	\$'000	\$'000	\$'000	\$'000
2010					
Present value of defined benefit obligations	35,681	7,110	354,536	16,438	413,765
Fair value of plan assets	<u>(30,496)</u>	<u>(4,221)</u>	<u>(101,651)</u>	<u>(11,197)</u>	<u>(147,565)</u>
Liability recognised in the statements of financial position	<u>5,185</u>	<u>2,889</u>	<u>252,885</u>	<u>5,241</u>	<u>266,200</u>

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

37 Defined Benefit Plans (continued)

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

	SASS	SANCS	SSS	PSF
	2011	2011	2011	2011
	%	%	%	%
2011				
Australian equities	32.10	32.10	32.10	-
Overseas equities	29.00	29.00	29.00	-
Australian fixed interest securities	5.60	5.60	5.60	-
Overseas fixed interest securities	2.60	2.60	2.60	-
Equity securities - fair value relative to total %	-	-	-	41.90
Debt securities - fair value relative to total %	-	-	-	5.10
Property	9.50	9.50	9.50	10.20
Cash	6.60	6.60	6.60	-
Other	14.60	14.60	14.60	42.80
	SASS	SANCS	SSS	PSF
	2010	2010	2010	2010
	%	%	%	%
2010				
Australian equities	33.70	33.70	33.70	-
Overseas equities	29.30	29.30	29.30	-
Australian fixed interest securities	5.70	5.70	5.70	-
Overseas fixed interest securities	2.90	2.90	2.90	-
Equity securities - fair value relative to total %	-	-	-	45.10
Debt securities - fair value relative to total %	-	-	-	14.20
Property	9.50	9.50	9.50	8.80
Cash	6.10	6.10	6.10	-
Other	12.80	12.80	12.80	31.90

37 Defined Benefit Plans (continued)

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

	SASS 2011 \$'000	SANCS 2011 \$'000	SSS 2011 \$'000	PSF 2011 \$'000	Total 2011 \$'000
2011					
Reconciliation of the present value of the defined benefit obligation, which is partly funded:					
Balance at the beginning of the year	35,681	7,110	354,536	16,438	413,765
Current service cost	1,162	287	202	632	2,283
Interest cost	1,854	359	19,173	563	21,949
Contribution by fund participants	496	-	773	-	1,269
Actuarial (gains)/ losses	1,346	339	82,717	3,003	87,405
Benefit paid	(5,379)	(917)	(20,763)	(1,460)	(28,519)
Expenses paid	-	-	-	(591)	(591)
Balance at the end of the year	<u>35,160</u>	<u>7,178</u>	<u>436,638</u>	<u>18,585</u>	<u>497,561</u>

	SASS 2011 \$'000	SANCS 2011 \$'000	SSS 2011 \$'000	PSF 2011 \$'000	Total 2011 \$'000
Reconciliation of the fair value of plan assets					
Balance at the beginning of the year	30,496	4,221	101,651	11,197	147,565
Expected return on fund assets	2,406	394	7,749	809	11,358
Actuarial gains/ (losses)	(2,387)	(468)	(7,422)	(408)	(10,685)
Employer contribution	1,122	367	589	2,126	4,204
Contribution by fund participants	496	-	773	-	1,269
Benefit paid	(5,379)	(917)	(20,763)	(1,460)	(28,519)
Expenses paid	-	-	-	(591)	(591)
Balance at the end of the year	<u>26,754</u>	<u>3,597</u>	<u>82,577</u>	<u>11,673</u>	<u>124,601</u>

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

Present value of defined benefit fund obligations at end of year	35,160	7,178	436,638	18,585	497,561
Fair value of fund assets at end of year	<u>(26,754)</u>	<u>(3,597)</u>	<u>(82,577)</u>	<u>(11,673)</u>	<u>(124,601)</u>
Net Liability/(Asset) recognised in statements of financial position at end of year	<u>8,406</u>	<u>3,581</u>	<u>354,061</u>	<u>6,912</u>	<u>372,960</u>

Deferred income due from Commonwealth / State Government

	<u>8,406</u>	<u>-</u>	<u>354,061</u>	<u>-</u>	<u>362,467</u>
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37 Defined Benefit Plans (continued)

	SASS 2010 \$'000	SANCS 2010 \$'000	SSS 2010 \$'000	PSF 2010 \$'000	Total 2010 \$'000
2010					
Reconciliation of the present value of the defined benefit obligation, which is partly funded:					
Balance at the beginning of the year	35,847	7,169	341,717	17,179	401,912
Current service cost	1,207	317	605	547	2,676
Interest cost	1,954	380	19,217	625	22,176
Contribution by fund participants	524	-	800	-	1,324
Actuarial (gains)/ losses	710	315	14,080	45	15,150
Benefit paid	(4,561)	(1,071)	(21,883)	(1,449)	(28,964)
Expenses paid	-	-	-	(509)	(509)
Balance at the end of the year	<u>35,681</u>	<u>7,110</u>	<u>354,536</u>	<u>16,438</u>	<u>413,765</u>
	SASS 2010 \$'000	SANCS 2010 \$'000	SSS 2010 \$'000	PSF 2010 \$'000	Total 2010 \$'000
Reconciliation of the fair value of plan assets					
Balance at the beginning of the year	31,847	4,657	115,098	10,746	162,348
Expected return on fund assets	2,548	446	8,947	831	12,772
Actuarial (gains)/ losses	(1,096)	(234)	(2,054)	(495)	(3,879)
Employer contribution	1,234	423	743	2,073	4,473
Contribution by fund participants	524	-	800	-	1,324
Benefit paid	(4,561)	(1,071)	(21,883)	(1,449)	(28,964)
Expenses paid	-	-	-	(509)	(509)
Balance at the end of the year	<u>30,496</u>	<u>4,221</u>	<u>101,651</u>	<u>11,197</u>	<u>147,565</u>
Reconciliation of the assets and liabilities recognised in the statements of financial position					
Present value of defined benefit fund obligations at end of year	35,681	7,110	354,536	16,438	413,765
Fair value of fund assets at end of year	(30,496)	(4,221)	(101,651)	(11,197)	(147,565)
Net Liability/(Asset) recognised in statements of financial position at end of year	<u>5,185</u>	<u>2,889</u>	<u>252,885</u>	<u>5,241</u>	<u>266,200</u>
Deferred income due from Commonwealth / State Government	<u>5,185</u>	<u>-</u>	<u>252,885</u>	<u>-</u>	<u>258,070</u>

37 Defined Benefit Plans (continued)

(d) Total expense recognised in the income statement for each of the following, and the line item(s) of the income statement and statement of comprehensive income in which they are included:

	SASS 2011 \$'000	SANCS 2011 \$'000	SSS 2011 \$'000	PSF 2011 \$'000	Total 2011 \$'000
2011					
Expenses recognised in income statement					
Current service cost	1,162	287	202	632	2,283
Interest cost	1,854	359	19,173	563	21,949
Expected return on plan assets	(2,406)	(395)	(7,749)	(809)	(11,359)
Expected return on reimbursement rights	(610)	-	(11,626)	-	(12,236)
Expense recognised in the income statements	<u>-</u>	<u>251</u>	<u>-</u>	<u>386</u>	<u>637</u>

Amounts recognised in other comprehensive income

Actuarial (gains)/ losses	(1,347)	(340)	(82,717)	(3,003)	(87,407)
Actuarial losses on defined benefit	(2,387)	(468)	(7,422)	(408)	(10,685)
Actuarial loss on plan assets	3,734	-	90,139	-	93,873
	<u>-</u>	<u>(808)</u>	<u>-</u>	<u>(3,411)</u>	<u>(4,219)</u>

	SASS 2010 \$'000	SANCS 2010 \$'000	SSS 2010 \$'000	PSF 2010 \$'000	Total 2010 \$'000
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2010

Expenses recognised in income statement

Current service cost	1,207	317	605	547	2,676
Interest cost	1,954	380	19,217	625	22,176
Expected return on plan assets	(2,548)	(446)	(8,947)	(831)	(12,772)
Expected return on reimbursement rights	(613)	-	(10,875)	-	(11,488)
Expense recognised in the income statements	<u>-</u>	<u>251</u>	<u>-</u>	<u>341</u>	<u>592</u>

Amounts recognised in other comprehensive income

Actuarial (gains)/ losses	1,806	(549)	16,134	(540)	16,851
Actuarial loss on defined benefit	(710)	-	(14,080)	-	(14,790)
Actuarial loss on plan assets	(1,096)	-	(2,054)	-	(3,150)
	<u>-</u>	<u>(549)</u>	<u>-</u>	<u>(540)</u>	<u>(1,089)</u>

Cumulative amount recognised in other comprehensive income.

Cumulative amount recognised in other comprehensive income for 2011 was a gain of \$7.76 million (2010: gain of \$3.54 million).

37 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 2011	(537)	(74)	(1,876)	401	(2,086)
For the year ended 31 December 2010	1,343	211	4,674	336	6,564

(f) Valuation method and principal actuarial assumptions used as at the reporting date, including, where applicable:

Valuation method:

The Projected Unit Credit (PUC) valuation method was used to determine the present value of the defined benefit obligations and the related current service costs. This method sees each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation.

Economic Assumptions:

	SASS %	SANCS %	SSS %	PSF %
2011				
The discount rates (gross of tax)	-	-	-	3.60
The discount rates (net of tax)	3.70	3.70	3.70	3.10
The expected rates of return on any plan assets for the periods presented in the financial statements	8.60	8.60	8.60	5.30
The expected rates of salary increases	2.50	2.50	2.50	3.50
The expected rate of CPI increase	2.50	2.50	2.50	-
2010				
The discount rates (gross of tax)	-	-	-	5.60
The discount rates (net of tax)	5.59	5.59	5.59	4.80
The expected rates of return on any plan assets for the periods presented in the financial statements	8.60	8.60	8.60	7.20
The expected rates of salary increases	3.50	3.50	3.50	3.50
The expected rate of CPI increase	2.50	2.50	2.50	-

Demographic Assumptions:

The demographic assumptions at 31 December 2011 are those that were used in the 2009 triennial actuarial valuation. The triennial review report is available from the NSW Treasury website.

37 Defined Benefit Plans (continued)

Funding Arrangements for Employer Contributions

(g) Surplus/deficit

The following is a summary of 31 December 2011 financial position of the Fund calculated with AAS 25 *Financial Reporting by Superannuation Plans*:

	SASS \$'000	SANCS \$'000	SSS \$'000
2011			
Accrued benefits	33,023	6,617	279,206
Net market value of Fund assets	<u>(26,754)</u>	<u>(3,597)</u>	<u>(82,577)</u>
	<u>6,269</u>	<u>3,020</u>	<u>196,629</u>
	SASS \$'000	SANCS \$'000	SSS \$'000
2010			
Accrued benefits	34,424	6,767	275,564
Net market value of Fund assets	<u>(30,495)</u>	<u>(4,221)</u>	<u>(101,651)</u>
	<u>3,929</u>	<u>2,546</u>	<u>173,913</u>

(h) Employer contributions

	SASS %	SANCS %	SSS %	PSF %
2011				
% of member salary	-	17	-	-
2010				
% of member salary	-	17	-	-

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.

	SASS \$'000	SANCS \$'000	SSS \$'000	PSF \$'000	Total \$'000
Expected next year employer contribution	<u>-</u>	<u>2,118</u>	<u>-</u>	<u>2,242</u>	<u>4,360</u>

(i) Funding method

Contributions rate are set after discussions between the employer, STC and NSW Treasury.

37 Defined Benefit Plans (continued)

(j) Economic assumptions

The economic assumptions for the 2009 actuarial review of the Fund are:

<i>Weighted-average assumptions</i>	(%)
Expected rate of return on Fund assets backing current pension liabilities	8.30
Expected rate of return on Fund assets backing other liabilities	7.30
Expected salary increase rate	4.00
Expected rate of CPI increase	2.50

(k) 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.

(l) Historic Summary

	SASS 2011 \$'000	SANCS 2011 \$'000	SSS 2011 \$'000	PSF 2011 \$'000	Total 2011 \$'000
2011					
Defined benefit plan obligation	35,160	7,178	436,638	18,585	497,561
Plan assets	<u>(26,754)</u>	<u>(3,597)</u>	<u>(82,577)</u>	<u>(11,673)</u>	<u>(124,601)</u>
Deficit	<u>8,406</u>	<u>3,581</u>	<u>354,061</u>	<u>6,912</u>	<u>372,960</u>
Experience adjustments arising on plan liabilities	1,347	340	82,717	462	84,866
Experience adjustments arising on plan assets	<u>2,387</u>	<u>468</u>	<u>7,422</u>	<u>408</u>	<u>10,685</u>
	<u>3,734</u>	<u>808</u>	<u>90,139</u>	<u>870</u>	<u>95,551</u>
	SASS 2010 \$'000	SANCS 2010 \$'000	SSS 2010 \$'000	PSF 2010 \$'000	Total 2010 \$'000
2010					
Defined benefit plan obligation	35,681	7,110	354,536	16,438	413,765
Plan assets	<u>(30,496)</u>	<u>(4,221)</u>	<u>(101,651)</u>	<u>(11,197)</u>	<u>(147,565)</u>
Deficit	<u>5,185</u>	<u>2,889</u>	<u>252,885</u>	<u>5,241</u>	<u>266,200</u>
Experience adjustments arising on plan liabilities	710	315	14,080	414	15,519
Experience adjustments arising on plan assets	<u>1,096</u>	<u>234</u>	<u>2,054</u>	<u>495</u>	<u>3,879</u>
	<u>1,806</u>	<u>549</u>	<u>16,134</u>	<u>909</u>	<u>19,398</u>

37 Defined Benefit Plans (continued)

(m) 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 2011, the assets of the DBD in aggregate were estimated to be \$907 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 2011, the assets of the DBD in aggregate were estimated to be \$427 million in excess 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 their report dated 9 November 2011 on actuarial investigation of DBD as at 30 June 2011. 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 short term (2 years)	5.00	5.00
Inflationary salary increases long term	3.75	3.75
Assets have been included at their net market value, i.e. allowing for realisation costs.		

38 Financial risk management

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest risk and price risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group uses derivative financial instruments such as foreign exchange contracts and interest rate swaps to hedge certain risk exposures. The Group 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 Group's Finance and Facilities Committee reviews the University's Financial Risk at each of its bi-monthly meetings. The Group'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 Group has minimal exposure to Foreign Exchange risk.

(a) Market risk

(i) Foreign exchange risk

The Group is exposed to fluctuations in foreign currencies arising from the purchase of goods and services in currencies other than the Group's functional currency. The Group 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 statement of financial position as available-for-sale. The University has no direct exposure to commodity price risk.

38 Financial risk management (continued)

(iii) Cash flow and fair value interest rate risk

Although the University carries debt, the majority of 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 2011	\$'000	Result	Equity	Result	Equity	Result	Equity	Result	Equity	Result	Equity	Result	Equity
Financial assets													
Cash and cash equivalents	79,200	(792)	-	792	-	(1,116)	-	1,116	-	-	-	-	-
Accounts receivable	395,683	-	-	-	-	-	-	-	-	-	-	-	-
Finance lease receivable	39,821	-	(398)	-	398	-	-	-	-	-	(3,982)	-	3,982
Other financial assets	36,566	-	(366)	-	366	-	-	-	-	-	(3,657)	-	3,657
Listed investments	47,386	-	(474)	-	474	-	-	-	-	-	(4,739)	-	4,739
Unquoted investments	10,273	-	(103)	-	103	-	-	-	-	-	(1,027)	-	1,027
Sub Total		(792)	(1,341)	792	1,341	(1,116)	-	1,116	-	-	(13,405)	-	13,405
Financial liabilities													
Trade payables	47,223	-	-	-	-	-	-	-	-	-	-	-	-
Borrowings	279,110	(2,791)	-	2,791	-	-	-	-	-	-	-	-	-
Interest Rate Swap	9,429	-	(94)	-	94	-	-	-	-	-	-	-	-
Total increase/ (decrease)		(3,583)	(1,435)	3,583	1,435	(1,116)	-	1,116	-	-	(13,405)	-	13,405

Consolidated	Carrying amount	Interest rate risk				Foreign exchange risk				Other price risk			
		-1%		+1%		-10%		+10%		-10%		+10%	
31 December 2010	\$'000	Result	Equity	Result	Equity	Result	Equity	Result	Equity	Result	Equity	Result	Equity
Financial assets													
Cash and cash equivalents	81,425	(814)	-	814	-	-	-	-	-	-	-	-	-
Accounts receivable	288,243	-	-	-	-	-	-	-	-	-	-	-	-
Finance lease receivable	21,153	-	(212)	-	212	-	-	-	-	-	(2,115)	-	2,115
Other financial assets	25,942	-	(259)	-	259	-	-	-	-	-	(2,594)	-	2,594
Listed investments	63,234	-	(632)	-	632	-	-	-	-	-	(6,323)	-	6,323
Unquoted investments	5,083	-	(51)	-	51	-	-	-	-	-	(509)	-	509
Financial liabilities													
Trade payables	54,475	-	-	-	-	-	-	-	-	-	-	-	-
Borrowings	259,259	-	-	-	-	-	-	-	-	-	-	-	-
Total increase/ (decrease)		(814)	(1,154)	814	1,154	-	-	-	-	-	(11,541)	-	11,541

38 Financial risk management (continued)

Parent	Carrying amount	Interest rate risk				Foreign exchange risk				Other price risk			
		-1%		+1%		-10%		+10%		-10%		+10%	
31 December 2011	\$'000	Result	Equity	Result	Equity	Result	Equity	Result	Equity	Result	Equity	Result	Equity
Financial assets													
Cash and cash equivalents	54,989	(550)	-	550	-	(1,116)	-	1,116	-	-	-	-	-
Accounts receivable	384,629	-	-	-	-	-	-	-	-	-	-	-	-
Finance lease receivable	39,821	-	(398)	-	398	-	-	-	-	-	(3,982)	-	3,982
Other financial assets	87,900	-	(879)	-	879	-	-	-	-	-	(1,946)	-	1,946
Listed investments	47,386	-	(474)	-	474	-	-	-	-	-	(4,739)	-	4,739
Unquoted investments	10,185	-	(102)	-	102	-	-	-	-	-	(1,019)	-	1,019
Sub Total		(550)	(1,853)	550	1,853	(1,116)	-	1,116	-	-	(11,686)	-	11,686
Financial liabilities													
Trade payables	34,569	-	-	-	-	-	-	-	-	-	-	-	-
Borrowings	278,348	(2,783)	-	2,783	-	-	-	-	-	-	-	-	-
Interest Rate Swap	9,429	-	(94)	-	94	-	-	-	-	-	-	-	-
Total increase/ (decrease)		(3,333)	(1,947)	3,333	1,947	(1,116)	-	1,116	-	-	(11,686)	-	11,686

Parent	Carrying amount	Interest rate risk				Foreign exchange risk				Other price risk			
		-1%		+1%		-10%		+10%		-10%		+10%	
31 December 2010	\$'000	Result	Equity	Result	Equity	Result	Equity	Result	Equity	Result	Equity	Result	Equity
Financial assets													
Cash and cash equivalents	38,788	(388)	-	388	-	-	-	-	-	-	-	-	-
Accounts receivable	284,009	-	-	-	-	-	-	-	-	-	-	-	-
Finance lease receivable	21,153	-	(212)	-	212	-	-	-	-	-	(2,115)	-	2,115
Other financial assets	56,996	-	(570)	-	570	-	-	-	-	-	-	-	-
Listed investments	63,234	-	(632)	-	632	-	-	-	-	-	(6,323)	-	6,323
Unquoted investments	5,998	-	(60)	-	60	-	-	-	-	-	(600)	-	600
Financial liabilities													
Trade payables	40,407	-	-	-	-	-	-	-	-	-	-	-	-
Borrowings	259,064	-	-	-	-	-	-	-	-	-	-	-	-
Total increase/ (decrease)		(388)	(1,474)	388	1,474	-	-	-	-	-	(9,038)	-	9,038

(b) 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 statement of financial position 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 statement of financial position.

38 Financial risk management (continued)

2011 Consolidated	Governments \$'000	Financial Institutions \$'000	Students \$'000	Others \$'000	Total \$'000
Financial assets					
Cash assets	38,601	40,591	-	8	79,200
Receivables	384,548	403	1,916	8,816	395,683
Finance lease receivables	-	-	-	39,821	39,821
Other financial receivables	-	36,440	-	126	36,566
Listed investments	-	6,436	-	40,950	47,386
Unquoted investments	-	-	-	10,273	10,273
Total financial assets	423,149	83,870	1,916	99,994	608,929

2010 Consolidated	Governments '000	Financial institutions \$'000	Students \$'000	Others \$'000	Total \$'000
Financial assets					
Cash assets	20,103	61,318	-	4	81,425
Receivables	259,848	856	3,881	23,658	288,243
Finance lease receivables	-	-	-	21,153	21,153
Other financial assets	-	19,964	-	5,978	25,942
Listed investments	-	6,914	-	56,320	63,234
Unquoted investments	-	-	-	5,086	5,086
Total financial assets	279,951	89,052	3,881	112,199	485,083

2011 Parent	Governments \$'000	Financial Institutions \$'000	Students \$'000	Others \$'000	Total \$'000
Financial assets					
Cash assets	38,601	16,385	-	3	54,989
Receivables	382,714	-	1,916	-	384,630
Finance lease receivables	-	-	-	39,821	39,821
Other financial receivables	-	19,464	-	68,436	87,900
Listed investments	-	6,436	-	40,950	47,386
Unquoted investments	-	-	-	10,185	10,185
Total financial assets	421,315	42,285	1,916	159,395	624,911

2010 Parent	Governments '000	Financial institutions \$'000	Students \$'000	Others \$'000	Total \$'000
Financial assets					
Cash assets	20,103	18,681	-	4	38,788
Receivables	259,848	856	3,881	19,424	284,009
Finance lease receivables	-	-	-	21,153	21,153
Other financial assets	-	19,438	-	37,558	56,996
Listed investments	-	6,914	-	56,320	63,234
Unquoted investments	-	-	-	5,998	5,998
Total financial assets	279,951	45,889	3,881	140,457	470,178

38 Financial risk management (continued)

In 2011, Macquarie University does not have any significant exposure to any individual customer or counterparty.

Financing facilities

There was no formal overdraft facility in place as at 31 December 2011. There were also unused credit card facilities with ANZ with total of \$0.94 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 2011 was \$10.52 million (in 2010 was \$11.49 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 loan was repaid on 27 September 2010.

In July 2010, the University received approval from the Treasurer of New South Wales to borrow a maximum of \$450 million, either by way of bank facilities and/or bond issue in the capital market, with a maximum term of 10 years. In September the University issued Medium term notes (MTN) to the value of \$250 million. The bond coupon rate is 6.75% fixed for 10 years. The University has entered into bank facilities of \$100 million each with Australia and New Zealand Banking Group and the Commonwealth Bank of Australia. The rates on both facilities are variable interest rates. During the year \$20 million was drawn down on the loan (\$10 million ANZ, \$10 million CBA). As at 31 December 2010 \$180 million was available to be drawn.

(c) 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.

38 Financial risk management (continued)

Consolidated - 31 December 2011	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	5.62	64,403	13,562	1,232	-	3	79,200
Receivables	-	10,497	-	-	-	385,186	395,683
Finance lease receivable	-	-	-	-	-	39,821	39,821
Other financial assets	6.20	-	36,134	432	-	-	36,566
Listed investments	-	697	-	-	-	46,689	47,386
Unquoted investments	-	-	-	-	-	10,273	10,273
Total financial assets		<u>75,597</u>	<u>49,696</u>	<u>1,664</u>	<u>-</u>	<u>481,972</u>	<u>608,929</u>
Financial liabilities							
Payables	-	6,855	-	-	-	40,368	47,223
Borrowings	6.77	-	1,152	30,130	247,828	-	279,110
Interest Rate Swap	-	9,429	-	-	-	-	9,429
Total financial liabilities		<u>16,284</u>	<u>1,152</u>	<u>30,130</u>	<u>247,828</u>	<u>40,368</u>	<u>335,762</u>

Consolidated - 31 December 2010	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	4.01	52,319	28,907	-	-	199	81,425
Receivables	-	-	-	-	-	288,243	288,243
Finance lease receivable	-	-	-	-	-	21,153	21,153
Other financial assets	5.87	-	19,964	-	-	5,978	25,942
Listed investments	-	407	-	-	-	62,827	63,234
Unquoted investments	-	-	-	-	-	5,086	5,086
Total financial assets		<u>52,726</u>	<u>48,871</u>	<u>-</u>	<u>-</u>	<u>383,486</u>	<u>485,083</u>
Financial liabilities							
Payables	-	-	-	-	-	54,475	54,475
Borrowings	6.76	-	18,139	72,823	168,212	85	259,259
Total financial liabilities		<u>-</u>	<u>18,139</u>	<u>72,823</u>	<u>168,212</u>	<u>54,560</u>	<u>313,734</u>

38 Financial risk management (continued)

Parent - 31 December 2011	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	4.96	54,986	-	-	-	3	54,989
Receivables	-	-	-	-	-	384,629	384,629
Finance lease receivable	-	-	-	-	-	39,821	39,821
Other financial assets	6.24	68,436	19,464	-	-	-	87,900
Listed investments	-	697	-	-	-	46,689	47,386
Unquoted investments	-	-	-	-	-	10,185	10,185
Total financial assets		124,119	19,464	-	-	481,327	624,910
Financial liabilities							
Payables	-	-	-	-	-	34,569	34,569
Borrowings	6.77	-	971	29,550	247,827	-	278,348
Interest Rate Swap	-	9,429	-	-	-	-	9,429
Total financial liabilities		9,429	971	29,550	247,827	34,569	322,346

Parent - 31 December 2010	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	4.96	38,784	-	-	-	4	38,788
Receivables	-	-	-	-	-	284,009	284,009
Finance lease receivable	-	-	-	-	-	21,153	21,153
Other financial assets	6.18	31,582	19,438	-	-	5,976	56,996
Listed investments	-	407	-	-	-	62,827	63,234
Unquoted investments	-	-	-	-	-	5,998	5,998
Total financial assets		70,773	19,438	-	-	379,967	470,178
Financial liabilities							
Payables	-	-	-	-	-	40,407	40,407
Borrowings	6.76	-	18,029	72,823	168,212	-	259,064
Total financial liabilities		-	18,029	72,823	168,212	40,407	299,471

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 at an average interest rate of 6.6%. The contracts require settlement of net interest receivable or payable each 30 days. At 31 December 2011 the interest rate swap liability had a market value of \$9.43 million.

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 to income statement when the hedged interest expense is recognised. The ineffective portion is recognised in the income statement immediately.

38 Financial risk management (continued)

(d) 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 statement of financial position 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	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Financial assets				
Cash and cash equivalents	79,200	81,425	79,200	81,425
Receivables	395,683	288,243	395,683	288,243
Finance lease receivable	39,821	21,153	39,821	21,153
Other financial assets	94,225	94,262	94,225	94,262
Total financial assets	608,929	485,083	608,929	485,083
Financial liabilities				
Payables	47,223	54,475	47,223	54,475
Borrowings	279,110	259,259	279,110	259,259
Interest Rate Swap	9,429	-	9,429	-
Total financial liabilities	335,762	313,734	335,762	313,734
Total	944,691	798,817	944,691	798,817
Parent	Carrying Amount		Fair Value	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Financial assets				
Cash and cash equivalents	54,989	38,788	54,989	38,788
Receivables	384,629	284,009	384,629	284,009
Finance lease receivable	39,821	21,153	39,821	21,153
Other financial assets	145,471	126,228	145,471	126,228
Total financial assets	624,910	470,178	624,910	470,178
Financial liabilities				
Payables	34,569	40,407	34,569	40,407
Borrowings	278,348	259,064	278,348	259,064
Other financial liabilities	9,429	-	9,429	-
Total financial liabilities	322,346	299,471	322,346	299,471
Total	947,256	769,649	947,256	769,649

38 Financial risk management (continued)

Consolidated 2011	31 December 2011 \$'000	Level 1 \$'000	Level 2 \$'000
Financial assets			
Cash and cash equivalents	79,200	-	79,200
Receivables	395,683	-	395,683
Finance lease receivable	39,821	-	39,821
Other financial assets	36,566	-	36,566
Other financial assets - non current listed	47,386	47,386	-
Other financial assets - non current unlisted	10,273	-	10,273
Total	608,929	47,386	561,543
Financial liabilities			
Payables	47,223	-	47,223
Borrowings	279,110	-	279,110
Interest Rate Swap	9,429	-	9,429
Total	335,762	-	335,762
Total	944,691	47,386	897,305

Consolidated 2010	31 December 2010 \$'000	Level 1 \$'000	Level 2 \$'000
Financial assets			
Cash and cash equivalents	81,425	-	81,425
Receivables	288,243	-	288,243
Finance lease receivable	21,153	-	21,153
Other financial assets	25,942	-	25,942
Other financial assets - non current listed	63,234	63,234	-
Other financial assets - non current unlisted	5,086	-	5,086
Total	485,083	63,234	421,849
Financial liabilities			
Payables	54,475	-	54,475
Borrowings	259,259	-	259,259
Total	313,734	-	313,734
Total	798,817	63,234	735,583

39 Acquittal of Australian Government financial assistance

39.1 DIISTRE - CGS and Other DIIRSTE Grants

Parent entity (UNIVERSITY) ONLY	Commonwealth Grants Scheme ¹		Indigenous Support Program		Partnership & Participation Program ²		Disability Support Program		Workplace Productivity Program		Capital Development Pool		Improving the Practical Component of Teacher Education Initiative	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programmes)	96,533	94,800	544	602	1,549	955	863	309	-	450	1,086	110	-	-
Net accrual adjustments	-	(3,746)	-	-	-	-	863	-	-	-	-	-	-	-
Revenue for the period	96,533	91,054	544	602	1,549	955	863	309	-	450	1,086	110	-	-
Surplus / (deficit) from the previous year	-	-	-	-	397	-	-	-	(1,364)	(1,814)	-	-	-	373
Total revenue including accrued revenue	96,533	91,054	544	602	1,946	955	863	309	(1,364)	(1,364)	1,086	110	-	373
Less expenses including accrued expenses	(96,533)	(91,054)	(544)	(602)	(1,170)	(558)	(863)	(309)	-	-	(1,086)	(110)	-	(373)
Surplus / (deficit) for reporting period	-	-	-	-	776	397	-	-	(1,364)	(1,364)	-	-	-	-

39 Acquitment of Australian Government financial assistance (continued)

39.1 DIISTRE - CGS and Other DIIRSTE Grants (continued)

Parent entity (UNIVERSITY) ONLY

Transitional Cost Program	Diversity & Structural Adjustment Fund ³			Total
	2011 \$'000	2010 \$'000	2011 \$'000	
98	523	-	525	98,274
	-	-	-	(3,746)
98	523	-	525	94,528
	-	3	1,075	(366)
98	523	3	1,600	94,162
(98)	(523)	(3)	(1,597)	(95,126)
	-	-	3	(964)
	-	-	-	(964)

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 the basic CGS grant amount, CGS-Regional Loading, CGS-Enabled Loading, Maths and Science Transition Loading and Full Fee Places Transition Loading.

²Includes Equity Support Program

³Includes Collaboration and Structural Adjustment Program

39 Acquittal of Australian Government financial assistance (continued)

39.2 Higher Education Loan Programmes

Parent entity (UNIVERSITY) ONLY	HECS-HELP - (Australian Government payments only)		FEE-HELP		Total	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programmes)	83,300	74,559	25,834	33,905	109,134	108,464
Net accrual adjustments	(5,594)	(2,281)	1,227	(7,470)	(4,367)	(9,751)
Revenue for the period	<u>77,706</u>	<u>72,278</u>	<u>27,061</u>	<u>26,435</u>	<u>104,767</u>	<u>98,713</u>
Surplus / (deficit) from the previous year	-	-	-	-	-	-
Total revenue including accrued revenue	<u>77,706</u>	<u>72,278</u>	<u>27,061</u>	<u>26,435</u>	<u>104,767</u>	<u>98,713</u>
Less expenses including accrued expenses	<u>(77,706)</u>	<u>(72,278)</u>	<u>(27,061)</u>	<u>(26,435)</u>	<u>(104,767)</u>	<u>(98,713)</u>
Surplus / (deficit) for reporting period	-	-	-	-	-	-

39 Acquitment of Australian Government financial assistance (continued)

39.4 DIISR Research

Parent entity (UNIVERSITY) ONLY	Joint Research Engagement Program ⁵		Research Training Scheme		Research Infrastructure Block Grants		Implementation Assistance Programme		Australian Scheme for Higher Education Repositories		Commercialisation Training Scheme		Sustainable Research Excellence in Universities	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
	5,524	5,689	12,077	11,533	2,725	2,878	-	81	-	-	-	(1)	1,869	1,409
	<u>5,524</u>	<u>5,689</u>	<u>12,077</u>	<u>11,533</u>	<u>2,725</u>	<u>2,878</u>	<u>-</u>	<u>81</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1)</u>	<u>1,869</u>	<u>1,409</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	<u>5,524</u>	<u>5,689</u>	<u>12,077</u>	<u>11,533</u>	<u>2,725</u>	<u>2,878</u>	<u>-</u>	<u>81</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1)</u>	<u>1,869</u>	<u>1,409</u>
Surplus / (deficit) from the previous year	-	-	-	-	-	-	1	146	1	46	250	253	-	-
Total revenue including accrued revenue	5,524	5,689	12,077	11,533	2,725	2,878	1	227	1	46	250	252	1,869	1,409
Less expenses including accrued expenses	(5,524)	(5,689)	(12,077)	(11,533)	(2,725)	(2,878)	(1)	(226)	-	(45)	-	(2)	(1,869)	(1,409)
Surplus / (deficit) for reporting period	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>250</u>	<u>250</u>	<u>-</u>	<u>-</u>

39 Acquitment of Australian Government financial assistance (continued)

39.4 DIISR Research (continued)

Parent entity (UNIVERSITY) ONLY

	Total	
	2011	2010
	\$'000	\$'000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programmes)	22,195	21,589
Net accrual adjustments	-	-
Revenue for the period	<u>22,195</u>	<u>21,589</u>
Surplus / (deficit) from the previous year	252	445
Total revenue including accrued revenue	<u>22,447</u>	<u>22,034</u>
Less expenses including accrued expenses	<u>(22,196)</u>	<u>(21,782)</u>
Surplus / (deficit) for reporting period	<u>251</u>	<u>252</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

⁵Includes Institutional Grants Scheme

39 Acquittal of Australian Government financial assistance (continued)

39.5 Other Capital Funding

Parent entity (UNIVERSITY) ONLY

	Teaching and Learning Capital Fund		Education Investment Fund		Total	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
	-	12,929	16,000	25,638	16,000	38,567
	-	12,929	16,000	25,638	16,000	38,567
	10,702	-	16,663	9,593	27,365	9,593
	10,702	12,929	32,663	35,231	43,365	48,160
	(9,487)	(2,227)	(19,754)	(18,568)	(29,241)	(20,795)
	1,215	10,702	12,909	16,663	14,124	27,365

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

39 Acquitment of Australian Government financial assistance (continued)

39.6 Australian Research Council Grants

(a) Discovery

Parent entity (UNIVERSITY) ONLY

	Projects		Fellowships		Total	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
8,989	7,905	2,676	998	11,665	8,903	-
(85)	-	(165)	-	(250)	-	-
8,904	7,905	2,511	998	11,415	8,903	-
3,373	3,130	856	373	4,229	3,503	3,503
12,277	11,035	3,367	1,371	15,644	12,406	12,406
(8,468)	(7,662)	(1,681)	(515)	(10,149)	(8,177)	(8,177)
3,809	3,373	1,686	856	5,495	4,229	4,229

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

39 Acquittal of Australian Government financial assistance (continued)

39.6 Australian Research Council Grants (continued)

(b) Linkages

Parent entity (UNIVERSITY) ONLY

	Infrastructure		International		Projects			Total	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000	
	750	1,470	-	-	2,398	1,980	3,148	3,450	
	-	-	-	-	(46)	-	(46)	-	
	<u>750</u>	<u>1,470</u>	<u>-</u>	<u>-</u>	<u>2,352</u>	<u>1,980</u>	<u>3,102</u>	<u>3,450</u>	
	735	-	7	12	118	433	860	445	
	1,485	1,470	7	12	2,470	2,413	3,962	3,895	
	<u>(1,431)</u>	<u>(735)</u>	<u>-</u>	<u>(5)</u>	<u>(1,991)</u>	<u>(2,295)</u>	<u>(3,422)</u>	<u>(3,035)</u>	
	54	735	7	7	479	118	540	860	

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

39 Acquitment of Australian Government financial assistance (continued)

39.6 Australian Research Council Grants (continued)

(c) Networks and Centres

Parent entity (UNIVERSITY) ONLY

	Research Networks		Centres		Total	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
	(5)	-	6,126	-	6,121	-
	(5)	-	6,126	-	6,121	-
	5	(327)	-	-	5	(327)
	-	(327)	6,126	-	6,126	(327)
	-	332	(4,049)	-	(4,049)	332
	-	5	2,077	-	2,077	5

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

39 Acquittal of Australian Government financial assistance (continued)

39.7 OS-HELP

	Parent entity Macquarie University ONLY	
	2011	2010
	\$'000	\$'000
Cash Received during the reporting period	1,180	685
Cash Spent during the reporting period	(1,235)	(681)
Net Cash received	(55)	4
Cash Surplus / (deficit) from the previous period	189	185
Cash Surplus / (deficit) for reporting period	134	189

40 Events occurring after the end of the reporting period

There has not occurred in the period between the end of the financial year 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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MACQUARIE
UNIVERSITY

Balaclava Road, North Ryde, Sydney, Australia
Telephone (02) 9850 7111, Facsimile (02) 9850 7433
Macquarie University CRICOS Provider Number 00002J
www.mq.edu.au