

MACQUARIE  
UNIVERSITY



Annual Report  
2008



# Annual Report

For the period 1 January 2008 to 31 December 2008

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

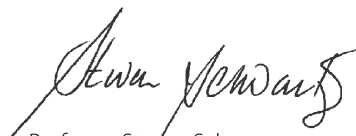
Dear Minister,

The Council of Macquarie University has the honour to submit the Annual Report of Macquarie University for the year ended 31 December 2008. The report has been prepared for presentation to Parliament in accordance with the *Annual Reports (Statutory Bodies) Act 1984* and the *Public Finance and Audit Act 1983*.

Yours faithfully,



The Hon Michael Egan  
Chancellor



Professor Steven Schwartz  
Vice-Chancellor

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# Macquarie UNIVERSITY

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

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

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

The 2008 results of the Shanghai Jiao Tong University Academic Rankings of World Universities showed Macquarie University to be making strong progress towards this goal. In 2008 Macquarie was ranked at 269th in the world, an improvement of 17 places from 286th in 2007. This result places us ninth among Australian universities, and builds on Macquarie's rise, from 299th, in the 2006 world rankings.

## A new Macquarie

2008 was a year of change and transformation for Macquarie University. With a clear vision and strategy, the University invested in significant change projects, including an academic restructure, a renewal of the undergraduate curriculum, and a number of substantial infrastructure projects.

As a reflection of these changes, the University unveiled a new look and voice in 2008 to accurately represent what Macquarie stands for today and where Macquarie is headed in the future.

Defining the new look and voice of Macquarie involved a comprehensive, detailed process. This meant consulting current and prospective students, academic and professional staff, high school career advisers, teachers, parents, alumni and employers, as well as international students and partners.

Many of those consulted saw Macquarie's strengths as the quality of the University's research and teaching, the rigor of its curriculum, its unique environment and its informal character, all which help to create life-ready and work-ready citizens with a truly global perspective.



The University's new logo — the Sirius star embedded in a stylised lotus flower — is the physical representation of Macquarie's core values, articulated in 2008 after consultation with the members of the Macquarie community. Macquarie University's values are the principles which underpin all the decisions Macquarie makes as a university. They are the foundation on which the voice of the University is built and they determine how Macquarie behaves toward students, staff and the University's community.

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## Macquarie's values

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

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

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

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

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

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

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



# RESEARCH

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*Macquarie University's ambition is to rank amongst the top 200 research intensive universities in the world by 2014. The University has a clearly defined strategy to achieve this goal, revitalised in 2008 with the development of the Research Strategic Plan 2009–2011.*

The strategy contains five key elements, which are:

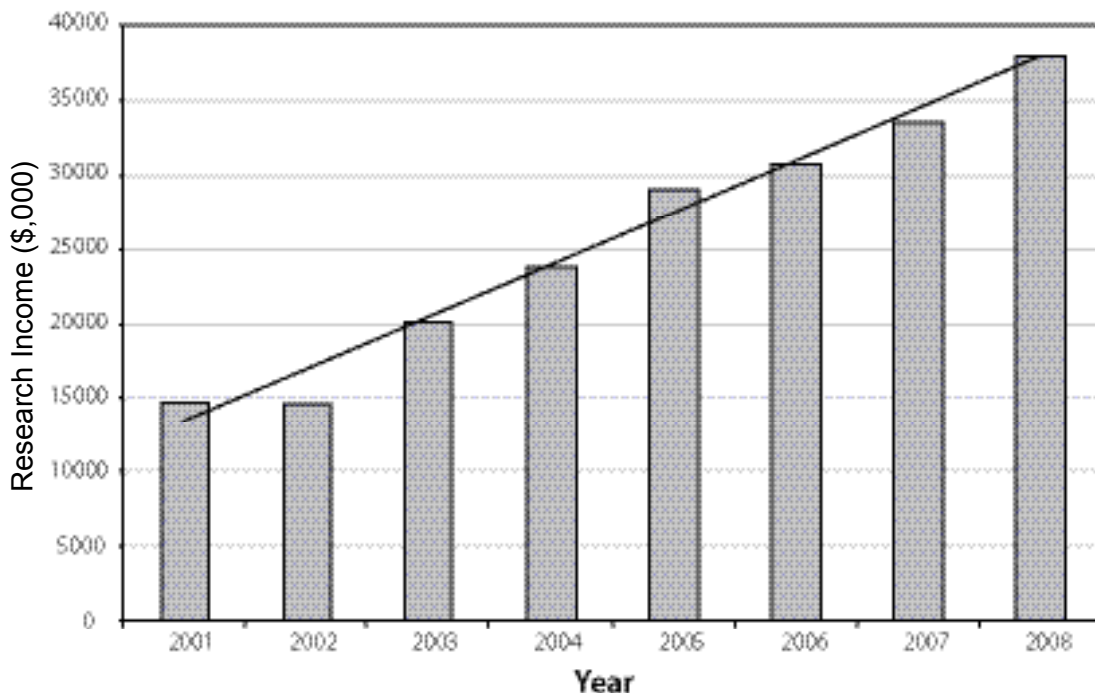
1. To establish at Macquarie a pervasive research culture across all areas of the University
2. To achieve international and national prominence in research in selected Concentrations of Research Excellence (COREs)
3. To maximise research outcomes by maintaining the number of high quality higher degree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

## Research funding

Macquarie is home to some of the world's pre-eminent researchers who attract significant funding to the University. In 2007 Macquarie received research income totalling \$33.7 million, ranking us fifth nationally when our size and success rate per application were taken into consideration. Our research income continued to increase steadily in 2008 to \$38 million, as demonstrated in Figure 1 below. Note that the 2008 figure is subject to audit prior to submission to DEEWR in June 2009.

Our strategies for developing the research and research potential of the University resulted with the University's successful bid to the Higher Education Endowment Fund in 2008 for \$40 million funding to establish the Macquarie University Hearing Hub, in partnership with key players in hearing research, teaching and service delivery.

Figure 1: Research income (HERDC-reported)



## Research publications

Macquarie researchers are prolific authors, producing books, book chapters and journal articles at a rate that is considerably above the national average over the last few years. The University has seen continued growth in all categories of publications performance over the period from 2004 to 2007.

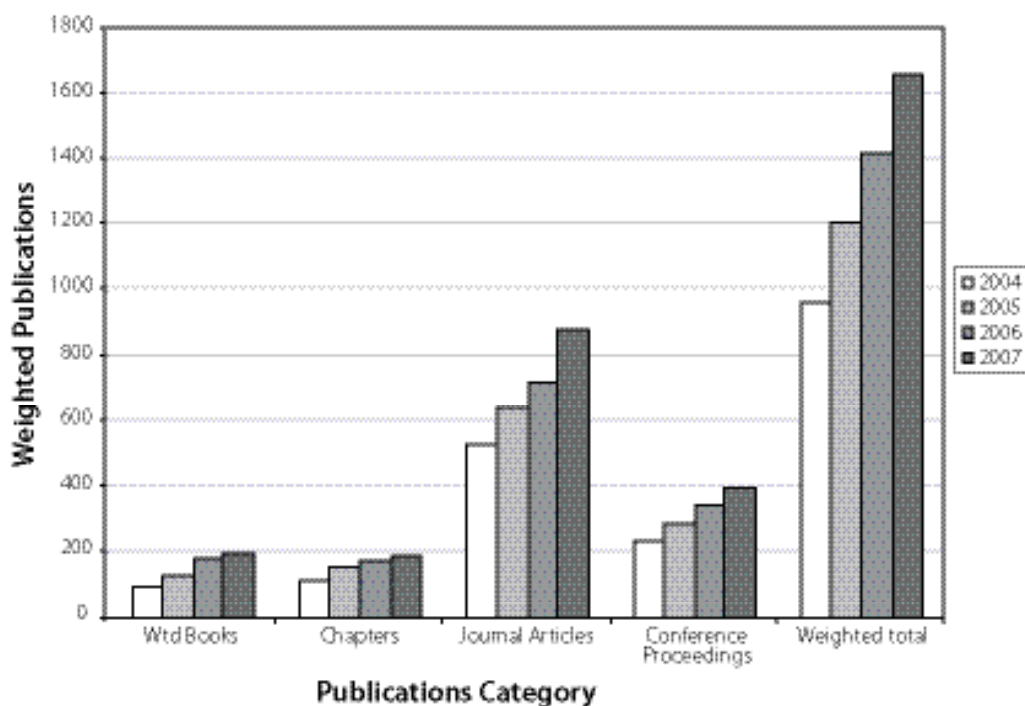
This continued growth is demonstrated by Figure 2 below. Figure 2 represents publications reported for 2004 to 2007, as adjusted for unreported publications. Adjustment for unreported publications corrects an under-reporting of 2007 publications (due to a change in procedure in that year), which has been confirmed by comparing publications reported to performance apparent from Thomson/Scopus citation databases.

## Open access to Macquarie's research

Scholarly research is one of Macquarie University's most important contributions to society. In 2008 Macquarie committed to providing free and open access to the research results of the University's academics.

*ResearchOnline*, available at [www.researchonline.mq.edu.au](http://www.researchonline.mq.edu.au), provides free online access to primary research articles that have been published in peer-reviewed journals. This will make Macquarie's scholarly work much more widely available to all researchers, including those in developing countries and those without access to expensive journal subscriptions.

Figure 2: Weighted publications (DEST/DEEWR proxies) adjusted for unreported publications

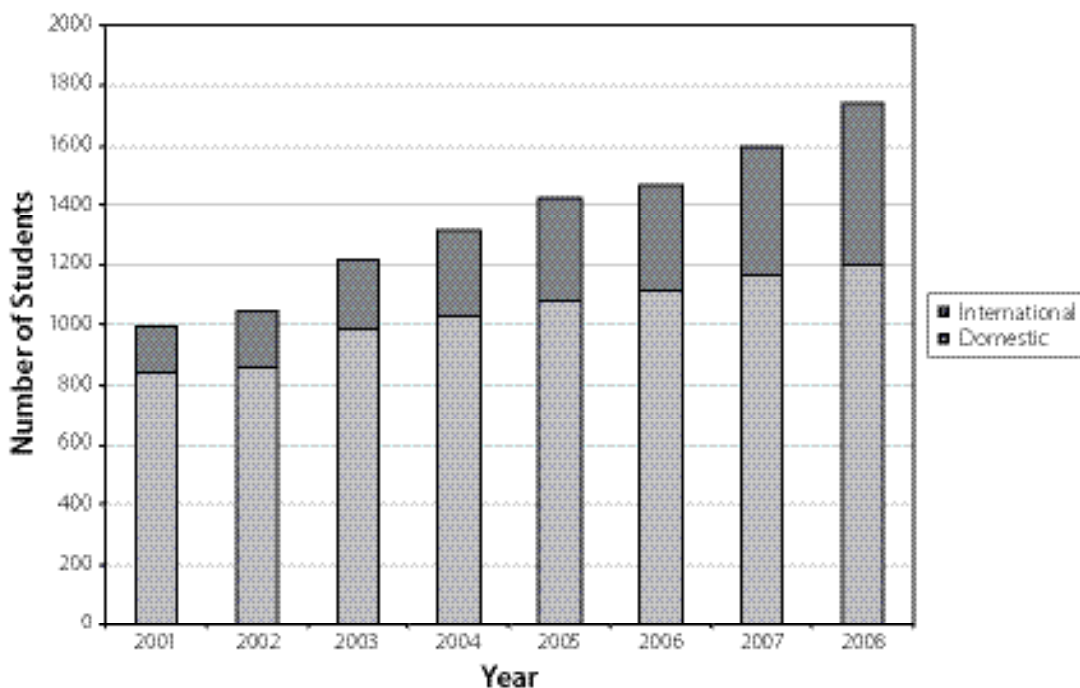


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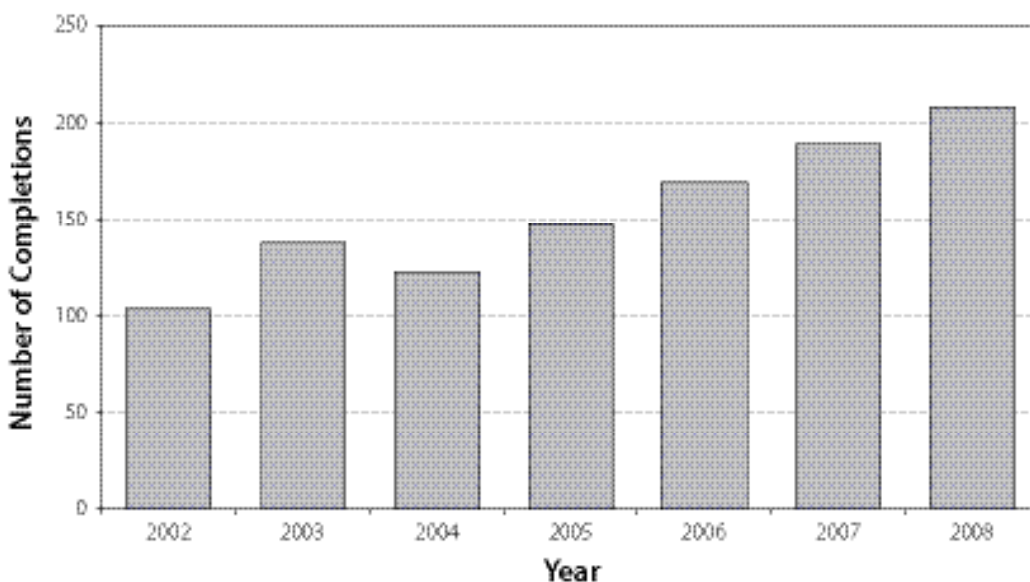
## Higher degree research enrolments and completions

Our vibrant postgraduate research program is underpinned by comprehensive commencement, progression and completion management systems and supported by the best higher degree research scholarship program in any Australian university. This has resulted in a steady increase in higher degree research enrolments and completions over the last six years, as demonstrated by Figures 3 and 4 below. Higher degree research enrolments have seen a greater than 65 per cent increase in the period from 2002 to 2008, rising from 1051 to 1746 enrolments, while completions have risen 100 per cent in the same period, from 104 completions in 2002 to 208 completions in 2008.

*Figure 3: Higher degree research student load*



*Figure 4: Higher degree research student completions*





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## Research outcomes

Macquarie researchers reported significant outcomes in 2008, including:

- Macquarie cognitive scientist Dr Mark Williams' ground-breaking research findings on the mammalian brain were published in December in the international journal *Nature Neuroscience*. Williams is leading an international team of researchers on a project investigating how the mammalian brain transfers, processes and stores visual information.
- Psychologists from the Macquarie Centre for Cognitive Science, with backing from the Australian Research Council, developed a new approach to the study of delusions, using hypnosis to temporarily create delusional beliefs in otherwise non-delusional people. The research has laid the groundwork for future experiments to understand how to investigate, understand and confront delusional beliefs in a more effective way.
- Dr Andrew Barron of the Centre for the Integrative Study of Animal Behaviour led research examining the effect of low doses of cocaine on foraging honey bees. The research, published in *The Journal of Experimental Biology*, has helped to shed light on the biochemistry of addiction.
- A report on improving relations between Muslim and non-Muslim Australians by senior research fellow in the Centre for Research on Social Inclusion, Dr Amanda Wise, was released by the Parliamentary Secretary for Multicultural Affairs and Settlement Services in late 2008. The Federal Government will be implementing some of the report's recommendations.
- Dr Luciano Beheregaray from the Department of Biological Sciences was one member of a team of international scientists whose historical DNA analysis led to the discovery of living tortoises carrying genes from an extinct species of Galápagos tortoise, *Geochelone elephantosis*. This discovery paves the way for a captive breeding program that could re-establish the extinct species.
- A research paper by Macquarie PhD student Anne Gaskett was published in the June issue of *American Naturalist* and reported in the media internationally. Gaskett's paper explored sexually deceptive orchids which lure male wasps into spreading pollen. The orchid so successfully fools the wasp that the insect actually ejaculates while pollinating the flowers.

## Research excellence recognised



DR CULUM BROWN

Dr Culum Brown was one of 13 scientists in New South Wales to be awarded a Young Tall Poppy Science award in 2008. The awards are presented to outstanding researchers up to 40 years of age in a range of science fields. They not only acknowledge the recipients' achievements, but also provide the winners with an opportunity to visit schools, act as role models, and encourage an interest in science among students and the wider community.

Brown's research has looked at the role of learning and memory in fish behaviour, with a particular focus on their navigation and anti-predator responses. His research with fish has revealed that fish not only have the ability to learn and remember complex actions, but that the success of their foraging and navigation, as well as their anti-predator responses, is highly influenced by their cognitive abilities. The research could have major implications for conservation efforts, and prove especially valuable to the fisheries and aquaculture industries.



## Pursuing excellence

Macquarie University's international reputation rests on distinct research areas of the highest quality. Our unique Concentrations of Research Excellence (COREs) provide stimulating collaborative research environments that attract major external funding while building international profiles.

In 2008 the University launched the second phase of a targeted recruitment campaign to attract top-quality researchers to the University. Forty-three research positions were announced and advertised, coupled with the establishment of eight new CORE areas, detailed below.

Recruiting world-class researchers continues to improve the quality and reputation of Macquarie University research. The educational experience for our students — undergraduate and postgraduate — is improved, since academics doing scholarly work at the cutting edge of their disciplines make the best teachers.

## Concentrations of Research Excellence

Eight new CORE areas were established in 2008, adding to the University's existing COREs in the areas of ancient cultures, animals behaviour, biomolecular frontiers, climate risk/ecology and evolution, cognitive science, earth and planetary evolution, lasers and photonics, social inclusion, and quantum information science and security. For more information on these COREs see [www.research.mq.edu.au/excellence](http://www.research.mq.edu.au/excellence).



PROFESSOR QUENTIN PARKER

### Astronomy and Astrophysics

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



DR JENNIFER HUDSON

### Emotional Health

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



PROFESSOR PIET DE JONG

### Financial Risk

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



PROFESSOR STEPHEN CRAIN

### Language Sciences

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



DR NATALIE KLEIN

### Legal Governance

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



PROFESSOR GRAHAM TOWN

### Wireless Communications

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



A/PROFESSOR ANN GOODCHILD

### Neuroscience, Vascular Sciences and Surgery

This team researches the effects of the brain on the cardiovascular and respiratory systems; and also the effects of the cardiovascular system upon the brain. The multidisciplinary team of researchers includes neuroscientists, biomedical engineers, cardiovascular specialists and surgeons. Their scope of applications is translational; from molecular biology to the bedside and operating room. Their objective is to advance knowledge in neurovascular sciences and to train graduates in super specialty surgery and medicine.



A/PROFESSOR MARNIE HUGHES-WARRINGTON

### Social, Cultural and Political Change

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

# Learning and **TEACHING**

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

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

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

## New academic structure and curriculum

In early 2008 Macquarie embarked upon an ambitious reorganisation and simplification of the University's academic structure, with nine divisions replaced by four faculties from January 2009.

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

Complementing the academic restructure a renewal of the University's curriculum commenced in 2008, which will enhance the learning experience at Macquarie and improve graduate outcomes. The new curriculum, to commence for undergraduate students from 2010, will be future orientated, focusing on what it is that future generations of students will require to become global citizens.

### Faculty of Arts

Department of Ancient History  
Department of Anthropology  
Department of English  
Department of Indigenous Studies — Warawara  
Department of International Studies  
Department of Media, Music, and Cultural Studies  
Department of Modern History, Politics, International Relations and Security  
Department of Philosophy  
Department of Sociology  
Macquarie Law School

### Faculty of Business and Economics

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

### Faculty of Human Sciences

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

### Faculty of Science

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

## Students

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

### Student enrolments

In 2008 the number of students enrolled at Macquarie University was 32,785, an increase of 816 (2.6 per cent) over the 31,969 students in 2007. The increases were mainly in higher degree research and bachelor degrees, but were partly offset by decreases in higher degree coursework.

The University's total equivalent full-time student load in 2008 was 22,449, an increase of 1244 (5.9 per cent) over 2007. Of the total student load, 23 per cent was in higher degree and 68 per cent in bachelor degree (including Honours) programs.

STUDENT ENROLMENTS 2008 <sup>1</sup>	
<i>Type of attendance</i>	
Full-time	20,700
Part-time	12,085
<i>Gender</i>	
Female	18,243
Male	14,542
<b>Total</b>	<b>32,785</b>

ENROLMENTS BY PROGRAM LEVEL 2008 <sup>1</sup>	
Doctorate by research	1281
Professional Doctorate	249
Masters Degree by research	149
Masters Degree by coursework	7951
Other postgraduate programs	2111
<b>Postgraduate total</b>	<b>11,741</b>
Bachelor Degrees (including Honours)	18,925
Other undergraduate degrees	315
Non-award and Enabling degrees	1804
<b>Undergraduate total</b>	<b>21,044</b>

ENROLMENTS BY HOME LOCATION 2008 <sup>1</sup>	
North East Asia	6803
South East Asia	1319
South and Central Asia	657
Americas	1419
Oceania and Antarctica	67
Africa and the Middle East	242
Northern and Western Europe	799
Southern and Eastern Europe	142
<b>International total</b>	<b>11,448</b>
<b>Domestic total</b>	<b>21,337</b>

STUDENT LOAD <sup>2</sup> BY DISCIPLINE 2008 <sup>1</sup>	
Agriculture, environmental and related studies	226
Architecture and building	11
Creative arts	1141
Education	1503
Engineering and related technologies	110
Health	695
Information technology	613
Management and commerce	8358
Natural and physical sciences	2317
Society and culture	7476
<b>Total</b>	<b>22,449</b>

STUDENT AWARDS 2008 <sup>3</sup>	
Non-professional Doctorate by research	148
Professional Doctorate	48
Masters Degree by research	31
Masters Degree by coursework	3157
Other postgraduate programs	1191
<b>Postgraduate total</b>	<b>4575</b>
Bachelor Degrees (including Honours)	4069
Other undergraduate degrees	39
<b>Undergraduate total</b>	<b>4108</b>

- 1 Source: Submissions to the Department of Education, Employment and Workplace Relations up to 31 October 2008. Individual figures may not add up to totals due to rounding.
- 2 Equivalent full-time student load.
- 3 Source: AMIS data as at 4 February 2009.

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



## Internationalisation

At the end of 2008 international students accounted for 25.5 per cent of the total student population. Macquarie International's programs attracted over 11,000 international students from 114 countries, with another 948 students enrolled in the various offshore programs in China, France, Hong Kong, Japan, Korea, Malaysia and Singapore.

The University has maintained its competitive position in the sector in 2008. Macquarie is ranked among Australia's nine top universities (Shanghai Jiao Tong University Academic Rankings of World Universities, 2008) and the MBA program is recognised as one of the finest in the world (Economist Intelligence Unit, 2008).

In 2008 Macquarie University entered into a partnership agreement with Australian Volunteers International (AVI) to jointly develop a Participation Initiative, which will be phased in during 2010 and 2011, becoming an integral component of the Macquarie degree from 2012.

As part of Macquarie's commitment to internationalisation and innovation, the Global Leadership Program, run by Macquarie International, allows students to enhance their Macquarie degree and develop their leadership and global skills through studying, volunteering and participating in internships in Australia and overseas.

In 2008 Macquarie International participated twice in the International Student Barometer, a risk management tool which measures the key drivers of international student satisfaction and ensures improved services.

Macquarie's international research reputation has grown in recent years and is supported by the appointment of a Director of Higher Degrees Research Marketing and Development in 2007. In 2008 there were 47 cotutelle agreements with over 30 leading overseas universities in 19 countries. Forty-two per cent of all commencing Higher Degree Research students were international students.

Macquarie International introduced measures to increase the efficiency of its operations and redirect resources to improve the quality of its services. In 2008 it achieved a budget surplus of \$1.3 million, with international fee income of \$147.6 million, representing a 23.2 per cent growth from 2007.

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## World-class teaching

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



**Associate Professor Marnie Hughes-Warrington** from the Department of Modern History was honoured with the ALTC's most prestigious prize — the Prime Minister's University Teacher of the Year award. The award recognised Hughes-Warrington's exceptional record of advancing student learning, educational leadership and scholarly contribution to teaching and learning.

In addition, in 2008 Macquarie University staff were awarded seven citations from the ALTC for their contribution to teaching and learning. The citations recognise those who have made a significant contribution to the quality of tertiary student learning. The contributions of Macquarie staff recognised in 2008 range from developing innovative courses, programs and activities to pioneering groundbreaking teaching methods.

- **Jennifer Nicholls** (The Institute of Early Childhood): For designing innovative and pioneering uses of web-based technology in drama/theatre courses to inspire and enrich learning and teaching environments for on-campus and distance students.
- **Lindie Clark** (Department of Health and Chiropractic); **Dr Theresa Winchester-Seeto** (The Learning and Teaching Centre) and **Associate Professor Mark Taylor** (Department of Physical Geography): For institutional leadership in the development and delivery of an interdisciplinary work integrated learning program for the advancement of student learning.
- **Lindy Cooper, Robyn Guilmette, Patricia Lewis, Lorraine Whybrow, Kylie Coaldrake** (Department of Linguistics): For highly-valued, tailored, online and face-to-face academic administrative support to postgraduate linguistic students irrespective of their country of origin.
- **Dr Michael Cavanagh** (School of Education): For excellence in the professional development of beginning mathematics teachers through active engagement of learners and promotion of critical thinking skills.
- **Dr Mitch Parsell** (The Learning and Teaching Centre): For outstanding promotion of student engagement by engendering a commitment to community and ownership assessment.
- **Associate Professor Catriona MacKenzie, Dr Mianna Lotz, Dr Cynthia Townley** (Department of Philosophy): For excellence in the development of a cross-disciplinary research-based ethics program and for inspiring student interest in ethics throughout all levels of the curriculum.
- **Professor Martina Möllering** (Department of European Languages): For innovative approaches to technology-enhanced language learning: computer-mediated communication and transnational communities of practice in language learning and teaching.

# Business, community **ENGAGEMENT AND ALUMNI**

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*Macquarie University values establishing external partnerships that strengthen opportunities for enterprise and innovation, and contribute to the development of the local, national and international community. The year 2008 saw a number of new partnerships established as well as the development and expansion of existing partnerships.*

## Industry partnerships

### The Macquarie Hearing Hub

Macquarie University was successful in 2008 with a bid to the Higher Education Endowment Fund for \$40 million funding to establish the Macquarie University Hearing Hub. The project, with an estimated capital cost of \$140 million and a planned completion by 2011, will see Australia's leading organisations dedicated to helping the hearing impaired locate in the Macquarie Hearing Hub.

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

### Cochlear

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

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

### Macquarie University Hospital

Construction started on the \$180 million Macquarie University Hospital project in 2007, with the hospital due to open its doors to patients in 2010. As the first private teaching hospital to be located on a university campus in Australia, it will combine excellence in clinical care, medical education and research. The hospital is a joint venture between the University and Dalcross Private Hospital and will complement teaching and research already offered at Macquarie.

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

The hospital will also accommodate the University's new medical school, the Australian School of Advanced Medicine, which delivers postgraduate programs in specialty and sub-specialty fields, working in partnership with the Royal Australasian College of Surgeons.

MACQUARIE UNIVERSITY HOSPITAL





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## GE Healthcare

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

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

GE Healthcare will make a significant contribution of sponsorship and equipment over three years to support neuroscience research at the school. The partnership is a major achievement for the Australian School of Advanced Medicine. Macquarie is one of the few universities to be named an international luminary research site by GE Healthcare. Other research partners include the Karolinska Institute in Stockholm, Imperial College London, Oxford University and the European Cancer Centre in Milan.

## Industry Partnership Program

Electronic Engineering at Macquarie has developed an Industry Partnership Program to promote and facilitate engagement with industry, especially local industry. Students benefit from the partnerships in a number of ways, including through the involvement of practicing engineers in teaching and curriculum development, through the provision of equipment and facilities, and through internships, scholarships and prizes. Industry benefits by having early access to graduates who have useful and relevant skills.

In 2008, EMC Corporation, an industry leader in products, services and solutions for information management and storage, became the ninth member of the program. This partnership has resulted in the establishment of five new engineering prizes and will afford Macquarie students opportunities for practical application of their studies that can only happen through industry exposure.

Members alongside EMC include BCS Technology Group Pty Ltd, CiSRA, Cochlear, Honeywell, Juniper Networks, Netcomm, OEM Technology Solutions and Optus.

## Institutional advancement

The Office of Institutional Advancement was established late in 2007 under the leadership of Executive Director, Peter Leunig. The Office has a mission to create a significant new revenue stream for the University and is essential to Macquarie achieving its *Macquarie@50* vision. Through alumni, corporate and community engagement, and the coordination, management and stimulation of all of the University's external relationships, Advancement is laying the foundations for strong and committed networks of friends and supporters who are interested in building Macquarie's long term future through fund raising and development.

In 2008 significant achievements included:

- recruitment of staff and deployment of supporting infrastructure;
- implementation of state-of-the-art relationship management software (SungardHE Advance);
- acquisition of new gifts and bequests;
- inauguration of the annual MGSM Alumni Appeal;
- establishment of the Macquarie University Foundation.

In a propitious start to our bequest program, Macquarie alumnus Derek To bequeathed one-third of his estate for the future establishment of three university scholarships to encourage outstanding students to undertake bachelor degrees in accounting, economics and mathematics.

## Alumni relations

The Alumni Relations Office organised many activities and events in 2008 for alumni and friends, including the popular Annual Parliament House Luncheon, featuring Australian author, Bryce Courtenay, as guest speaker. The Office also supported and maintained close communication with the University's Australian and international alumni chapters.

Among Chapter events was a timely discussion panel on the topic of climate change facilitated by the volunteers in the Victoria Chapter. Executives from such corporations as ANZ, Toyota, PWC and Foster's Group, shared their perspectives on the roles of business, government and the wider community, in environmentally sustainable operating practices and emissions reduction.

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The Advancement Office inaugurated the University's fundraising activities with two successful mail and telephone appeals for the Macquarie Graduate School of Management. Through the generosity of MGSM alumni, funds were raised to establish four important initiatives: new scholarships, a visiting fellows program, the MGSM Connect Program and an unrestricted Dean's Fund.

Macquarie University Foundation is headed up by two of Australia's most respected businessmen: Maurice Newman, Chairman of the Australian Broadcasting Corporation, and David Murray, Chair of the Australian Government Future Fund Board of Guardians. The Foundation, which will lead all the University's fund raising efforts, will be launched in the second half of 2009.

## Community engagement

Graduates, students, parents, friends, staff, donors, local residents and corporate partners are all part of the extended Macquarie family.

A strong and growing sense of community on campus in 2008 saw high levels of participation and interest in Macquarie's many cultural and recreational activities including student events; art gallery, sculpture park and museums exhibitions; film screenings; and orchestral and choral concerts.

Macquarie's community engagement projects involve partnerships with government, business and community groups. Two such cooperative partnerships focus on key national priorities: youth engagement with science, improved levels of literacy, and high quality educational resourcing to remote areas.

### The Science Partnership

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

A highlight of the program in 2008 was the success of the PCS team in the Science and Engineering Challenge, a national competition which tests students' analytical problem solving skills and practical science skills. The PCS team won their regional heat of the championships, held at Macquarie University, and went on to state and national championships, where they were placed fourth in Australia and were the highest ranked government school entrants.

Other 2008 highlights included the continuation of the Peer Tutoring Program, where Macquarie University students assist Year 9 students with practical and stimulating projects, and the Teacher Professional Learning Program, where high school teachers work with Macquarie University academics to devise new ways to enhance professional learning and pedagogy of science, technology, engineering and mathematics.

### Making Up Lost Time in Literacy

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

Since 1998, over 2000 teachers and other educational professionals throughout Australia and overseas have successfully implemented the MULTILIT Program to teach thousands of low-progress readers. The Revised Edition of the MULTILIT Reading Tutor Program was launched in November 2007 with nearly 1000 copies sold in the first 12 months. The updated version incorporates changes to the original version based on experience with the program and on research undertaken by MULTILIT and others.

To ensure effective delivery of the program, training workshops have been expanded into all Australian capital cities, some regional areas and New Zealand. The first group of MULTILIT accredited and licensed private tutors and speech pathologists are also now working with low-progress readers in their organisation or business. MULTILIT has also introduced two agents who are working to ensure that more low-progress readers have access to the MULTILIT Program in New Zealand and in Western Australia.

In addition to training teachers and parents to work with low-progress readers, MULTILIT also works on projects in partnership with community organisations and government to bring about fundamental change in the educational prospects of low-progress readers, particularly those from socially disadvantaged and Indigenous backgrounds. Throughout 2008 MULTILIT contributed to the provision of the MULTILIT Program to disadvantaged children in Bangalore, India, as well as to the provision of a program to increase literacy and attendance rates in four Cape York schools. The Exodus Foundation continues to use the MULTILIT Program in Ashfield, Redfern and Gladstone with a new centre opening in Darwin in 2009.

# Infrastructure and **FACILITIES**

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

Major infrastructure project developments in 2008 included:

#### **Brain, Behaviour and Evolution Facility**

The \$4 million project to construct a new building for the study of advanced invertebrate behavioural research was delivered on time and within budget. The project was completed in November 2008 and now operates as an integral part of the University's Centre for the Integrative Study of Animal Behaviour.

#### **Learning and Research Centre**

Construction commenced in October 2008 on a new Learning and Research Centre, with the \$92 million project scheduled for completion at the end of 2010. The Learning and Research Centre will represent a new generation of library design, creating a centre full of dynamic, collaborative and open spaces for learning.

#### **Macquarie University Hospital**

Due for completion in early 2010, the Macquarie University Hospital is a \$180 million project that will deliver training, medical research and quality patient care in select specialty areas. For more information on the role that the Hospital will play in developing Macquarie's engagement with industry and the community, see page 14.

#### **New science laboratories**

Four new high-tech teaching laboratories were officially opened by the Governor of New South Wales Professor Marie Bashir on Thursday 19 February 2009, coinciding with the start of the 2009 academic year. The \$3.85 million project refurbished existing space to create a research and learning environment that is congenial, highly interactive and fitted out with the latest digital technology.

In addition to the above projects, Macquarie University welcomed the construction of the new Macquarie University train station on campus during 2008. Located on the new Chatswood to Epping rail line, the station provides direct access to the University campus from the CityRail network.

LEARNING AND RESEARCH CENTRE, DESIGNED BY AWARD WINNING ARCHITECTS FRANCIS-JONES MOREHEN THORP



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## Sustainability

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

This means:

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

### Sustainability Working Group and action groups

The sustainability program at Macquarie University is supported by the Sustainability Working Group (SWG) as well as a number of action groups. The SWG is attended by representatives from various faculties and departments across campus and is responsible for working with the Sustainability Office to establish a sustainability culture.

Stemming from the SWG are a number of action groups dealing with the various aspects of the campus, including human resources, procurement, learning and teaching, and planning and development. The action groups provide a focal point for actions to be undertaken to reach specified goals and objectives and are comprised of interested and/or strategic staff and students on a voluntary basis.

### Governance

Key advances made during 2008 include:

- the creation of a new position, Director of Sustainability, to manage the sustainability program, plus three new positions across the University to support implementation of the program: Sustainability Support Officer, Manager Sustainability Projects OFM and Online Systems Administrator;
- environmental and social sustainability incorporated as a strategic direction for the University;
- the development of a Sustainability Policy and Procedure;

- the drafting of a Sustainability Strategy to guide the change towards sustainability;
- the development of indicators, objectives and targets for the short, medium and long term;
- U@MQ, Macquarie's student services organisation, embedded sustainability into the values of the organisation and as part of key performance indicators for staff.

### Increasing resource recovery and efficiency

Actions undertaken in order to improve resource use across campus in 2008 included:

#### Waste:

- a comprehensive waste audit conducted in order to establish current practices and baselines;
- battery and mobile phone recycling stations introduced at two locations on campus;
- personal paper recycling bins installed in offices leading to an approximate 40 per cent increase in paper recycling;
- collection of approximately 25,000 kilos of electronic waste through four organised e-waste disposal days.

#### Water:

- a Water Savings Action Plan developed and submitted to the Department of the Environment and Climate Change (DECC);
- installation of new push taps throughout the Library;
- replacement of traditional woks in the U@MQ Food Court with waterless woks, leading to an average 96 per cent water saving;
- work almost completed to capture and reuse stormwater and sewage on campus sporting fields;
- extension of online monitoring systems coverage, resulting in the identification and repair of several leaks.

#### Energy:

- an Energy Saving Action Plan developed and submitted to DECC;
- launch of a Power Savings Campaign;
- purchase of 5 per cent Green Energy University wide and 20 per cent Green Energy within U@MQ;
- reticulation of chilled water introduced in five buildings with the objective of saving approximately 20 per cent energy usage;
- Adjustment of air conditioning temperatures within several buildings to better reflect the season and thereby make considerable energy, emissions and financial savings.

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## Learning and teaching

As part of the Review of Academic Programs occurring throughout 2008 and 2009, Macquarie defined graduate capabilities for students. By including sustainability in the framework of graduate capabilities, the University has committed to providing all Macquarie students with an opportunity to engage with environmental and social issues.

## Engaging with the campus community and beyond

Engagement with staff and students was an important aspect of the sustainability program in 2008, with several meetings held, including a sustainability-focussed Town Hall meeting in February, and numerous articles featured in University newsletters and in other online media throughout the year.

The University also engaged with the local community on sustainability issues. In 2008 Macquarie was involved in the formation of a Sustainability Network for the Ryde area, incorporating Ryde City Council and several other businesses situated within the local area.

A sustainability highlight for the year was the Sustainability Fair attended by staff, students and local community members. The fair included 33 stalls covering a range of sustainability related products and displays, including organic produce, sustainable waste management, native vegetation and water conservation, as well as guest speakers, demonstrations and entertainment.



SUSTAINABILITY FAIR

## Other highlights

Other highlights for 2008 included the completion of a Sustainable Transport Plan; the inclusion of sustainability into staff professional development courses; and the launch of the Bushcare@MQ group, with the aim of re-establishing riparian zones around campus. Additionally, Macquarie has committed to achieving a 5 Star Green Building Council of Australia rating for future campus developments.

## Future goals

The upcoming focus for the sustainability program is on:

- development of a comprehensive greenhouse gas emissions strategy;
- further resource recovery and efficiency, including a new waste management system, toilet refurbishments, and lighting upgrades;
- inclusion of online sustainability training modules for all new employees;
- incorporation of sustainability into key performance indicators for management;
- improvement of cycling facilities on campus;
- continuation of education and awareness of sustainability issues;
- hosting the Annual Australasian Campuses Towards Sustainability conference in 2009.

## Further information

Refer to the Sustainability@MQ website at [www.mq.edu.au/sustainability](http://www.mq.edu.au/sustainability) for more information on what is happening at Macquarie and to download the Annual Sustainability Report.

# University **GOVERNANCE**

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## Charter and aims

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

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

## Principal office bearers

Macquarie University Council on 27 February 2008 elected the Honourable Michael Egan as the University's sixth Chancellor. Chairman of the Centenary Institute of Cancer Medicine and Cell Biology, Chairman of the Australia Day Council of New South Wales and a Governor of the Woolcock Institute of Medical Research, Mr Egan has previously served as Leader of the Government in the New South Wales Legislative Council and as New South Wales Treasurer, 1995–2005. Mr Egan succeeds Mr Maurice Newman AC, Chairman of the Australian Broadcasting Corporation and the Australian Securities Exchange, who served as Chancellor from 14 December 2001.

### Visitor

Her Excellency the Governor of New South Wales

### Chancellor

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

### Deputy Chancellor

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

### Emeritus Deputy Chancellor

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

### Vice-Chancellor

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

### Deputy Vice-Chancellor (Provost)

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

### Deputy Vice-Chancellor (Research)

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

### Deputy Vice-Chancellor, Chief Operating Officer and Registrar

Mr Paul William Bowler, BSc *Lough.*, MA *Leic.*, MBA *Cran.*

### Deputy Vice-Chancellor (Development and External Relations)

Ms Caroline Trotman, BA *Canberra*, MBA *Macq.*

### Pro Vice-Chancellor (International)

Associate Professor William McGaw, BA *Qld.*, MA *Macq.*, FAICD

### Vice-President of the Academic Senate

Professor Michael Sterling James (Mike) Johnson, BSc Dip Ed *Syd.*, PhD *Syd.*

### University Librarian

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

### Chief Financial Officer

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

### Director, Human Resources

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

### University Secretary and General Counsel

Ms Pamela Hass, LLB *Qld.*, LLM *WAust.*, BA *Deakin* (to July 2008)

### Secretary to the University Council

Ms Lorne Butt, BSc *UTS*, MBA *CSturt*, AIMM (from August 2008)

### Senior University Solicitor

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

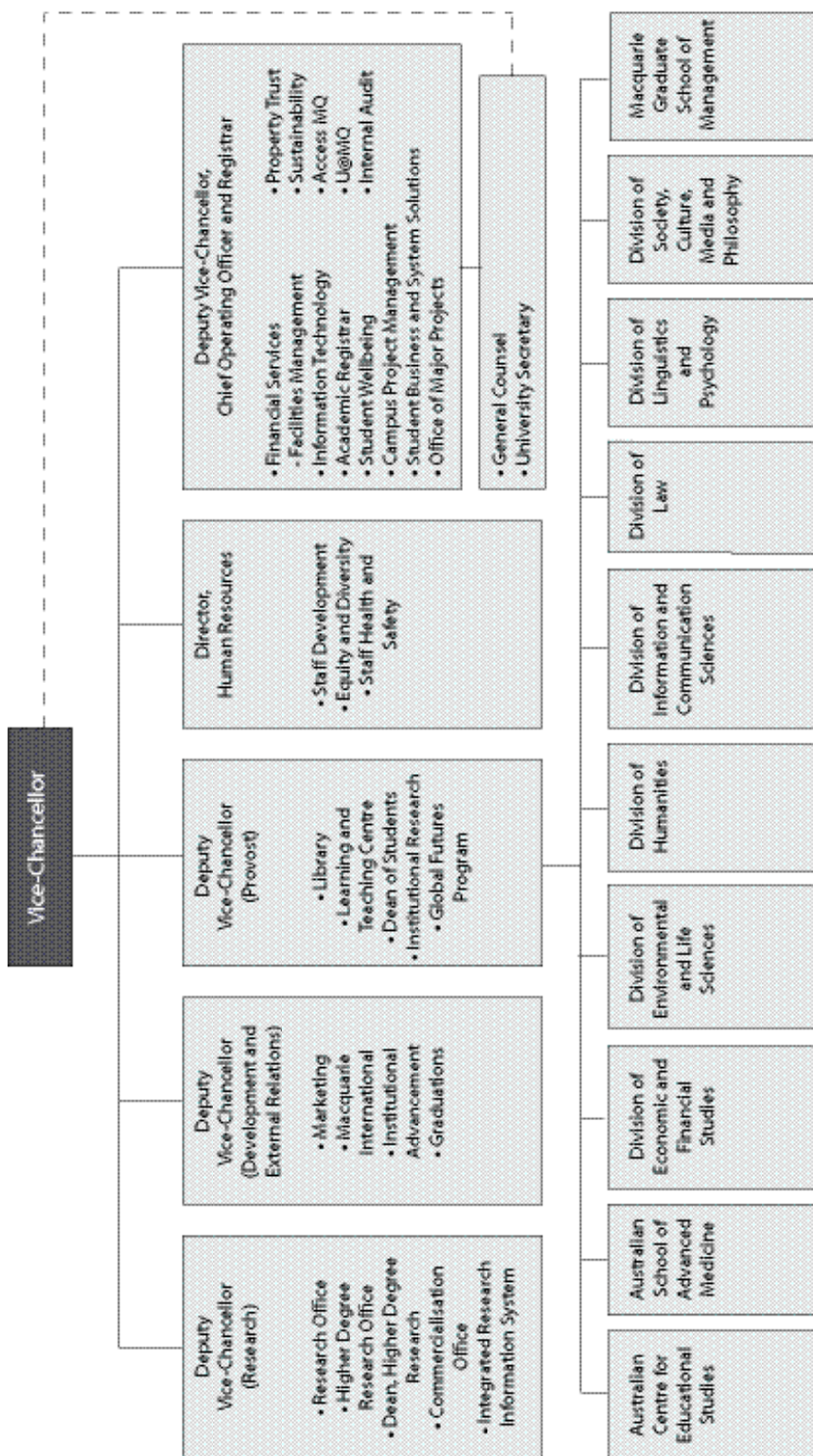
### Director, Office of Facilities Management

Mr Robert Kelly (to June 2008)  
Mr Tony Johansson, BEng *UNSW*, MEngSc *UNSW*, MBA *NE* (from July 2008)

### Director, IT Services

Ms Mary A Sharp, BAppSc *NSWIT*

# Organisation chart



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## Deans of Divisions

### **Australian Centre for Educational Studies**

Professor Alan W Rice, BA *Syd.*, MEd *Alta*, PhD *Alta*.

### **Australian School of Advanced Medicine**

Professor Michael Morgan, MD, M Med Ed, BS(Hons) *Syd.*, FRACS

### **Division of Economic and Financial Studies**

Professor E M (Ed) Davis, MA, PGCE *Camb.*, MEd *Monash*, PhD *La Trobe* (to 4 July 2008)

### **Division of Environmental and Life Sciences**

Professor Elizabeth M Deane, BSc *Syd.*, PhD *Syd.*  
(to 1 February 2008)

Associate Professor Kevin McCracken, BA *Otago*, MA *Otago*, PhD *Alta*. (Acting Dean from 4 February 2008)

### **Division of Humanities**

Professor Christina Slade, BA Dip Ed *NE*, PhD *ANU*  
(to 13 July 2008)

### **Division of Information and Communication Sciences**

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

### **Division of Law**

Professor Tyrone Carlin, LLB *Syd.*, BCom *NSW*, Grad Dip Fin *ASIA*, LLM *Syd.*, MCom *NSW*, PhD *Macq.*, FFin, CA, CPA, MFP  
(to 4 July 2008)

### **Division of Linguistics and Psychology**

Dr Julie Fitness, BA, MA, PhD *Canterbury* (to 4 November 2008)

### **Division of Society, Culture, Media and Philosophy**

Professor Mitchell M Dean, BA *NSW*, PhD *NSW*

### **Macquarie Graduate School of Management**

Professor Roy H Green, BA LLB *Adel.*, PhD *Camb.*  
(to 8 October 2008)

Associate Professor Bill McGaw, BA AEd *Qld.*, BA *Macq.*, MA *Macq.* (Interim Dean to 9 April 2008)

## Executive Deans of Faculties

### **Faculty of Arts**

Professor Ingrid Day, BA (Hons) *SAust.*, PhD *SAust.*  
(Acting Executive Dean from 19 September 2008)

### **Faculty of Business and Economics**

Professor Mark Gabbott, BA (Hons) *Essex*, MSc *Imperial College*, PhD *Stir.*, DTS LGTB (from 4 August 2008)

### **Faculty of Human Sciences**

Professor Janet Greeley, BSc (Hons) *Nfld.*, MA *Toronto*, PhD *Toronto* (from 7 October 2008)

### **Faculty of Science**

Professor Stephen M Thurgate, BSc *ANU*, GradDipEd *Canberra*, C.A.E., MSc *ANU*, PhD *Murd.* (from 2 June 2008)

## Macquarie University Council

(Membership as at 31 December 2008)

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

## Members of Council

### **The Chancellor**

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

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

### **The Vice-Chancellor**

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

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



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### **The Vice-President of the Academic Senate**

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

Professor Michael Sterling James (Mike) Johnson,  
BSc DipEd Syd., PhD Syd.  
Current term to 31 December 2008

### **Appointed by the Minister for Education and Training**

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

Ms Elizabeth Anne Crouch, BEc Macq., GAICD  
Current term to 31 December 2008

The Hon Michael Rueben Egan, BA Syd., FAICD  
Current term to 26 February 2010

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

Mr Gregory Mackenzie Jones, BA Macq., MA Macq.  
Current term to 31 December 2008

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

### **Appointed by Council**

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

Dr Malcolm Geoffrey Irving, AM, BCom NSW, HonDLitt Macq.,  
FAICD, FCPA, FSIA  
Current term to 24 June 2009  
Elected Deputy Chancellor to 23 March 2010

### **Elected by and from the Academic Staff**

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

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

Professor Max Coltheart, MA Syd., DSc Macq., FASSA  
Current term to 31 December 2010

Associate Professor Pamela Coutts, BSc DipEd Syd., BA Macq.,  
PhD Macq.  
Current term to 31 December 2010

### **Elected by and from the Non-Academic Staff**

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

Ms Maxine Brodie, BA DipEd Syd., DipLib NSW, MBA Macq.  
Current term to 31 December 2009

### **Elected by and from the Students of the University**

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

Appointed by Council to a casual vacancy:  
Mr Nicholas Francis Mueller  
Term from 22 July 2007 to 21 May 2008

Ms Amy Smith  
Current term to 21 May 2009

### **Appointed by Council**

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

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

Mrs Pamela Vivien Kenny, BA ANU, MA Macq., DipTertiaryEd NE  
Current term to 31 December 2008

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

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

## **Committees of and reporting to Council**

### **Audit and Risk Committee**

*(Established by resolution of Council)*

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

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

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

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## Discipline Committee

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

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

The Deputy Chancellor (Chair)	)	
The Vice-Chancellor	)	<i>Ex officio</i>
The Vice-President of the Academic Senate	)	
The Dean of the Division of Economic and Financial Studies	)	
The Dean of the Division of Environmental and Life Sciences	)	
The Dean of the Division of Humanities	)	
The Dean of the Division of Law	)	
A Student Member of Senate nominated by Senate	)	

## Finance and Facilities Committee

(Established by resolution of Council)

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

Dr M G Irving (Chair)	)	
His Honour Dr J F Lincoln (Deputy Chair)	)	
The Deputy Chancellor* <sup>^</sup>	)	
The Chancellor <sup>^</sup>	)	
The Vice-Chancellor	)	
The Deputy Vice-Chancellor	)	<i>Ex officio</i>
and Chief Operating Officer	)	
Chairperson of the Audit and Risk Committee	)	
Mr G M Jones	)	
Mr G J Lindsay	)	
The Hon S C Nori	)	

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

<sup>^</sup> The Chancellor and Deputy Chancellor are members of the Committee by virtue of their office, in accordance with the provisions of clause 21 of the Macquarie University By-law 2005

## Honorary Awards Committee

(Established by resolution of Council)

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

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

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

## Nominations Committee

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

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

The Chancellor (Chair)	)	
The Vice-President of Academic Senate	)	<i>Ex officio</i>
The Vice-Chancellor	)	

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

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### Remuneration Committee

*(Established by resolution of Council)*

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

- The Chancellor (Chair)<sup>^</sup> )
- Deputy Chancellor<sup>^</sup> )
- The Chair of the Finance and ) *Ex officio*
- Facilities Committee\* )
- The Vice-Chancellor )
- The Vice-President of Academic Senate )

\* The Deputy Chancellor is currently Chair of the Finance and Facilities Committee  
<sup>^</sup> The Chancellor and Deputy Chancellor are members of the Committee by virtue of their office, in accordance with the provisions of clause 21 of the Macquarie University By-law 2005

### Standing Committee On Appeals

*(Established by Resolution of Council)*

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

- The Chancellor (Chair)\* ) *Ex officio*
- The Deputy Chancellor\* )
- Professor M Coltheart
- Associate Professor P Coutts
- Mr G M Jones
- Mrs P V Kenny

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

## Academic Senate

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

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

In 2008 Senate was involved in a number of issues of wide-ranging significance, including playing a role in the University's academic restructure and review of the Undergraduate curriculum, and in the development and adoption of new University policies.

2008 was the final year in the three-year term of office of elected members of Academic Senate from the University's Divisions. Due to the academic restructure and subsequent changes to the Academic Senate Rules affecting the Macquarie University By-law 2005, transitional arrangements were made for the reconstitution of the Academic Senate for one year in 2009.

### Members of the Academic Senate 2009

- The Vice-Chancellor
- The Deputy Vice-Chancellors
- The Pro-Vice-Chancellor
- The Vice-President of the Academic Senate
- The Deputy Vice-President of the Academic Senate
- The Executive Deans of Faculties
- Two members elected by each Faculty
- Three students
- Secretary: The Academic Registrar*

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## 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 2008.

### Members

The following persons were members of the Council of Macquarie University during 2008:

Mr Maurice Newman, AC — Chancellor (term of office to 27 February 2008)

The Hon Michael Egan (elected Chancellor at the 27 February 2008 meeting of the University Council)

Professor Steven Schwartz — Vice-Chancellor

Professor Michael Johnson — Vice-President, Academic Senate

Dr Malcolm Irving, AM — Deputy Chancellor

Ms Maxine Brodie

Professor Anne Burns

Professor Max Coltheart

Associate Professor Pamela Coutts

Ms Elizabeth Crouch

Dr Marilyn Dodkin

The Hon Patricia Forsythe

Mr Greg Jones

Mrs Pamela Kenny

Dr John Lincoln, AM — Emeritus Deputy Chancellor

Mr Greg Lindsay, AO

The Hon Sandra Nori

Mr Nicholas Mueller (term of office to 21 May 2008)

Ms Amy Smith (term of office from 22 May 2008)

- Professor Michael Johnson's term of office expired on 31 December 2008. Associate Professor Julie Fitness was appointed Vice-President of the Academic Senate for a term commencing on 17 February 2009 and concluding on 31 December 2009 at the meeting of the Academic Senate held on 17 February 2009.
- The term of office of Mrs Pamela Kenny was extended to 22 April 2009 by resolution of the Council on 10 December 2008.
- The terms of office of Ms Elizabeth Crouch and Mr Greg Jones have been recommended for extension to 22 April 2009 to the New South Wales Department of Education and Training by resolution of the Council on 10 December 2008.

### Meetings of members

Information about the numbers of meetings of the members of Macquarie University's Council, each Committee of Council and committees reporting to Council held during the year ended 31 December 2008, and the number of meetings attended by each member, follows this report.

#### Notes:

- (1) The information relates to the attendance at Committees of Council and Committees reporting to Council by members of Council only. Committees marked # include members who are not members of Council.

### Principal activities

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

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

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

The following company was incorporated during the year:

- Risk Frontiers Flood (Australia) Pty Ltd.

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

- Risk Frontiers Group Pty Ltd;
- Dunmore Lang College Ltd;
- Robert Menzies College Ltd.

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The spin-off company Fluorotechnics Pty Ltd was listed on the Australian Stock Exchange on 30 October 2008 as Fluorotechnics Ltd ABN 27 009 098 192.

The spin-off company Lighthouse Technologies Pty Ltd changed its name on 17 June 2008 to Med-Aesthetics Solutions International Pty Ltd ABN 36 105 453 816.

The University's shareholding in the joint venture companies Macquarie University Private Hospital Pty Ltd, MUPH Clinic Pty Ltd and MUPH Hospital Pty Ltd remained at 62 per cent.

The following companies were deleted from University's Register of Commercial Activities during the year upon the University ceasing to maintain an interest in them:

- IELTS Australia Pty Ltd — 30 June 2008;
- Image Connections Australasia (ICA) — 30 June 2008.

## Review of operations

The activities of the Council of Macquarie University during 2008 included:

- the conduct of elections for the offices of Chancellor and Deputy Chancellor;
- receipt of the Vice Chancellor's yearly report on progress against the objectives contained in *Macquarie@50*;
- receipt of the Vice Chancellor's Report to each meeting of Council, covering major strategic items, external developments and general issues of note, including selected projects and goals related to the objectives contained in *Macquarie@50*;
- approval of the creation of the new four-Faculty structure (Arts, Business and Economics, Human Sciences and Science) under the *Academic Restructure Project*;
- approval of increases in HECS and full fee rates effective from 2009;
- review of the Vice-Chancellor's performance;
- approval of the establishment of the Macquarie University Foundation;
- receipt of regular reports on progress against the initiatives detailed in the *Macquarie University Campus Masterplan* and projects under development in the Development and External Relations portfolio area;
- approval of key compliance reports including the *Macquarie University 2007 Annual Report*, the *Animal Ethics Committee 2007 Annual Report* and the *Audit and Risk Committee 2007 Annual Report*;

- approval of the *2009 Consolidated Budget and 2009 Capital Management Plan*;
- approval of a review of the University's records management systems;
- approval of a review of the University's Compliance Framework.

## Significant changes in state of affairs

In 2008, the Council resolved on the following changes in its affairs:

- review of the terms of reference, membership and financial delegation authorities for the Finance and Facilities and Audit and Risk committees;
- review of the results of the *2008 University Council Self-Evaluation Survey*, and approval of the review of the Council's Professional Development and Orientation programs and self-evaluation process;
- improvements to its record-keeping practices;
- implementation of a new Register of Interests for members of Council and executive management;
- review and approval of Matters Reserved to Council;
- approval of the *Academic Senate Transitional Rules* to ensure the legal constitution of the Senate during 2009 while amendments are effected to the Macquarie University By-law 2005 to reflect the new four-Faculty academic structure taking effect from 1 January 2009;
- approval of general amendments to the University's Rules to ensure they reflect the new four-Faculty academic structure taking effect from 1 January 2009.

## Matters subsequent to the end of the financial year

There have been no subsequent events of significance announced by the University since the end of 2008.

## Likely developments and expected results of operations

There have been no future developments of significance reported since the end of 2008.

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## Environmental regulation

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

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

## Insurance of officers

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

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

## Legal proceedings on behalf of the University

Significant legal proceedings by or against the University which were conducted in 2008 and were handled by the Office of General Counsel were as follows:

1. Administrative Decisions Tribunal (ADT) proceedings in respect of Freedom of Information applications brought by former staff member defended and concluded.
2. ADT proceedings brought by former student in respect of a claim under the *Anti-Discrimination Act 1977* was defended and concluded in favour of the University.
3. Supreme Court proceedings brought by the former Vice-Chancellor are continuing and defended but in respect of a dispute limited in scope to one category of documents.
4. Defamation proceedings against a former employee which is continuing and being conducted by the University's insurer.
5. Claim by former Registrar in respect to entitlements under contract of employment which has been settled.

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



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

## Members' attendance at meetings

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

Note: The Honorary Awards and Nominations committees did not meet in 2008.

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

A Number of meetings attended.

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

1 The Hon Michael Egan was eligible to attend, and attended, one (1) meeting of the Standing Committee on Appeals.

2 The Vice-Chancellor Professor Steven Schwartz is a member of the Remuneration Committee but did not attend any of the meetings in 2008 as all matters related to his terms of employment.

3 Mr Lindsay was eligible to attend, and attended, three (3) meetings of the Finance and Facilities Committee.

4 The Hon Sandra Nori was eligible to attend three (3), and attended two (2), meetings of the Finance and Facilities Committee.

5 Ms Amy Smith was eligible to attend, and attended, four (4) meetings of the Council; and eligible to attend two (2), and attended zero (0), meetings of the Standing Committee on Appeals.

# STAFF

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## Policies and practices

### Personnel policies and practices

Macquarie University implemented a new performance and development review (PDR) system in 2008, following a pilot of the system in 2007. The PDR cycle consists of annual objective-setting discussions, including a review of development needs, review and feedback during the year, and a formal review of objectives at the end of the year. To support the roll out of the PDR, approximately 400 supervisors attended four separate modules over the year covering each aspect of the system. Online support was provided and forums were conducted to help introduce the new system to staff. Two aspects of the new PDR system, the discussion of staff behaviour and the use of an overall rating, have attracted some negative feedback from staff. As a result, a review of the system will be conducted in early 2009.

The University set up a Policy Central website during 2008 at [www.mq.edu.au/policy](http://www.mq.edu.au/policy) to ensure that one clear set of procedural advice is available for staff on the web. Existing staff policies have been adapted and migrated to Policy Central.

In addition, a number of significant policies were updated or replaced. Following consultation with the Ethics Framework Committee and Staff Consultation Committee the Code of Conduct was significantly rewritten to both dovetail with the University's new Ethical Framework and to clarify the University's expectations of staff. The University Policy Reference Group, in consultation with many individuals and groups across the University, reconstructed the promotions policy and processes. There are now clear criteria at each academic level and applications focus on evidence demonstrating scholarship in the main areas of academic endeavour against these criteria. These criteria will now be a standard for many academic related processes and will be used in recruitment and as an aid in setting objectives in the PDR process.

Human Resources introduced new automated processes through 2008, including the ability for staff to review leave balances and apply for annual leave online. The changes have resulted in increased ease of use and efficiency of process as well as decreased errors. Automated reporting of accidents and incidents and the introduction of online forms have also increased the accessibility and accuracy of HR process.

### Wage and salary movements

All staff covered by the Macquarie University Enterprise Agreement 2006–2009 received a four per cent salary increase in November 2008. The modal increase for senior management employed outside of the Enterprise Agreement was also four per cent. There have not been any significant wage movements outside of these increases. The last salary increase provided for by the current Enterprise Agreement is a four per cent increase in the first pay period on or after 30 June 2009.

### Industrial relations policies and practices

An academic restructure was implemented through 2008 culminating in the commencement of the new structure on 1 January 2009. The restructure involved 114 projects and an inclusive and extensive staff consultation process. Academic staff were transitioned into 35 new departments and the focus in 2008 was on the development of new faculty structures and the resultant changes affecting non-academic staff. There were a small number of redundancies as a result of the restructure. Consultation with staff and management was conducted on a number of levels and continued with the establishment of a number of workgroups to address specific issues in each Faculty. After discussions with employee unions, an issues management group was established to monitor concerns arising in the Faculties. The implementation of the new structure has continued with no further dispute.

The University revised and simplified its employment contracts and has ceased to offer Australian Workplace Agreements following the introduction of the *Workplace Relations (Transition to Forward with Fairness) Act 2008*.

A dispute over the University's space allocation policy emerged after plans were announced to move some staff into the AFTRS building. A Space Guidelines Working Party consisting of staff, management and union representatives was established and chaired by the Vice-Chancellor. After a series of meetings and discussion a new set of space allocation guidelines, including appropriate recognition of the University's sustainability concerns, was approved and the dispute was resolved.

All other change initiatives across the University were successfully completed without disputation in the AIRC. There was no major industrial action in 2008 and the University successfully defended all individual cases that went before the AIRC in 2008.



## Staff statistics

The number of non-casual (full-time and fractional full-time) staff as at 31 March 2008 was 1999, an increase of 71 (3.7 per cent) over 2007.

There were 161 female academic staff at the level of senior lecturer (Level C) or above (39 per cent of all female academic staff), compared to 340 males (62 per cent of all male academic staff).

Of the 1046 non-academic staff, 451 (43 per cent) were in academic divisions of the University, 184 (18 per cent) in central administration, 137 (13 per cent) in the Library, and 94 (9 per cent) in the Office of the Academic Registrar. The balance of 180 (17 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 2008 was 1829, an increase of 63 FTE (3.6 per cent) over 2007. The change consisted of an increase of 12 FTE for academic staff and 51 FTE for non-academic staff. In 2008 the FTE of casual staff was 420, including 235 academic and 185 non-academic.

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

### STAFF FULL-TIME EQUIVALENCES: 2005–2008<sup>1</sup>

ACADEMIC CLASSIFICATIONS	2005	2006	2007	2008
Level A	145	158	157	164
Level B	254	244	242	246
Level C	195	213	214	211
Level D	114	123	135	132
Level E	95	114	117	124
Deputy Vice-Chancellor	3	3	4	4
Vice-Chancellor	1	1	1	1
Casual <sup>2</sup>	224	211	228	235
<b>Total academic</b>	<b>1031</b>	<b>1066</b>	<b>1098</b>	<b>1117</b>

### NON-ACADEMIC CLASSIFICATIONS<sup>3</sup>

HEW Level 1	0	0	0	1
HEW Level 2	26	32	35	26
HEW Level 3	29	19	26	37
HEW Level 4	81	74	72	80
HEW Level 5	172	161	159	177
HEW Level 6	190	195	196	202
HEW Level 7	146	163	166	170
HEW Level 8	109	116	100	102
HEW Level 9	64	76	72	71
HEW Level 10	63	66	68	80
Above HEW Level 10	2	2	2	1
Casual <sup>2</sup>	223	222	227	185
<b>Total non-academic</b>	<b>1105</b>	<b>1126</b>	<b>1123</b>	<b>1132</b>
<b>Full-time/part-time total</b>	<b>1690</b>	<b>1759</b>	<b>1766</b>	<b>1829</b>
<b>Casual total</b>	<b>447</b>	<b>433</b>	<b>455</b>	<b>420</b>
<b>TOTAL UNIVERSITY</b>	<b>2136</b>	<b>2192</b>	<b>2221</b>	<b>2249</b>

- 1 As at 31 March 2008. 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.

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# Equal Employment Opportunity

## Women

In 2008 a Women@Macquarie executive group was established and met quarterly with the aim of progressing the University's Equal Opportunity Management Plan for Women. During 2008, on the basis of this plan and a report showing statistics and initiatives for women, the University was given waiving status by the federal Equal Opportunity for Women in the Workplace Agency and is not required to report again until 2011.

The overall representation of women on staff in 2008 was 53 per cent, exceeding the government benchmark by three per cent. The representation of women on the three key University decision-making bodies increased in 2008 to 33 per cent on University Executive, 53 per cent on the University Council and 27 per cent on the Academic Senate.

Women's representation in the academic workforce remains steady at 43 per cent which is above the 2007 sector average of 41 per cent. In 2008 the representation of women in the Professoriate (D and above) was 27 per cent, which is three per cent above the 2007 sector average. Of the offers made in 2008 for CORE academic appointments (Centre of Research Excellence — Level C or above), 40 per cent were made to women. The 2008 group distribution index for women's employment across academic levels fell slightly during the reporting period and, at 78, remains below the government benchmark, where values less than 100 indicate that women are concentrated at lower salary levels. Ninety one and a half per cent of all academic women at Macquarie work full time. There were no voluntary redundancies or forced separations of academic women in 2008.

Women represented 63 per cent of professional staff in 2008 and remain clustered in mid-range levels. In terms of pay equity, women employed in full-time and fractional professional roles received 96 per cent and 99 per cent of the average salary, respectively. For professional staff the distribution index in 2007 was 95.

Women on professional staff remain slightly under-represented in full-time positions (58.3 per cent) and significantly over-represented in part-time positions (88.5 per cent). Women on professional staff are over-represented in all full-time and part-time contracts.<sup>1</sup> The representation of women in professional staff leaving positions increased 3.2 per cent to 63 per cent during the reporting period, and is on par with their workforce participation rate.

The Macquarie parental leave policy allows four weeks' paid leave at the child's birth (for birth mother and partner) plus 22 paid weeks for the primary carer. Macquarie University recognises same sex parents and the adoption and fostering of children. In 2008 38 academic staff and 66 professional staff took parental leave (21 and 46 women respectively). Partner's leave days as a percentage of parental leave days taken has increased from 1.6 per cent in 2004 to 10 per cent in 2008.

## Indigenous Australians<sup>2</sup>

Representation of Aboriginal people and Torres Strait Islanders in academic positions has decreased to 0.6 per cent over the 12 months of the reporting period (from 0.9 per cent in 2007) and remains significantly below the government benchmark of two per cent. The pay disparity for Indigenous academic staff employed in a continuing full-time capacity is 86 per cent (as a percentage of total academic staff average gross earnings), on full time contracts 73 per cent and on part-time contracts 60 per cent. The majority of Indigenous academic staff are employed in the more junior academic Levels A and B. The University is committed to increasing academic representation through recruitment and retention strategies including support for existing postgraduate Indigenous students and staff, and the development of a Reconciliation Action Plan for the University.

In 2008 Indigenous professional staff earned 88 per cent in continuing full-time positions and 73 per cent in full-time contract positions of the total professional staff average gross earnings. The majority of Indigenous professional staff are employed in the lower to mid-range levels 4 and 5. The Macquarie Indigenous Traineeship Program for professional staff was strengthened in its third year in 2008, and continues to employ six young Indigenous Australians annually. Trainees concurrently undertake TAFE qualifications and are given assistance in finding employment on successful completion.

<sup>1</sup> Contracts less than one year: full-time 75.4 per cent, part-time 56.4 per cent; contracts one to three years: full-time 52 per cent, part-time 67 per cent; contracts over three years: full-time 68 per cent, part-time 100 per cent.

<sup>2</sup> Data pertaining to designated equity groups (Indigenous Australians) is gathered through voluntary e-survey responses.

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## People with disabilities

The overall representation of people with disabilities in both professional and academic positions has decreased over the reporting year to six per cent and five per cent respectively, and is significantly below the 12 per cent government benchmark. In 2008 one academic with a disability was recruited from 218 externally advertised appointments, and six professional staff with disabilities were recruited from 305 externally advertised appointments. Recruitment and retention strategies will be incorporated into the Disability Action Plan for Macquarie University which is currently in development.

## People from culturally and linguistically diverse backgrounds<sup>3</sup>

In 2008 the overall representation of staff from culturally and linguistically diverse backgrounds (CALD) was 24.9 per cent, a figure which continues to exceed the government benchmark of 19 per cent. Representation in the academic workforce was 23 per cent, although staff remain clustered at Lecturer and Senior Lecturer levels.

CALD staff remain under-represented in the most senior professional positions (11 per cent of positions at level 10 and above) although representation in the 'feeder' group (level 9) was above the benchmark in 2008 at 25 per cent. The representation of CALD staff in staff leaving the University is on par with their workforce participation rate.

## Equal employment opportunity strategy goals for 2009

Goals for 2009 include to:

- promote, align and embed equity and diversity priorities into the new Social Inclusion portfolio at Macquarie University;
- progress and launch the University's Reconciliation Action Plan including increasing outcomes and opportunities for Indigenous staff in line with the Indigenous Higher Education Advisory Council's recommendations;
- finalise the University's Disability Action Plan;
- provide Diversity Profiles for each new Faculty which will inform strategic planning, and progress the university's social inclusion agenda;
- provide training on legislation, rights and responsibilities around all forms of discrimination and harassment.

<sup>3</sup> People whose first language was not English.



## EEO Group Representation within Levels at 31 March 2008<sup>1</sup>

### Professional Staff

LEVEL	TOTAL STAFF	WOMEN <sup>2</sup>	ABORIGINAL PEOPLE AND TORRES STRAIT ISLANDERS <sup>3</sup>	PEOPLE WHOSE FIRST LANGUAGE WAS NOT ENGLISH <sup>3</sup>	PEOPLE WITH A DISABILITY <sup>3</sup>	PEOPLE WITH A DISABILITY REQUIRING ADJUSTMENT <sup>3</sup>
Level 1	2	50%			50%	50%
Level 2	32	38%		25%	25%	
Level 3	48	75%		35%	6%	
Level 4	92	66%	3.0%	24%	4%	
Level 5	206	68%	2.2%	32%	7%	
Level 6	220	66%		30%	4%	2.3%
Level 7	182	65%	0.7%	31%	3%	1.4%
Level 8	108	59%		21%	7%	
Level 9	74	58%		25%	2%	
Level 10 +	81	43%	1.5%	11%	14%	3.0%
<b>TOTAL</b>	<b>1045</b>	<b>63%</b>	<b>0.9%</b>	<b>27%</b>	<b>6%</b>	<b>1.0%</b>

### Academic Staff

LEVEL	TOTAL STAFF	WOMEN <sup>2</sup>	ABORIGINAL PEOPLE AND TORRES STRAIT ISLANDERS <sup>3</sup>	PEOPLE WHOSE FIRST LANGUAGE WAS NOT ENGLISH <sup>3</sup>	PEOPLE WITH A DISABILITY <sup>3</sup>	PEOPLE WITH A DISABILITY REQUIRING ADJUSTMENT <sup>3</sup>
Level A	190	55%	2.0%	30%	5%	1.0%
Level B	262	55%	1.0%	24%	3%	0.5%
Level C	220	39%	0.5%	25%	7%	1.5%
Level D	145	34%	0.8%	21%	4%	
Level E	137	19%		11%	5%	1.0%
<b>TOTAL</b>	<b>954</b>	<b>43%</b>	<b>0.9%</b>	<b>23%</b>	<b>5%</b>	<b>0.8%</b>

## EEO Group Representation — Benchmark Comparison at 31 March 2008<sup>1</sup>

### Professional Staff

	2004	2005	2006	2007	2008	GOVERNMENT BENCHMARK
Women <sup>2</sup>	64%	63%	63%	64%	63%	50%
Aboriginal people and Torres Strait Islanders <sup>3</sup>	1.4%	1.8%	2.3%	1.6%	0.9%	2.0%
People whose first language was not English <sup>3</sup>	25%	27%	26%	27%	27%	19%
People with a disability <sup>3</sup>	8%	7%	7%	7%	6%	12%
People with a disability requiring work-related adjustment <sup>3</sup>	1.8%	2.2%	1.9%	1.3%	1.0%	7.0%

### Academic Staff

	2004	2005	2006	2007	2008	GOVERNMENT BENCHMARK
Women <sup>2</sup>	43%	45%	44%	43%	43%	50%
Aboriginal people and Torres Strait Islanders <sup>3</sup>	1.1%	1.4%	0.7%	0.9%	0.9%	2.0%
People whose first language was not English <sup>3</sup>	22%	22%	24%	23%	23%	19%
People with a disability <sup>3</sup>	7%	6%	6%	6%	5%	12%
People with a disability requiring work-related adjustment <sup>3</sup>	1.6%	1.5%	1.4%	1.6%	0.8%	7.0%

## EEO Group Distribution Index<sup>4</sup> — Benchmark Comparison at 31 March 2008<sup>5</sup>

### Professional Staff

	2004	2005	2006	2007	2008	GOVERNMENT BENCHMARK
Women	92	91	94	94	95	100
Aboriginal people and Torres Strait Islanders	N/A	N/A	68	N/A	N/A	100
People whose first language was not English	96	95	97	95	94	100
People with a disability	107	101	99	101	95	100
People with a disability requiring work-related adjustment	N/A	94	N/A	N/A	N/A	100

### Academic Staff

	2004	2005	2006	2007	2008	GOVERNMENT BENCHMARK
Women	77	77	79	80	78	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	88	90	85	85	87	100
People with a disability	89	96	109	100	102	100
People with a disability requiring work-related adjustment	N/A	N/A	N/A	N/A	N/A	100

1 Continuing and contract staff.

2 Actual persons.

3 Estimated persons.

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

5 Full-time continuing and contract staff.



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## Occupational health and safety

As a research focused organisation, Macquarie University is exposed to a diverse range of occupational health and safety (OHS) risks across a wide range of work environments, which increases the risk profile of the University. This increased risk profile requires the University to place significant emphasis on the health and safety of both staff and students.

The focus of the Occupational Health and Safety Unit, in partnership with University management, staff and the Workgroup OHS Committees, has been to eliminate hazards as they are identified; ensure regular OHS audits are undertaken; investigate accidents and incidents as they occur; and make recommendations to management on the OHS needs of the University.

In 2008 Macquarie University has seen reductions in both incidents/accidents reported and workers' compensation claims lodged. Particular emphasis has focused on improving incident reporting rates; improving incident and accident investigations; hazard identification and elimination programmes; and increased OHS reporting to management.

Significant milestones in 2008 include:

- a continued reduction in incidents being reported;
- a continued reduction in the number of workers compensation claims being lodged;
- implementation of an online incident and accident reporting system;
- redesign of the OHS consultation committee structure to reflect the new academic structure;
- updating of the University's OHS and return to work polices.

2009 will see a continued emphasis on integrating OHS strategies into the business activities of the University; these will include:

- development of a University (and Faculty) OHS Strategic Plan;
- development and implementation of OHS and return to work key performance indicators;
- integration of OHS strategies into business planning and development;
- implementation of a rigorous OHS auditing system;
- encouragement of management leadership and accountability for OHS issues at all levels;
- encouragement of and support for staff participation;
- provision of appropriate training in OHS;
- introduction of Staff Health programs.

## Incidents

A total of 147 incidents were reported in 2008, a decrease of 23 incidents from 2007. As a result the University's incidence rate has fallen from 8.93 per 100 FTE in 2007 to 7.38 in 2008. In comparison to the incidence rate of 9.9 per 100 FTE for the Higher Education Sector, Macquarie University's incidence rate remains below industry benchmark.<sup>1</sup>

The incidents/claims lodged rate shows a continued downward trend: 37.4 per cent of all incidents resulted in a claim in 2008, compared with 48 per cent in 2007.

### Incident results

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

The University's incident type profile has remained stable from 2007 to 2008, with most incidents occurring as a result of:

- poor manual handling techniques;
- poor ergonomic design or a failure to adopt good ergonomic practice;
- slips, trips or falls.

### Incidents by activity

	2007	2008
At work incidents:		
• manual handling	7	5
• maintenance	11	7
• undertaking experiments	5	9
• moving equipment	14	7
• administration	36	34
• other	15	13
• lecturing	4	4
<b>At work incidents total</b>	<b>92</b>	<b>79</b>
Attending approved break or sporting event	6	6
Commuting on campus	28	40
Travelling to and from work	31	16
Field trips	13	6
<b>Total Incidents</b>	<b>170</b>	<b>147</b>

In 2009 the OHS Unit will be implementing a series of programs aimed at reducing incidents in these key areas. These programs will link in with the University Health Centre, the Department of Chiropractic, and other health services on campus to provide a range of health promotion and management services.

There were no reported incidents to WorkCover NSW in 2008, and no improvement notices were issued.

## Workers' compensation claims

Fifty-five claims for workers' compensation were accepted in 2008, compared to 82 claims in 2007. The University's claim lodgement rate decreased from 5.99 per 100 FTE in 2007 to 2.76 in 2008.

The Universities injury profile has remained stable from 2007 to 2008, with most injuries occurring as a result of:

- poor manual handling techniques or a failure to adopt good manual handling practice;
- poor ergonomic design or a failure to adopt good ergonomic practice;
- slips, trips or falls.

Strains and sprains continue to be the University's single largest injury type and when coupled with breaks and fractures, bruising and contusions, and grazes and abrasions, represent over 80 per cent of all reported claims. A major campaign to reduce the incidence of these injuries is planned for 2009.

The improved results for 2008 have been achieved by a continued focus on eliminating risks in the work environment, an increased focus on risk assessment and planning, and, where an injury does occur, the implementation of early intervention assistance, provision of suitable duties, coordinated return to work management, and proactive claims management by both the University and its insurer.

There were no fatalities at Macquarie University in 2008.

<sup>1</sup> Workplace Relations Ministers' Council, February 2008, Comparative Performance Monitoring Report, 9th edition.

## Workers' compensation results

PERFORMANCE	2005	2006	2007	2008
<b>Claim numbers</b>	<b>74</b>	<b>76</b>	<b>79</b>	<b>55</b>
<b>Claims (per 100 FTE)</b>	-	-	<b>5.99</b>	<b>2.76</b>
<b>Total claims costs<sup>1</sup></b>	<b>\$605,688.49</b>	<b>\$235,080.45</b>	<b>\$202,130.48</b>	<b>\$230,385.75</b>
<b>Average cost of claim</b>	<b>\$9,463.80</b>	<b>\$3,508.66</b>	<b>\$3,109.69</b>	<b>\$5,008.38</b>
<b>Premium as a percentage of payroll</b>	-	-	<b>0.54%</b>	<b>0.40%</b>

CLAIMS BY ACCIDENT TYPE	2005	2006	2007	2008
Burns and scalds	1	0	0	0
Caused by another person	3	1	1	0
Exposure to electrical current	0	2	1	0
Exposure to extreme temperature	0	1	0	0
Exposure to radiation	1	0	0	0
Fall of a person	26	19	14	17
Falling object	1	0	0	0
Harassment/stress	2	2	5	2
Hit object with body	5	14	8	5
Journey	9	8	15	9
Manual handling	14	21	16	12
Struck by an animal	1	1	2	0
Other	11	7	17	10

CLAIMS BY INJURY TYPE <sup>2</sup>	2005	2006	2007	2008
Bites and scratches	1	0	2	0
Breaks, fractures and dislocations	6	6	5	2
Bruising and contusions	8	7	6	3
Burns and scalds	1	0	1	0
Concussion and intracranial injuries	0	1	2	0
Cuts, punctures and lacerations	7	12	5	2
Electrocution	0	1	0	0
Grazes and abrasions	2	2	1	2
Heat stroke	0	1	0	0
Industrial deafness	0	1	0	0
Internal injuries	1	1	0	0
Strains and sprains	41	39	51	38
Stress, depression or anxiety	4	5	3	4
Other	3	0	3	4

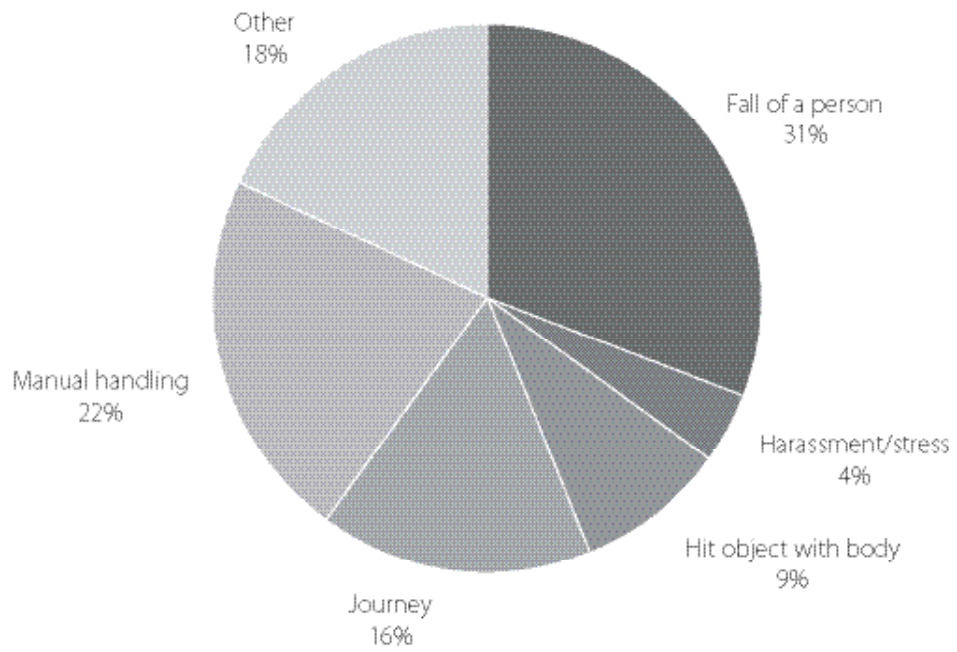
1 Excluding journey and recess claims. Claim cost figures updated at December 2008.

2 Figures by accident and injury type do not include denied claims.

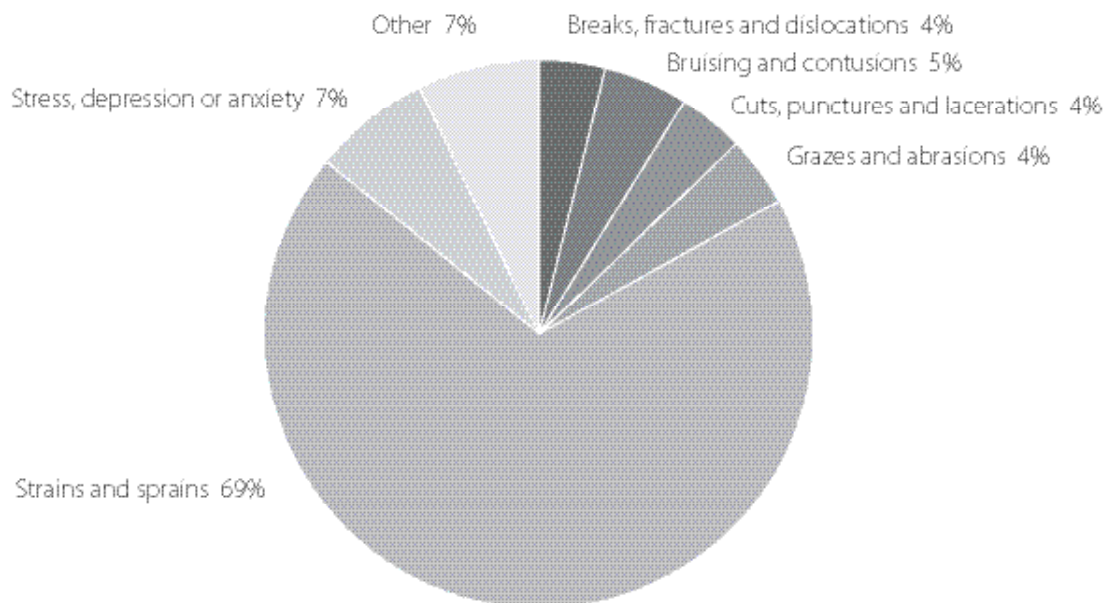


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### Claims by accident type 2008



### Claims by injury type 2008



# Access and **EQUITY**

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## Ethnic Affairs Priorities Statement

Macquarie University prides itself on being a vibrant, global and innovative university. We are committed to being socially inclusive in employment and education and strive to create a work and study environment which welcomes diversity and values authentic cross-cultural engagement by students and staff.

With students from over 55 countries and a quarter of staff coming from culturally and linguistically diverse (CALD) backgrounds, Macquarie continues to support and promote an equitable, diverse and exciting University community.

In 2008 the University created the new position of Pro-Vice Chancellor (Social Inclusion), the first of its kind in Australia, with Professor Gail Whiteford appointed from January 2009. The promotion and progression of the Macquarie Ethnic Affairs Priorities Statement lies within this portfolio. The Equity and Diversity Unit (Social Inclusion) continues to review policy, procedures and guidelines for Policy Central in relation to CALD staff and students.

During 2008, Macquarie increased consultation with members of the university community who are from culturally and linguistically diverse backgrounds in a myriad of ways. Examples are provided on the following pages.

## Curriculum development and research

In 2008 research into the cultural background of Macquarie students informed the broader initiative of including 'people', 'planet' and 'participation' units within courses under the new undergraduate curriculum. These units encourage cross-cultural understanding by providing global perspectives and directly impacting students' local and international connectedness.

The Macquarie Global Leadership Program continued to provide a structured 30-hour program for students to develop cross cultural understanding through a range of elective workshops and seminars, lectures by distinguished speakers and a range of internationally focussed activities.

At divisional level, Macquarie Graduate School of Management (MSGM) conducted internal research on the career advancement and academic promotion opportunities for CALD academic and professional staff within the University; and the Macquarie Children and Families Research Centre conducted research investigating the experiences of local Spanish-speaking migrants.

## Supporting pathways to university

During 2008 targeted research resulted in changes to Macquarie admissions procedures for CALD students and the creation of additional scholarships.

Macquarie recognises that students may have experienced educational disadvantage and as a result offers a range of alternate university entry schemes. Details of special entry schemes in 2008 are included in the 'Equity initiatives' section on page 42.

In 2008 Macquarie continued to support the Equity Scholarship program, while MGSM promoted a new scholarship for Indigenous students.

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## Student support services

A range of on-campus services are provided at Macquarie to support students from diverse backgrounds, including targeted initiatives for commencing students. The Macquarie Mentors program invites existing students from a variety of cultural backgrounds to become mentors for new undergraduates, and as part of their preparation mentors receive specific cultural awareness training.

U@MQ, Macquarie's student services organisation, provides the opportunity for students from diverse cultural backgrounds to affiliate and participate in the range of activities of many clubs and societies (sports, cultural, religious). The University Chaplaincy serves 15 different faith groups and prayer rooms are available on campus. Bilingual Service Centre staff are available to answer enquiries from students and family members in a range of languages.

In 2008 all commencing PhD students were invited to an initial induction meeting with their Head of Department. Feedback shows that CALD students were particularly appreciative of this attention, as it made them feel welcomed, valued, informed and prepared. MGSM consulted staff and students on menu preferences and requirements to ensure that they provided culturally diverse and appropriate options.

## Language and literacy programs

The University conducted exciting language and literacy programs across the university for CALD students in 2008. Examples include:

- The Centre for Macquarie English provided language and literacy classes for domestic and international CALD students. Their programs include intercultural communication workshops. Individual support is also available such as counselling and academic advice.
- The Department of Indigenous Studies (Warawara) conducted an Information Literacy Project to increase the 'digital' voice of Indigenous students through developing their ICT knowledge and capacity. Increased IT literacy and 'ownership' bridges the digital divide often experienced between Indigenous and non-Indigenous students.

- The Division of Economics and Finance provided lunchtime conversation groups during semester for CALD students who wished to improve their confidence in spoken English. The Computer Science Department developed and introduced a special communication skills program for PhD students, focusing on oral presentation and writing skills, with the take up being mainly CALD students.
- The Department of Linguistics offers 'English for Academic Purposes' with enrolment restricted to students of non-English speaking backgrounds. It introduces students to critical reading and the conventions of writing in academic disciplines. In 2008 'Communication for Academic and Professional Purposes' was offered in many degree programs, and a range of workshops specifically targeting postgraduate coursework and higher degree research were provided at no charge to CALD students requiring support.

## Engagement with the community

The Department of European Languages and Cultures has continued to work closely with Sydney's diasporic communities from Croatia, Macedonia, Greece and Poland. The Department's prize-giving ceremony invites representatives from the respective communities to participate in the presentations to high-achieving students in European language and culture studies. The Department of Asian Studies promotes ethnic diversity and cross-cultural understanding, particularly from the perspectives of non-western regions. The Department has built strong relationships with Chinese and Japanese Consulates, the Japan Foundation and the Japanese Department of Education.

MGSM engages with local Indigenous and Muslim community leaders (through workshops and dialogue) to identify anti-racism strategies for the university, and to discuss any areas which are likely to impact on the student experience.

The Department of English engages with CALD staff and students with regard to issues such as diaspora, race, ethnicity, globalisation, religion, law, and refugee policy. The Department has a strong practice of mentoring and supporting overseas Masters and Higher Degree Research students. Particular support has been offered to students from Middle-Eastern countries in 2008, taking into account needs to return home for cultural or religious reasons.

## Global Leadership Program

In 2008 Macquarie and MGSM strengthened links with culturally diverse schools both locally and internationally. MGSM now conducts a functional literacy program at a primary school and University in Papua New Guinea. Macquarie encourages all students to be involved in field work placements and exchange programs. The Global Leadership Program equips student participants with a cross cultural appreciation and personal experience of global issues.

## Goals for 2009

- To ensure mechanisms are in place to allow CALD staff and students to have a 'voice' in the Macquarie community and have their experiences and needs addressed.
- To support career advancement, promotional opportunities and visibility for CALD staff at Macquarie (especially into more senior positions) and monitor equity in human resources processes.
- To increase online access to cross-cultural information and training as part of the human resources On-Line Training Framework and the availability of cross-cultural diversity training programs for staff and students.
- To ensure that equity and diversity related policy, procedures and guidelines support, respect and value CALD staff and students.
- To work closely with U@MQ to ensure a range of exciting cultural events and celebrations are held throughout the year; and that equity considerations are made in the design of same.
- To continue to provide language and literacy programs for CALD students and staff, including review based on direct feedback.
- To provide targeted support initiatives for special entry scheme students.
- To ensure balanced representation within university publications for CALD students and staff.

## Equity initiatives

### Special consideration entry schemes

Macquarie University offers a range of alternate entry schemes to improve access to the University for those whose circumstances may have inhibited their ability to gain a competitive offer. The Lighthouse Scheme is the University's Educational Access Scheme for students who evidence a disadvantage that seriously affected their schooling in years 11 and 12. The Jubilee Scheme is for applicants over 21 years who have not undertaken any tertiary education.

#### Places offered under special entry schemes

SCHEME	2005	2006	2007	2008
Jubilee	191	288	297	257
Lighthouse	127	137	141	157

Macquarie is also trialling a new initiative where applicants undertake an entry test, the uniTEST, to assess their aptitude for university level studies. For 2008, Macquarie linked this process to equity, providing the test to those that were able to evidence disadvantage during their schooling that impacted their final results. A total of 1112 registrations were received, and through a process that confirmed eligibility, 323 participants sat the test. Following a rigorous selection process which included identifying those that would obtain an offer on their own merits, an additional 26 offers were made.

### Writing Skills Program

The Writing Skills Program provides a variety of writing support services to Macquarie University undergraduates and postgraduates. An estimated 1000 undergraduate and postgraduate students attended seminars on writing skills in 2008. Audio tapes of the sessions and seminar notes were made available for those students unable to attend. Two five-week writing courses ('Strategies and Structures' and 'Grammar and Academic Expression') were run each semester, with close to 1400 students enrolled overall.

The Writing Skills Advisory Service, an individual consultation service operating out of the Centre for Open Education, continued to expand in 2008, with mature age students and increasing numbers of postgraduate students making up a significant proportion of the students taking advantage of the program.

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## Learning Centre for Numeracy Skills

The Learning Centre for Numeracy Skills provides support services to students enrolled in courses with a mathematical component. Preparatory sessions for mathematics, statistics and science were well attended at the beginning of each semester, and weekly workshops supporting first-year mathematics and statistics courses attracted large numbers of students, with over 4800 student hours spent in workshops. Individual consultations available through the drop-in centre were in strong demand with approximately 6000 student hours spent in visits to the Centre.

A survey of the students using the Centre in 2008 revealed that approximately half were 21 or older. The survey also revealed that almost 40 per cent of the students were from a non-English speaking background and nearly 50 per cent had entered Macquarie University via alternate pathways. The majority of the students were enrolled in mainstream undergraduate programs.

## Warawara

Warawara is an academic department offering block-mode courses to Indigenous students, as well as a range of Indigenous studies units and postgraduate courses. Academic staff conduct research in a variety of Indigenous areas. Warawara provides an access and equity function to Indigenous students, and provides advice to the University on a range of equity matters affecting Indigenous students and staff.

Warawara is responsible for the delivery and facilitation of two residential undergraduate programs specifically for Indigenous Australians, the Bachelor of Teaching (Early Childhood Studies) and the Bachelor of Community Management. The Department also facilitates the Warawara Macquarie University Alternative Program, an alternative entry point for Indigenous applicants into undergraduate programs across the University.

Other services well utilised by the Indigenous student population include cultural events and activities, individual and small-group tuition, access to the Indigenous student common room and Indigenous student computer laboratory, and the provision of Indigenous student advice.



# OPERATIONS

## Consultants

The following table provides details of consultants whose remuneration exceeded \$100,000 during 2008.

NAME OF CONSULTANT	AMOUNT	NAME OF CONSULTANT	AMOUNT
Francis-Jones Morehen Thorp Pty Ltd	1,701,838	Coffey Projects Australia Pty Ltd	162,605
Aspire IT International Pty Ltd	944,836	Directory Concepts Pty Ltd	160,721
Definity Group Pty Ltd	601,015	Regal Information Technology Pty Ltd	159,004
CRI Project Management Pty Ltd	547,962	Forte Accounting Services Pty Ltd	156,904
Steenon Varming (Aust) Pty Ltd	486,365	Malone Campbell Allen Pty Ltd	152,597
The Rice Daubney Group (NSW) Pty Ltd	385,000	Waterview Consulting Pty Ltd	148,552
RTCP Pty Ltd	381,875	Davis Langton Australia Pty Ltd	148,467
Deloitte Touche Tohmatsu	372,744	Planwell Technology Pty Ltd	144,980
Donnelley Simpson Cleary Consulting Engineers Pty Ltd	317,950	Cox Richardson Architect & Planners	141,379
Hamilton Consulting NSW Pty Ltd	291,060	Wood and Grieve Engineers	139,645
APP Corporation Pty Ltd	286,266	EIC Group Pty Ltd	133,373
Freehills	249,906	Sungard Higher Education International Ltd	133,231
Taylor Thomson Whitting Pty Ltd	220,984	Tobias Forster	132,993
Judd Farris Australia (Interims) Pty Ltd	218,508	Margo Droulers Consulting	130,980
Deacons	208,157	Blackdog Consultants Pty Ltd	127,555
Corporate Internet Business Information Systems Pty Ltd	203,112	The One Umbrella Pty Ltd	120,528
Stephen Grubits & Associates Pty Ltd	199,000	ACIC Pty Ltd	118,545
Addisons	192,993	JBA Urban Planning Consultants Pty Ltd	116,334
Rootzone Australia Pty Ltd	176,232	Equinox Training and Consulting	115,179
Slade Group Pty Ltd	170,434	MPI Group Australia Pty Ltd	112,947
McArthur Management Services Pty Ltd	167,093	VOS Group Pty Ltd	110,000
Campus Consulting Pty Ltd	167,012	EIC International (Australia) Pty Ltd	109,195
Technology One Ltd	166,325	Equation Corporate Design Pty Ltd	107,878
Barclay Consulting Services Pty Ltd	164,835	Technodoc Pty Ltd	105,806
		Konyq Group Pty Ltd	103,895

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## Electronic service delivery

Information Technology is a critical service at Macquarie University, both for administration and for core learning and teaching activities. In 2007 IT Services commenced a three-year stabilisation program to update and redesign the University's IT infrastructure with the goal of creating systems that are stable, reliable and available around the clock. The program comprises 46 projects at a cost of \$15 million to be implemented over three years. Twenty-one projects were completed in 2007, with another 13 completed throughout 2008. The remaining 12 projects are scheduled for completion in 2009, with progress having been made on seven of these during 2008.

Key outcomes from the stabilisation program in 2008 include:

### Campus network upgrade

The design of a new campus network was completed during 2008, with installation of the physical infrastructure required for the network completed early in 2009. Migration of users and devices from the old network to the new network is scheduled to occur over the first half of 2009.

### Implementation of monitoring tools

Tools that monitor the health of the University's IT infrastructure are now available to alert operations staff of current or impending problems. This allows the proactive repair of problems, creating a more reliable infrastructure.

### Replacement of management reporting system

The University's management reporting system was replaced with a more modern data warehouse and business intelligence tool that allows more sophisticated and targeted reporting.

Other outcomes from electronic service initiatives in 2008 include:

### E-waste management

IT Services initiated and managed four e-waste days in 2008, recycling in excess of 25,000 kilos of electronic waste. IT Services will continue to manage e-waste in 2009 and beyond as the University moves towards reducing e-waste through sustainable procurement practice.

## ITS Service Desk

A focus of 2008 was the improvement of the performance of the level of service provided by the ITS Service Desk. First time resolution statistics have improved significantly over 2008, from approximately 11 per cent at end 2007 to 45 per cent in 2008. The goal for 2009 is to raise first time resolution to 65 per cent. First time resolution refers to a service request being resolved at the time it is raised without the necessity to pass it on to another skill group for action. The ability to fulfil a customer's request on the first contact provides a quicker and more satisfying customer experience as well as a more rewarding experience for the service desk advisor.

## New computer lab

Macquarie's new general purpose computer lab in building C4C will improve student access to information technology on campus, featuring 40 computers, printers and a wireless access area with IT Services support. Other features include:

- twelve express station computers for sessions under 15 minutes' duration;
- two wheelchair accessible computers;
- two lounge areas for wireless access, including power points and whiteboards;
- Virtual Desktop Technology (VDI) for Macquarie students;
- twenty software applications available to users.

## Wireless network upgrade and extension

The University's wireless network has grown rapidly in usage since it was first established in July 2005, with the network now regularly used by approximately one third of Macquarie students. Replacement of the existing network commenced in 2008 and will be followed in 2009 by an extension of the network to every teaching space on campus, and to additional student areas inside and outside of campus buildings. The new network will boast increased speeds, with the capacity to support 3000 users at any time. New wireless technology will support an increased range, resulting in greater coverage for students and staff in open spaces on campus.

## Freedom of Information

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

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

A freedom of information application must be made for access to material that the University considers confidential or otherwise exempt under the FOI Act. The application fee for a freedom of information request is \$30, and the processing charge is \$30 per hour, although 20 hours' processing is included in the application fee where the information relates to the applicant's personal affairs.

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

In 2008 Macquarie University was selected by the NSW Ombudsman as one of 18 public agencies to participate in the Ombudsman's review of the FOI Act. The University responded to this review with a report prepared by the then-University Secretary and General Counsel and Records and Archives Services. Representatives from the Office of the NSW Ombudsman also visited the University to inspect a sample of its Freedom of Information records. Two FOI project officers were recruited to assist the University's participation in the review.

While the number of Freedom of Information applications received in 2008 decreased compared to 2007, the workload associated with the University's compliance activities under the FOI Act remained stable.

The statistical reports that follow correspond to Appendix B of the *New South Wales FOI Manual* — a joint publication of NSW Department of Premier and Cabinet and the NSW Ombudsman — and detail FOI activity for both 2007 and 2008.

### SECTION A — NEW FOI APPLICATIONS

HOW MANY FOI APPLICATIONS WERE RECEIVED, DISCONTINUED OR COMPLETED?	NUMBER OF FOI APPLICATIONS					
	PERSONAL		OTHER		TOTAL	
	2007	2008	2007	2008	2007	2008
A1 New	5	2	15	6	20	8
A2 Brought Forward	1	0	1	0	2	0
<b>A3 Total to be processed</b>	<b>6</b>	<b>2</b>	<b>16</b>	<b>6</b>	<b>22</b>	<b>8</b>
A4 Completed	6	2	13	6	19	8
A5 Discontinued	0	0	3	0	3	0
<b>A6 Total processed</b>	<b>6</b>	<b>2</b>	<b>16</b>	<b>6</b>	<b>22</b>	<b>8</b>
A7 Unfinished (carried forward)	0	0	0	0	0	0

### SECTION B — DISCONTINUED FOI APPLICATIONS

WHY WERE FOI APPLICATIONS DISCONTINUED?	NUMBER OF DISCONTINUED APPLICATIONS					
	PERSONAL		OTHER		TOTAL	
	2007	2008	2007	2008	2007	2008
B1 Request transferred out to another agency (s.20)	0	0	0	0	0	0
B2 Applicant withdrew request	0	0	1	0	1	0
B3 Applicant failed to pay advance deposit (s.22)	0	0	2	0	2	0
B4 Applicant failed to amend a request that would have been an unreasonable diversion of resources to complete (s.25(1)(a1))	0	0	0	0	0	0
<b>B5 Total discontinued</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>0</b>	<b>3</b>	<b>0</b>



SECTION C — COMPLETED APPLICATIONS

WHAT HAPPENED TO COMPLETED FOI APPLICATIONS?	NUMBER OF COMPLETED FOI APPLICATIONS					
	PERSONAL		OTHER		TOTAL	
	2007	2008	2007	2008	2007	2008
C1 Granted or otherwise available in full	0	0	3	2	3	2
C2 Granted or otherwise available in part	6	2	10	4	16	6
<b>C3 Refused</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
C4 No documents held	0	0	0	0	0	0
<b>C5 Total completed</b>	<b>6</b>	<b>2</b>	<b>13</b>	<b>6</b>	<b>19</b>	<b>8</b>

SECTION D — APPLICATIONS GRANTED OR OTHERWISE AVAILABLE IN FULL

HOW WERE THE DOCUMENTS MADE AVAILABLE TO THE APPLICANT?	NUMBER OF FOI APPLICATIONS (GRANTED OR OTHERWISE AVAILABLE IN FULL)					
	PERSONAL		OTHER		TOTAL	
	2007	2008	2007	2008	2007	2008
<b>All documents requested were:</b>						
D1 Provided to the applicant	0	0	3	2	3	2
D2 Provided to the applicant's medical practitioner	0	0	0	0	0	0
D3 Available for inspection	0	0	0	0	0	0
D4 Available for purchase	0	0	0	0	0	0
D5 Library material	0	0	0	0	0	0
D6 Subject to deferred access	0	0	0	0	0	0
D7 Available by a combination of any of the reasons listed in D1–D6 above	0	0	0	0	0	0
<b>D8 Total granted or otherwise available in full</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>2</b>	<b>3</b>	<b>2</b>

SECTION E — APPLICATIONS GRANTED OR OTHERWISE AVAILABLE IN PART

HOW WERE THE DOCUMENTS MADE AVAILABLE TO THE APPLICANT?	NUMBER OF FOI APPLICATIONS (GRANTED OR OTHERWISE AVAILABLE IN PART)					
	PERSONAL		OTHER		TOTAL	
	2007	2008	2007	2008	2007	2008
<b>Documents made available were:</b>						
E1 Provided to the applicant	6	2	10	4	16	6
E2 Provided to the applicant's medical practitioner	0	0	0	0	0	0
E3 Available for inspection	0	0	0	0	0	0
E4 Available for purchase	0	0	0	0	0	0
E5 Library material	0	0	0	0	0	0
E6 Subject to deferred access	0	0	0	0	0	0
E7 Available by a combination of any of the reasons listed in E1–E6 above	0	0	0	0	0	0
<b>E8 Total granted or otherwise available in part</b>	<b>6</b>	<b>2</b>	<b>10</b>	<b>4</b>	<b>16</b>	<b>6</b>

SECTION F — REFUSED FOI APPLICATIONS

WHY WAS ACCESS TO THE DOCUMENTS REFUSED?	NUMBER OF REFUSED FOI APPLICATIONS					
	PERSONAL		OTHER		TOTAL	
	2007	2008	2007	2008	2007	2008
F1 Exempt	0	0	0	0	0	0
F2 Deemed Refusal	0	0	0	0	0	0
<b>F3 Total Refused</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

SECTION G — EXEMPT DOCUMENTS

WHY WERE THE DOCUMENTS CLASSIFIED AS EXEMPT? (IDENTIFY ONE REASON ONLY)	NUMBER OF FOI APPLICATIONS (GRANTED OR OTHERWISE AVAILABLE IN PART ONLY)					
	PERSONAL		OTHER		TOTAL	
	2007	2008	2007	2008	2007	2008

**Restricted documents:**

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

**Documents requiring consultation:**

G5 Documents affecting intergovernmental relations (Clause 5)	0	0	0	0	0	0
G6 Documents affecting personal affairs (Clause 6)	6	2	8	4	14	6
G7 Documents affecting business affairs (Clause 7)	0	0	0	0	0	0
G8 Documents affecting the conduct of research (Clause 8)	0	0	0	0	0	0

**Documents otherwise exempt:**

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

G12 Documents relating to threatened species conservation (Clause 24)	0	0	0	0	0	0
G13 Plans of management containing information of Aboriginal significance (Clause 25)	0	0	0	0	0	0
G14 Private documents in public library collections (Clause 19)	0	0	0	0	0	0
G15 Documents relating to judicial functions (Clause 11)	0	0	0	0	0	0
G16 Documents subject to contempt (Clause 17)	0	0	0	0	0	0
G17 Documents arising out of companies and securities legislation (Clause 18)	0	0	0	0	0	0
G18 Exempt documents under interstate FOI legislation (Clause 21)	0	0	0	0	0	0
G19 Documents subject to legal professional privilege (Clause 10)	0	0	1	0	1	0
G20 Documents containing confidential material (Clause 13)	0	0	0	0	0	0
G21 Documents subject to secrecy provisions (Clause 12)	0	0	0	0	0	0
G22 Documents affecting the economy of the State (Clause 14)	0	0	0	0	0	0
G23 Documents affecting financial or property interests of the State or an agency (Clause 15)	0	0	0	0	0	0
G24 Documents concerning operations of agencies (Clause 16)	0	0	1	0	1	0
G25 Internal working documents (Clause 9)	0	0	0	0	0	0
G26 Other exemptions (eg, Clauses 20, 22A and 26)	0	0	0	0	0	0
<b>G27 Total applications including exempt documents</b>	<b>6</b>	<b>2</b>	<b>10</b>	<b>4</b>	<b>16</b>	<b>6</b>

#### SECTION H — MINISTERIAL CERTIFICATES (S.59)

HOW MANY MINISTERIAL CERTIFICATES WERE ISSUED?	NUMBER OF MINISTERIAL CERTIFICATES	
	2007	2008
H1 Ministerial Certificates issued	0	0

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**SECTION I — FORMAL CONSULTATIONS**

HOW MANY FORMAL CONSULTATIONS WERE CONDUCTED?	NUMBER	
	2007	2008
I1 Number of applications requiring formal consultation	0	0
I2 Number of persons formally consulted	0	0

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

**SECTION J — AMENDMENT OF PERSONAL RECORDS**

HOW MANY APPLICATIONS FOR AMENDMENT OF PERSONAL RECORDS WERE AGREED OR REFUSED?	NUMBER OF APPLICATIONS FOR AMENDMENT OF PERSONAL RECORDS	
	2007	2008
J1 Agreed in full	0	0
J2 Agreed in part	0	0
J3 Refused	0	0
<b>J4 Total</b>	<b>0</b>	<b>0</b>

**SECTION K — NOTATION OF PERSONAL RECORDS**

HOW MANY APPLICATIONS FOR NOTATION OF PERSONAL RECORDS WERE MADE (S.46)?	NUMBER OF APPLICATIONS FOR NOTATION	
	2007	2008
K1 applications for notation	0	0

**SECTION L — FEES AND COSTS**

WHAT FEES WERE ASSESSED AND RECEIVED FOR FOI APPLICATIONS PROCESSED (EXCLUDING APPLICATIONS TRANSFERRED OUT)?	ASSESSED COSTS		FEES RECEIVED	
	2007	2008	2007	2008
L1 All completed applications	\$600.00	\$600.00	\$390.00	\$180.00

SECTION M — FEE DISCOUNTS

HOW MANY WAIVERS OR DISCOUNTS WERE ALLOWED AND WHY?	NUMBER OF FOI APPLICATIONS (WHERE FEES WERE WAIVED OR DISCOUNTED)					
	PERSONAL		OTHER		TOTAL	
	2007	2008	2007	2008	2007	2008
M1 Processing fees waived in full	1	0	0	2	1	2
M2 Public Interest discounts	0	0	0	0	0	0
M3 Financial hardship discounts — pensioner or child	0	0	0	0	0	0
M4 Financial hardship discounts — non profit organisation	0	0	0	0	0	0
<b>M5 Total</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>1</b>	<b>2</b>

SECTION N — FEE REFUNDS

HOW MANY FEE REFUNDS WERE GRANTED AS A RESULT OF SIGNIFICANT CORRECTION OF PERSONAL RECORDS?	NUMBER OF REFUNDS	
	2007	2008
N1 number of fee refunds granted as a result of significant correction or personal records	0	0

SECTION O — DAYS TAKEN TO COMPLETE REQUEST

HOW LONG DID IT TAKE TO PROCESS COMPLETED APPLICATIONS? (NOTE: CALENDAR DAYS)	NUMBER OF COMPLETED FOI APPLICATIONS					
	PERSONAL		OTHER		TOTAL	
	2007	2008	2007	2008	2007	2008
O1 0–21 days — statutory determination period	6	0	7	2	13	2
O2 22–35 days — extended statutory determination period for consultation or retrieval of archived records (S.59B)	0	0	0	1	0	1
O3 Over 21 days — deemed refusal where no extended determination period applies	0	0	5	2	5	2
O4 Over 35 days — deemed refusal where extended determination period applies	0	2	1	1	1	3
<b>O5 Total</b>	<b>6</b>	<b>2</b>	<b>13</b>	<b>6</b>	<b>19</b>	<b>8</b>

SECTION P — PROCESSING TIME: HOURS

HOW LONG DID IT TAKE TO PROCESS COMPLETED APPLICATIONS?	NUMBER OF COMPLETED FOI APPLICATIONS					
	PERSONAL		OTHER		TOTAL	
	2007	2008	2007	2008	2007	2008
P1 0–10 hours	0	0	0	0	0	0
P2 11–20 hours	0	2	0	0	0	2
P3 21–40 hours	0	0	1	2	1	2
P4 Over 40 hours	6	0	12	4	18	4
<b>P5 Total</b>	<b>6</b>	<b>2</b>	<b>13</b>	<b>6</b>	<b>19</b>	<b>8</b>

SECTION Q – NUMBER OF REVIEWS

HOW MANY REVIEWS WERE FINALISED?	NUMBER OF COMPLETED REVIEWS	
	2007	2008
Q1 Internal reviews	1	2
Q2 Ombudsman reviews	2	2
Q3 ADT reviews	2	2
Q4 Ombudsman review of FOI Act	0	1

SECTION R — RESULTS OF INTERNAL REVIEWS

What were the results of internal reviews finalised?

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

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## Internal audit, risk management and insurance

The internal audit and risk management functions of Macquarie University are overseen by the Council's Audit and Risk Committee and undertaken by Deloitte Touche Tohmatsu (Deloitte). The University appointed Deloitte as internal audit and risk management consultants in 2006. The University will be again tendering, during the course of 2009, for these services over the 2010–2012 triennium. The Internal Audit and Risk Management function is primarily concerned with evaluating the accuracy and effectiveness of internal controls and assessing risks which may impact on the University's ability to achieve its objectives.

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

In addition to the business risk assessment, internal audits undertaken in 2008 involved assessments of internal controls and associated risks and compliance with University policies and procedures and government guidelines in the following areas:

- fraud corruption and prevention;
- research grants and contracts;
- controlled entities — Macquarie Graduate School of Management Pty Ltd;
- controlled entities — Access Macquarie Pty Ltd;
- fringe benefits tax;
- post implementation review — human resources system;
- accounts payable process — systems and analytics review;
- fixed assets;
- budgeting/planning/financial reporting.

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

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

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

The open market approach adopted by the University resulted in the University securing the best available renewal terms from its existing insurer. The University also opted to increase the deductibles for its core classes of insurances, resulting in savings in the University's insurance premiums for its core programs. The Australian School of Advanced Medicine was launched during 2007. Medical Indemnity Insurance has been obtained to protect the University, its supervising clinical staff and students.

## Payment of accounts

The University's term of credit in respect of its creditors is 30 days. In 2008, 90 per cent of invoices were paid in accordance with these terms.

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## Privacy

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

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

The Privacy Management Plan details:

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

During 2008, no privacy complaints were received by the University. No requests for access to records under section 14 of the Privacy and Personal Information Protection Act were received. No amendments to personal records pursuant to the Privacy and Personal Information Protection Act were carried out in 2008.

## Publications

Macquarie University produced a number of hardcopy publications in 2008 containing information about the activities of the University. A selection of these official publications is listed below. Many of these publications are also available in electronic format on the University website at [www.mq.edu.au](http://www.mq.edu.au).

Faculties and other units of the University also produce a range of publications. Contact the relevant section directly for details or visit [www.mq.edu.au](http://www.mq.edu.au).

**Handbook of Undergraduate Studies 2008**  
**Handbook of Postgraduate Studies 2008**  
**Calendar of Governance, Legislation and Rules 2008**  
Available online at [www.handbook.com.au](http://www.handbook.com.au).

**Macquarie University Annual Report 2007**  
Available online at [www.mq.edu.au/university/about/reports.html](http://www.mq.edu.au/university/about/reports.html).

**Undergraduate Course Booklets 2009**  
Series of four booklets; available online at [www.futurestudent.mq.edu.au](http://www.futurestudent.mq.edu.au).

**Study at Macquarie**  
Macquarie University's Undergraduate Prospectus; available online at [www.futurestudent.mq.edu.au](http://www.futurestudent.mq.edu.au).

**Postgraduate Course Prospectuses 2009**  
Series of four booklets; available online at [www.postgradandbeyond.mq.edu.au](http://www.postgradandbeyond.mq.edu.au).

**Higher Degree Research Programs 2009**  
Available online at [www.research.mq.edu.au/students/new\\_students](http://www.research.mq.edu.au/students/new_students).

**Connect with Macquarie**  
A specialist newsletter committed directly to careers advisers. Four issues published in 2008; available at [www.pr.mq.edu.au/connect](http://www.pr.mq.edu.au/connect).



## Student complaints, appeals and discipline

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

### Academic Appeals Committee

The Academic Appeals Committee met three times in 2008 to determine appeals by undergraduate and postgraduate coursework students against their exclusion under the relevant degree rules.

#### Academic Appeals Committee determinations

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

As shown in the above table, the number of appeals determined by the Committee has risen significantly since 2005. Two policy changes in 2006 influenced this increase in appeals: students are now liable for exclusion due to failing a core unit two times in the Bachelor of Commerce – Accounting; and students are now liable for exclusion after Summer Session and after first-half year, as well as at the end of the academic year. Additionally, students are now required to maintain a satisfactory minimum rate of progress and appeals in this exclusion category accounted for a large number of the show cause submissions received in 2008.

### 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 rules policy. The Committee met two times during 2008. Ten appeals (including a group appeal by six students) were received from students, with six appeals (the group appeal by six students) being upheld. This compares with 2007 where five appeals were received and no appeals were upheld.

### Higher Degree Research Appeals Committee

The Higher Degree Research Appeals Committee hears appeals by higher degree research students in connection with research student candidature, scholarships and thesis examinations. No appeals were received by the Committee during 2007 or 2008. In 2006 the Committee received one appeal, which was not upheld.

## Discipline Committee

The Discipline Committee met six times during 2008 (nine in 2007) and reviewed 32 student cases (20 in 2007). The tables below provide details of the misconduct reviewed and the range of penalties determined. To ensure equity and consistency, the Committee determined penalties with reference to precedent set by earlier decisions.

#### 2008 cases by type of offence

TYPE OF OFFENCE	NUMBER OF CASES
Disobeyed exam instructions	2
Falsified records	2
Forged academic results	2
Had another student sit their exam	1
Plagiarism	5
Submitted other student's work as their own	3
Unauthorised notes in exam	17

#### 2008 cases by penalty

PENALTY	NUMBER OF CASES
Community service: 20 hours	1
Community service: 40 hours	1
Community service: 50 hours	2
Exclusion from enrolment: half a year	14
Exclusion from enrolment: one year	4
Exclusion from enrolment: two years	1
Exclusion from enrolment: permanent	4
No case to answer	1
Reprimand/probation	4

## Travel

Macquarie University spent \$15.4 million on travel and related staff development and training in 2008. 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

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## Statements in this Chapter are unaudited

The Operating Result for the year for Macquarie University and its subsidiaries was a surplus of \$26.2M.

The surplus for the consolidated University represented 4.93% of revenue. There are several factors underlying this result which are of note.

- The University committed \$83.0M towards its Capital Management Plan in 2008.
- The University has received an amount of \$11.9M from the Department of Education, Employment and Workplace Relations (DEEWR) for refurbishment and rehabilitation of the University's built environment. Additionally the University has received a one-off capital gain from a share sale of \$2.85M.
- Additionally, the University is holding \$8.4M in unspent Australian Government Financial Assistance grants at 31 December 2008. These funds contribute to the operating result in 2008 and are available for expenditure on Government earmarked projects in 2009.
- The University has committed to Capital expenditure of \$403M over the course of 2009–11. This includes expenditure of \$87.7M for a new University Learning and Teaching Centre, \$130M for the Cochlear Building, \$60.8M for the construction and fit-out of the Macquarie University Hospital and \$17M for the fit-out of the former Australian Film and Television School.

## State Superannuation Schemes

Both expenses and income are distorted by an unusual item for deferred income and deferred expense of \$148.5M [surplus of \$23.6M in 2007]. This relates to actuarially assessed changes in the liability of State Superannuation Schemes for University employees. These transactions have no effect on the operating result for 2008.

The unfunded liability of these schemes was \$269.8M at 31 December 2008 [\$121.3M in 2007]. This is matched by an asset based on future funding expected from the Commonwealth Government.

## Consolidated Income Analysis

Excluding deferred income for the State Superannuation Schemes, income totaled \$532.2M, an increase of 15.00%. This increase has been driven by a number of factors.

- Income from Australian Government Grants increased by \$19.1M. This includes \$11.9M from DEEWR as outlined above.
- Income from HECS-HELP (both Government and Student Payments) increased by \$7.8M owing to the implementation of the 25% increase approved by the Council for students enrolling for the first time in 2007.
- Income from FEE-HELP has increased by \$2.6M. This resulted from an increase in the take-up rate by, and fee levels for, domestic fee-paying students.
- Income from Fees and Charges has increased by \$42.3M. This resulted from an increase of \$27.8M in fee-paying overseas student fees and an increase of \$3.4M from the Sydney Institute of Business and Technology.
- Income from Consultancy and Contracts has increased by \$1.1M. This resulted from an increase in contract work undertaken by the University's controlled entities.

## Consolidated Expense Analysis

After excluding the State Superannuation Scheme item, expenses totaled \$506.0M, an increase of 23.91%. This increase has occurred over several expense categories.

- Academic and General Staff salaries and related costs increased by \$45.0M (18.81%) due to salary increases and the appointment of additional staff. This also included an extraordinary expense of \$11.5M in respect of the Professorial Superannuation Scheme.
- Depreciation and Amortisation increased by \$2.1M.
- Repairs and maintenance increased by \$2.1M as a result of remedial work performed on the University's laboratories and lecture theatres.
- Other expenses have increased by \$29.8M resulting partly from significant increases in Scholarships, Grants and Prizes, College and Travel Grants, \$10.3M, Non-Capitalised Equipment Purchases of \$1.2M and Contractors/Consultants increase of \$9.4M. However there was also a reduction in Maintenance Contracts Expenditure of \$3.4M.
- Impairment of Assets increased by \$18.8M due to the impairment of equities and intellectual property assets.

## Consolidated Balance Sheet

Net Assets increased from 2007 to 2008 by \$21.7M with Total Assets increasing by \$250.6M and Total Liabilities increasing by \$228.9M. These amounts include an increase of \$148.5M 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 2008.

INDICATOR	RESULT	RISK
Revenue growth	15.0%	Low
Proportion of Revenue from Australian Government Grants	26.4%	Low
Growth in Australian Government Funding from 2007	15.7%	High
Proportion of Revenue from overseas student fees	27.7%	High
Growth in Revenue from overseas student fees from 2007	23.2%	High
Consecutive Deficits recorded	0	Low
Number of weeks income cash and investments is equivalent to	22.6	Low
Current Ratio	1.9	Low
Adjusted Current Ratio <sup>1</sup>	2.3	Low
Borrowings to Equity Ratio	6.3%	Low

- 1 From 2006 a change in reporting of long service leave liabilities for employees was introduced. The current liability of long service leave entitlements has been determined as all leave that was unconditional as at 31 December 2008. The University expects that \$22.1M of this current liability will be settled after 12 months and the Adjusted Current Ratio has been adjusted to reflect this.

## Returns on University Investments

	ACTUAL RETURNS 2008	BENCHMARK 2008	ACTUAL RETURNS 2007	BENCHMARK 2007
Cash and cash equivalent	6.56%	5.28%	6.01%	6.55%
Australian equities	(34.06)%	(38.92)%	14.47%	16.22%
International equities	(45.65)%	(41.74)%	(14.23)%	6.60%
Debt securities	0.02%	15.23%	10.63%	3.21%
Property	(35.34)%	(55.31)%	(8.99)%	(8.36)%

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





# Macquarie University

## FINANCIAL STATEMENTS

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**Note:** The University has consolidated the following controlled entities.

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

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



GPO BOX 12  
Sydney NSW 2001

## INDEPENDENT AUDITOR'S REPORT

### Macquarie University and controlled entities

To Members of the New South Wales Parliament

I have audited the accompanying financial report of Macquarie University (the University), and the University and controlled entities (the consolidated entity), which comprises the balance sheet as at 31 December 2008 and the income statement, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes. The consolidated entity comprises the University and the entities it controlled at the year's end or from time to time during the financial year.

In my opinion, the financial report:

- presents fairly, in all material respects, the financial position of the University and the consolidated entity as of 31 December 2008, and of their financial performance for the year then ended in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations)
- is in accordance with section 41B of the *Public Finance and Audit Act 1983* (the PF&A Act) and the Public Finance and Audit Regulation 2005
- complies with the 'Financial Statement Guidelines for Australian Higher Education Providers for the 2008 Reporting Period', issued by the Australian Government Department of Education, Employment and Workplace Relations, pursuant to the *Higher Education Support Act 2003*, the *Higher Education Funding Act 1988* and the *Australian Research Council Act 2001*.

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

#### Council's Responsibility for the Financial Report

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

#### Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report 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 report.

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

My opinion does *not* provide assurance:

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

### *Independence*

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

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



M T Spriggins  
Director, Financial Audit Services

23 April 2009  
SYDNEY

## Statement of Appointed Officers

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

1. the financial statements present a true and fair view of the financial position of the University at 31 December 2008 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* and the Financial Statement Guidelines for Australian Higher Education Providers for the 2008 Reporting Period issued by the Australian Government (Department of Education, Employment and Workplace Relations).
3. the financial statements have been prepared in accordance with Australian Accounting Standards, which includes Australian Accounting Interpretations
4. we are not aware of any circumstances, which would render any particulars included in the financial statements to be misleading or inaccurate

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

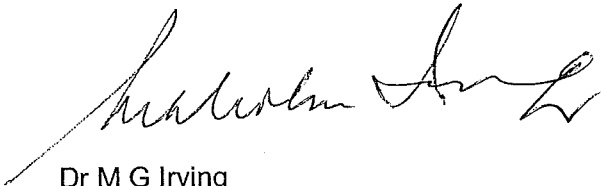
There are reasonable grounds to believe that the University will be able to pay its debts as and when they fall due.



Professor S Schwartz  
Vice-Chancellor



E A Crouch  
Chair Audit and Risk Committee



Dr M G Irving  
Chair Finance and Facilities Committee

22 April 2009



**Macquarie University**  
**Income statement**  
For the year ended 31 December 2008

	Notes	Consolidated		Parent entity (University)	
		2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
<b>Revenue from continuing operations</b>					
Australian Government financial assistance					
Australian Government grants	2	140,581	121,439	140,523	121,439
HECS-HELP – Australian Government payments	2	49,214	42,579	49,214	42,579
FEE-HELP	2	18,241	15,643	18,241	15,643
State and local Government financial assistance	3	3,070	4,935	2,770	4,935
HECS-HELP – Student Payments		14,752	13,607	14,752	13,607
Fees and charges	4	241,126	198,846	210,110	187,690
Investment revenue	5	20,635	19,089	18,360	18,299
Royalties, trademarks and licences	6	470	509	96	569
Consultancy and contracts	7	15,087	13,997	8,411	7,963
Other Revenue	8	29,062	32,168	13,116	9,068
Total revenue from continuing operations before deferred Government superannuation contributions		532,238	462,812	475,593	421,792
Deferred Government Superannuation Contributions	9	148,502	(23,566)	148,502	(23,566)
Total revenue and income from continuing operations		<u>680,740</u>	<u>439,246</u>	<u>624,095</u>	<u>398,226</u>
<b>Expenses from continuing operations</b>					
Employee related expenses	9	284,385	239,355	242,576	211,977
Depreciation and amortisation	10	29,184	27,125	27,492	26,477
Repairs and maintenance	11	5,951	3,858	5,353	3,679
Finance costs	12	953	1,068	953	1,006
Impairment of assets	13	19,038	225	19,277	-
Other expenses	14	166,491	136,735	160,911	141,070
Total expenses from continuing operations before deferred employee benefits for superannuation		506,002	408,366	456,562	384,209
Deferred Employee Benefits for Superannuation	9	148,502	(23,566)	148,502	(23,566)
Total expenses from continuing operations		<u>654,504</u>	<u>384,800</u>	<u>605,064</u>	<u>360,643</u>
<b>Operating result from continuing operations</b>		<u>26,236</u>	<u>54,446</u>	<u>19,031</u>	<u>37,583</u>
<b>Operating result attributable to minority interest</b>		41	-	-	-
<b>Operating result attributable to members of Macquarie University</b>		26(b) <u>26,195</u>	<u>54,446</u>	<u>19,031</u>	<u>37,583</u>

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

**Macquarie University**  
**Balance sheet**  
As at 31 December 2008

	Notes	Consolidated		Parent entity (University)	
		2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
<b>ASSETS</b>					
<b>Current assets</b>					
Cash and cash equivalents	15	107,254	120,514	73,790	91,970
Receivables	16	26,185	22,151	23,951	20,831
Inventories	17	931	618	134	135
Other financial assets	18	81,154	69,156	81,034	69,156
Other non-financial assets	21	13,229	9,289	12,828	8,675
<b>Total current assets</b>		<b>228,753</b>	<b>221,728</b>	<b>191,737</b>	<b>190,767</b>
<b>Non-current assets</b>					
Receivables	16	291,629	143,413	291,629	143,413
Other financial assets	18	42,798	104,415	59,927	118,225
Property, plant and equipment	19	1,067,021	909,257	980,144	894,853
Intangible assets	20	393	1,171	393	1,171
<b>Total non-current assets</b>		<b>1,401,841</b>	<b>1,158,256</b>	<b>1,332,093</b>	<b>1,157,662</b>
<b>Total assets</b>		<b>1,630,594</b>	<b>1,379,984</b>	<b>1,523,830</b>	<b>1,348,429</b>
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Trade and other payables	22	41,407	37,983	25,125	29,265
Borrowings	23	872	732	785	732
Provisions	24	45,516	42,554	42,717	41,029
Other liabilities	25	35,641	30,431	33,561	28,823
<b>Total current liabilities</b>		<b>123,436</b>	<b>111,700</b>	<b>102,188</b>	<b>99,849</b>
<b>Non-current liabilities</b>					
Trade and other payables	22	631	-	-	-
Borrowings	23	70,473	13,111	12,328	13,111
Provisions	24	289,077	129,882	288,502	129,121
Other liabilities	25	-	-	14,000	14,000
<b>Total non-current liabilities</b>		<b>360,181</b>	<b>142,993</b>	<b>314,830</b>	<b>156,232</b>
<b>Total liabilities</b>		<b>483,617</b>	<b>254,693</b>	<b>417,018</b>	<b>256,081</b>
<b>Net assets</b>		<b>1,146,977</b>	<b>1,125,291</b>	<b>1,106,812</b>	<b>1,092,348</b>
<b>EQUITY</b>					
Parent entity interest					
Reserves	26(a)	385,761	390,319	385,752	390,319
Retained surplus	26(b)	751,167	724,972	721,060	702,029
Parent entity interest		1,136,928	1,115,291	1,106,812	1,092,348
Minority interest	26(d)	10,049	10,000	-	-
<b>Total equity</b>		<b>1,146,977</b>	<b>1,125,291</b>	<b>1,106,812</b>	<b>1,092,348</b>

The above balance sheet should be read in conjunction with the accompanying notes.

**Macquarie University**  
**Statement of changes in equity**  
For the year ended 31 December 2008

	Notes	Consolidated		Parent entity (University)	
		2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
<b>Total equity at the beginning of the year (excluded minority interest)</b>		1,115,291	948,228	1,092,348	942,317
Gain on revaluation of property, plant and equipment	26(a)	33,422	111,891	33,413	111,891
Change in Fair Value of available for sale financial assets	26(a)	(37,980)	501	(37,980)	501
Adjustment to prior period		-	225	-	56
<b>Net income recognised directly in equity</b>		<u>(4,558)</u>	<u>112,617</u>	<u>(4,567)</u>	<u>112,448</u>
<b>Operating result attributable to Members of Macquarie University</b>		<u>26,195</u>	<u>54,446</u>	<u>19,031</u>	<u>37,583</u>
<b>Total recognised income and expense for the period</b>		21,637	167,063	14,464	150,031
Minority interest		10,049	10,000	-	-
<b>Total equity at the end of the year</b>		<u>1,146,977</u>	<u>1,125,291</u>	<u>1,106,812</u>	<u>1,092,348</u>
Total recognised income and expense for the year is attributable to:					
Members of Macquarie University		21,637	167,063	14,464	150,031
Minority interests		10,049	10,000	-	-

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

**Macquarie University**  
**Cash flow statement**  
For the year ended 31 December 2008

	Notes	Consolidated		Parent entity (University)	
		2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
<b>Cash flows from operating activities</b>					
Australian Government Grants received	2(h)	202,925	172,705	202,867	172,705
State Government Grants received		3,070	4,935	2,770	4,935
HECS-HELP – Student payments		14,752	14,110	14,752	14,110
Receipts from student fees and other customers		293,784	259,850	252,521	216,887
Dividends received		2,574	2,386	2,574	2,386
Interest received		17,954	17,058	15,771	16,268
Payments to suppliers and employees (inclusive of goods and services tax)		(453,724)	(396,039)	(423,228)	(376,364)
Interest and other costs of finance paid		(991)	(1,023)	(953)	(1,005)
<b>Net cash provided by/ (used in) operating activities</b>	33	<b>80,344</b>	<b>73,982</b>	<b>67,074</b>	<b>49,922</b>
<b>Cash flows from investing activities</b>					
Proceeds from sale of property, plant and equipment		978	2,945	664	2,805
Payments for property, plant and equipment		(147,279)	(44,817)	(80,519)	(31,790)
Proceeds from sale of financial assets		9,033	32,589	9,033	31,249
Payments for financial assets		(13,712)	(2,703)	(13,703)	(2,696)
Disposal of subsidiary, net of cash disposed		-	(39)	-	-
<b>Net cash provided by/ (used in) investing activities</b>		<b>(150,980)</b>	<b>(12,025)</b>	<b>(84,525)</b>	<b>(432)</b>
<b>Cash flows from financing activities</b>					
Proceeds from borrowings		57,967	56	-	-
Proceed of issue of units in trust		-	10,000	-	-
Repayment of borrowings		(797)	(677)	(729)	(677)
<b>Net cash provided by/ (used in) financing activities</b>		<b>57,170</b>	<b>9,379</b>	<b>(729)</b>	<b>(677)</b>
<b>Net increase/ (decrease) in cash and cash equivalents</b>					
Cash and cash equivalents at the beginning of the financial year		120,514	49,437	91,970	43,157
Adjustment to cash and cash equivalents		206	(259)	-	-
<b>Cash and cash equivalents at the end of the financial year</b>	15(a)	<b>107,254</b>	<b>120,514</b>	<b>73,790</b>	<b>91,970</b>

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

## Note 1. Summary of significant accounting policies

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

### (a) Basis of preparation

The financial report is a general purpose financial report which has been prepared on an accrual basis in accordance with Australian Accounting Standards, AASB Interpretations, the requirements of the Department of Education, Employment and Workplace Relations (DEEWR) and the Public and Finance Audit Act 1983 and the Public Finance and Audit Regulation 2005. This consolidated financial report for the year ended 31 December 2008 has been authorised for issue by the Macquarie University Council on 22 April 2009.

#### *Compliance with IFRSs*

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

#### *Historical cost convention*

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

#### *Critical accounting estimates*

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

### (b) Principles of consolidation

#### (i) Subsidiaries

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Macquarie University ("*parent entity*") as at 31 December 2008 and the results of all subsidiaries for the year then ended. Macquarie University and its subsidiaries together are referred to in this financial report as the Group or the consolidated entity.

Subsidiaries are all those entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies, generally accompanying a shareholding of more than one-half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

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

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

A list of the subsidiaries appears in note 31.

#### (ii) Joint ventures

##### Joint venture operations

The proportionate interests in the assets, liabilities and expenses of the joint venture operations were not considered material and have not been incorporated in the financial report. Details of the joint venture are set out in note 32.

## Note 1. Summary of significant accounting policies (continued)

### (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 the transactions, with exchange rate fluctuations being recorded in the Income Statement. The balances of foreign currency accounts at balance date are included with Cash at Bank figures in the Balance Sheet, converted at the rates applicable at year end.

### (d) 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.

#### (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) 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.

#### (iv) Lease income

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

#### (v) Interest revenue

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

### (e) Goods and services tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Tax 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.

Net amount of GST recoverable from, or payable to, ATO is included with other receivables or payables in the Balance Sheet.

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

## Note 1. Summary of significant accounting policies (continued)

### (f) Acquisition of assets

The purchase method of accounting is used to account for all acquisitions of assets regardless of whether equity instruments or other assets are acquired. Cost is measured as the fair value of the assets given, shares issued or liabilities incurred or assumed at the date of exchange plus costs directly attributable to the acquisition.

### (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 29(b)). 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.

### (h) Leased non-current assets

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

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

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

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

### (i) Impairment of assets

Assets that have indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment when events/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 the 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/changes in circumstance indicate that the asset may not be recoverable.

### (j) Cash and cash equivalents

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

### (k) 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. Collectibility of trade receivables is reviewed on an ongoing basis. Debts, which are known to be uncollectible are written off. A provision for doubtful receivables is established when there is objective evidence that the Group may not be able to collect all amounts due according to the original terms of receivables.

Trade receivables generally settled within 29 days are carried at amount due. A provision for impairment of debts has been created based on a review of all outstanding amounts at 31 December 2008. Bad debts are written off in the period in which they are identified.

## Note 1. Summary of significant accounting policies (continued)

### (l) Inventories

Printery and publications stocks held for resale are valued at the lower of cost and net realisable value.

### (m) 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 (refer to note 18).

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

Other financial assets at fair value through profit or loss	note 18
Available-for-sale financial assets	note 18
Held to maturity investments	note 18
Other financial assets	note 18
Reserves and retained surplus	note 26

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

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

Financial assets at fair value through profit or loss include financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management. The policy of management is to designate a financial asset if there exists the possibility it will be sold in the short term and the asset is subject to frequent changes in fair value. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if they are either held for trading or are expected to be realised within 12 months of the balance sheet date.

#### (ii) Loans and receivables

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

#### (iii) Held-to-maturity investments

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

#### (iv) Available-for-sale financial assets

Available-for-sale financial assets, comprising principally marketable equity securities, are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date. Purchases and sales of investments are recognised on trade-date - the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets that are not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the income statement. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.



## Note 1. Summary of significant accounting policies (continued)

### (m) Investments and other financial assets (continued)

#### (iv) Available-for-sale financial assets

Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables and held-to-maturity investments are carried at amortised cost using the effective interest method. Realised and unrealised gains and losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are included in the income statement in the period in which they arise. Unrealised gains and losses arising from changes in the fair value of non monetary securities classified as available-for-sale are recognised in equity in the available-for-sale investments revaluation reserve. When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments are included in the income statement as gains and losses from investment securities.

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

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 or 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.

### (n) Property, plant and equipment

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

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

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

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

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item 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.

## Note 1. Summary of significant accounting policies (continued)

### (n) Property, plant and equipment (continued)

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.

Increases in carrying amounts arising on revaluation of land and buildings are credited to other reserves in shareholder's equity. To the extent that the increase reverses a decrease previously recognised in profit or loss, the increase is first recognised in profit and loss. Decreases that reverse previous increases of the same asset are first charged against revaluation reserves directly in equity to the extent of the remaining reserve attributable to the asset; all other decreases are charged to the income statement.

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

Land, Building and Infrastructure was revalued as at 1 December 2008. 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 arts 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 in March 2007 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 31 December 2004. 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 Dec 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 Feb 2008. The valuation was provided by Mr James Ede from Charles Ede Limited, an approved valuer under the Australian Government Cultural Gifts Program.

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

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

## **Note 1. Summary of significant accounting policies (continued)**

### **(o) Depreciation and Amortisation**

Property, plant & 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:

	% p.a.
Patents	20.00
Buildings	1.79 to 14.29
Infrastructure	3.33 to 4.76
Assets under construction	Nil
Plant and Equipments:	
Computing Equipments	30.0
Others	3.33 to 10.0
Motor Vehicles	15.0
Library Collections:	
Generals	20.0
Specials	Nil
Works of Art and Museum Collections	Nil

The asset's 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.

### **(p) Intangibles assets**

Patents were revalued on 1 Dec 2008. The valuation was provided Mr Steven Allan from Moore Stephens, Associate 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.

#### *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.

### **(q) Student Activity Fees**

During 2008 and 2007 the University did not collect amounts for the student associations.

### **(r) Trade and other payables**

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

### **(s) Borrowing costs**

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

## Note 1. Summary of significant accounting policies (continued)

### (t) Significant revenues and expenses

Significant revenues and expenses are transactions that are considered significant by reason of their size, nature, or effect on the University's income statements for the year. The financial impacts of these transactions are included within revenues and expenses from ordinary activities.

Deferred employee benefits for superannuation of \$148,502.00 have been recognised in the income statement with an equal and offsetting revenue for Deferred Government Superannuation Contribution resulting from unfunded superannuation obligations (refer to note 1ab). An expense of \$17,753,000.00 has been recognised as an impairment to the available for sale financial assets (refer note 1m).

### (u) Comparative figures

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

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

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

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

### (v) Provisions

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

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

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

### (w) Income Tax Exemption

Macquarie University and its controlled entities with the exception of LAMS International Pty Ltd and Risk Frontiers Flood (Australia) Pty Ltd has received an endorsement by the Australian Taxation Office to access the income tax exemption from 1<sup>st</sup> July 2000 under Subdivision 50-B of the Income Tax Assessment Act 1997. LAMS International Pty Ltd has no income tax liability as at 31 December 2008.

### (x) Fair value estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes. The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and available-for-sale securities) is based on quoted market prices as reported by the fund manager.

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

### (y) Borrowings

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

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

## Note 1. Summary of significant accounting policies (continued)

### (z) Government grants

Grants from the government are recognised at their fair value where the Group obtains control of the right to receive the grant, it is likely that economic benefits will flow to the Group and it can be reliably measured.

### (aa) 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 Balance Sheet purposes as either current liabilities or non-current liabilities. Employee benefits for untaken annual leave are accrued using the nominal method at expected pay rates including appropriate salary on costs. Employee benefits for long service leave have been recognised according to an actuarial assessment performed in accordance with AASB 119 "Employee Benefits".

During the 2008 financial year, Macquarie University contributed to the following superannuation funds on behalf of its employees:

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

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

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

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

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

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

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

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

#### (ii) Long service leave

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

#### (iii) Retirement benefit obligations

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

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.

## Note 1. Summary of significant accounting policies (continued)

### (aa) Employee benefits (continued)

#### (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.

### (ab) Unfunded superannuation

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

The unfunded liabilities are recorded in the Balance sheet under Provisions as included in note 24.

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 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 Balance Sheet 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.

### (ac) Rounding of amounts

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

### (ad) New Australian Accounting Standards issued but not effective

(i) The University did not early adopt any new accounting standards that are not yet effective.

(ii) The following new Accounting Standards have not been adopted and are not yet effective:

- AASB 3 (March 2008), AASB 127 and AASB 2008-3 regarding business combinations (1 July 2009);
- AASB 8 and AASB 2007-3 regarding operating segments (1 January 2009);
- AASB 101 (Sept 2007) and AASB 2007-8 regarding presentation of financial statements (1 January 2009);
- AASB 123 (June 2007) and AASB 2007-6 regarding borrowing costs (1 January 2009);
- AASB 2008-1 regarding share based payments (1 January 2009);
- AASB 2008-2 regarding puttable financial instruments (1 January 2009);
- AASB 4 regarding Contributions (1 January 2009);
- AASB 127 regarding consolidated statements (1 January 2010)

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

**Note 2. Australian Government financial assistance including HECS-HELP and FEE-HELP**

	Notes	Consolidated		Parent entity (University)	
		2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
<b>(a) Commonwealth Grant Scheme and Other Grants</b>	35.1				
Commonwealth Grants Scheme #		73,333	68,408	73,333	68,408
Indigenous Support Fund Program		698	613	698	613
Equity Support Program		76	72	76	72
Disability Support Program		375	247	375	247
Workplace Reform Program		1,201	1,141	1,201	1,141
Workplace Productivity Program		660	-	660	-
Transitional Cost Program		2,345	-	2,345	-
Improving the practical component of Teacher Education Program		556	-	556	-
Collaboration & Structural Reform Program ##		1,063	80	1,063	80
Teaching awards		(22)	2,994	(22)	2,994
<b>Total Commonwealth Grant Scheme and Other Grants</b>		<b>80,285</b>	<b>73,555</b>	<b>80,285</b>	<b>73,555</b>
<b>(b) Higher Education Loan Programs</b>	35.2				
HECS-HELP		49,214	42,579	49,214	42,579
FEE-HELP		18,241	15,643	18,241	15,643
<b>Total Higher Education Loan Programs</b>		<b>67,455</b>	<b>58,222</b>	<b>67,455</b>	<b>58,222</b>
<b>(c) Scholarships</b>	35.3				
Australian Postgraduate Awards		1,864	1,733	1,864	1,733
International Postgraduate Research Scholarship		373	250	373	250
Commonwealth Education Cost Scholarships		633	538	633	538
Commonwealth Accommodation Scholarships		566	602	566	602
Indigenous Access Scholarship		53	-	53	-
<b>Total Scholarships</b>		<b>3,489</b>	<b>3,123</b>	<b>3,489</b>	<b>3,123</b>
<b>(d) DIISR Research</b>	35.4				
Institutional Grants Scheme		5,829	5,749	5,829	5,749
Research Training Scheme		10,997	11,126	10,997	11,126
Research Infrastructure Block Grants		3,438	3,304	3,438	3,304
Implementation Assistance Programme		138	67	138	67
Australian Scheme for Higher Education Repositories		235	127	235	127
Commercialisation Training Scheme		108	100	108	100
<b>Total DIISR Research Grants</b>		<b>20,745</b>	<b>20,473</b>	<b>20,745</b>	<b>20,473</b>
<b>(e) Better Universities Renewal Funding</b>	35.5				
Total BURF		11,873	-	11,873	-
<b>Total BURF</b>		<b>11,873</b>	<b>-</b>	<b>11,873</b>	<b>-</b>
<b>(f) Australian Research Council</b>	35.6				
<b>(i) Discovery</b>	35.6 (a)				
Project		7,941	8,589	7,941	8,589
Fellowships		658	33	658	33
<b>Total Discovery</b>		<b>8,599</b>	<b>8,622</b>	<b>8,599</b>	<b>8,622</b>
<b>(ii) Linkages</b>	35.6 (b)				
Infrastructure		-	1,265	-	1,265
International		11	39	11	39
Projects		1,695	2,247	1,695	2,247
<b>Total Linkages</b>		<b>1,706</b>	<b>3,551</b>	<b>1,706</b>	<b>3,551</b>

**Note 2. Australian Government financial assistance including HECS-HELP and other Australian Government loan programmes (continued)**

		Consolidated		Parent entity (University)	
		2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
<b>(iii) Networks and Centres</b>	35.6 (c)				
Research networks		1,397	1,369	1,397	1,369
Centres		844	827	844	827
<b>Total Networks and Centres</b>		<b>2,241</b>	<b>2,196</b>	<b>2,241</b>	<b>2,196</b>

# Includes the basic CGS grant amount, CGS – Regional Loading and CGS – Enabling Loading and HEFA Transition Fund.

## Includes Diversity and Structural Adjustment Fund

**(g) Other Australian Government financial assistance**

Australian Institute of Torres Straits Indigenous Studies	-	25	-	25
Department of Broadband, Communication and the Digital Economy	-	38	-	38
Defence Science and Technology Organisation	217	233	217	233
Department of the Environment, Water, Heritage and the Arts	1,074	1,265	1,074	1,265
Department of Education, Employment and Workplace Relations	4,765	4,315	4,765	4,315
Department of Families, Housing, Community Services and Indigenous Affairs	88	118	88	118
Department of Immigration and Citizenship	2,450	2,407	2,450	2,407
Commonwealth Scientific and Industrial Research Organisation (CSIRO)	129	25	129	25
National Health and Medical Research Council	2,238	1,288	2,238	1,288
Australian Federal Police	-	47	-	47
Australian Public Service Commission	14	32	14	32
Department of Prime Minister and Cabinet	26	67	26	67
Child Care, Office of	58	-	-	-
Others	584	59	584	59

<b>Total other Australian Government financial assistance</b>	<b>11,643</b>	<b>9,919</b>	<b>11,585</b>	<b>9,919</b>
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<b>Total Australian Government financial assistance</b>	<b>208,036</b>	<b>179,661</b>	<b>207,978</b>	<b>179,661</b>
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**Reconciliation**

Australian Government grants [a + c + d + e + f + g]	140,581	121,439	140,523	121,439
HECS-HELP – Australian Government payments	49,214	42,579	49,214	42,579
Other Australian Government loan programmes [FEE-HELP]	18,241	15,643	18,241	15,643

<b>Total Australian Government financial assistance</b>	<b>208,036</b>	<b>179,661</b>	<b>207,978</b>	<b>179,661</b>
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	Consolidated		Parent entity (University)	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
<b>(h) Australian Government Grants received – cash basis</b>				
CGS and Other DEEWR Grants	78,660	73,035	78,660	73,035
Higher Education Loan Programmes	64,342	51,913	64,342	51,913
Scholarships	3,489	3,206	3,489	3,206
DIISR research	20,745	20,473	20,745	20,473
Better Universities Renewal Funding	11,873	-	11,873	-
ARC grants - Discovery	8,599	8,622	8,599	8,622
ARC grants - Linkages	1,706	3,551	1,706	3,551
ARC grants – Networks and Centres	2,241	2,196	2,241	2,196
Other Australian Government Grants	11,270	9,709	11,212	9,709
<b>Total Australian Government Grants received – cash basis</b>	<b>202,925</b>	<b>172,705</b>	<b>202,867</b>	<b>172,705</b>
OS-Help (Net)	63	(163)	63	(163)
<b>Total Australian Government funding received – cash basis</b>	<b>202,988</b>	<b>172,542</b>	<b>202,930</b>	<b>172,542</b>



### Note 3. State and local Government financial assistance

	Consolidated		Parent entity (University)	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
Catchment Management Authorities	82	194	82	194
Department of Community Services	171	683	171	683
Department of Education and Training	981	628	981	628
Department of State and Regional Development	837	2,588	837	2,588
NSW Health	77	90	77	90
Minister for Science and Medical Research	150	151	150	151
Department of Environment and Climate Change	315	338	315	338
SA Research and Development Institute	19	-	19	-
Victorian Police	-	162	-	162
Water Resources	300	-	-	-
Others	138	101	138	101
<b>Total State and Local Government financial assistance</b>	<b>3,070</b>	<b>4,935</b>	<b>2,770</b>	<b>4,935</b>

### Note 4. Fees and charges

	Consolidated		Parent entity (University)	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
<b>Course fees and charges</b>				
Fee-paying overseas students	147,588	119,779	138,193	117,425
Continuing education	673	697	673	697
Fee-paying domestic postgraduate students	16,094	14,854	15,524	15,618
Fee-paying domestic undergraduate students	2,691	1,644	2,691	1,644
Fee-paying domestic non-award students	16,195	14,700	9,246	8,799
English language programs	5,428	8,486	5,428	8,486
Income from SIBT	18,337	14,910	18,337	14,910
<b>Total course fees and charges</b>	<b>207,006</b>	<b>175,070</b>	<b>190,092</b>	<b>167,579</b>
<b>Other non-course fees and charges</b>				
Late fees	423	736	423	736
Library fines	259	242	259	242
Parking fees	3,685	3,176	3,685	3,176
Rental charges	6,046	4,949	3,582	3,425
Student accommodation	4,976	5,052	4,976	5,052
Amenities and service fees	5,467	5,673	5,287	5,612
Other fees and charges:				
Management fees	705	1,494	-	-
Services fees	-	470	-	-
Project research	5,564	-	-	-
Others	6,995	1,984	1,806	1,868
<b>Total other fees and charges</b>	<b>34,120</b>	<b>23,776</b>	<b>20,018</b>	<b>20,111</b>
<b>Total fees and charges</b>	<b>241,126</b>	<b>198,846</b>	<b>210,110</b>	<b>187,690</b>

**Note 5. Investment revenue**

	Consolidated		Parent entity (University)	
	<b>2008</b> <b>\$'000</b>	2007 \$'000	<b>2008</b> <b>\$'000</b>	2007 \$'000
Dividends	2,590	2,386	2,590	2,386
Interest Income:				
National Australia Bank	2,916	1,438	1,000	648
NSW Treasury Corporation (T-Corp)	9,247	3,609	9,247	3,609
UBS	1,306	4,733	1,306	4,733
Distribution from unit trust:				
MLC NCIT Australian Share Trust	1,397	2,230	1,397	2,230
UBS	390	2,144	390	2,144
Gresham Private Equity	1,200	-	1,200	-
Others	1,589	2,549	1,230	2,549
<b>Total investment revenue</b>	<b>20,635</b>	<b>19,089</b>	<b>18,360</b>	<b>18,299</b>

**Note 6. Royalties, trademarks and licences**

	Consolidated		Parent entity (University)	
	<b>2008</b> <b>\$'000</b>	2007 \$'000	<b>2008</b> <b>\$'000</b>	2007 \$'000
Royalties	445	461	71	521
Copyright	25	48	25	48
<b>Total royalties, trademarks and licences</b>	<b>470</b>	<b>509</b>	<b>96</b>	<b>569</b>

**Note 7. Consultancy and contracts**

	Consolidated		Parent entity (University)	
	<b>2008</b> <b>\$'000</b>	2007 \$'000	<b>2008</b> <b>\$'000</b>	2007 \$'000
Consultancy	15,087	13,997	8,411	7,963
<b>Total consultancy and contracts</b>	<b>15,087</b>	<b>13,997</b>	<b>8,411</b>	<b>7,963</b>

## Note 8. Other revenue and income

	Notes	Consolidated		Parent entity (University)	
		2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
Donations and bequests		1,591	922	1,591	702
Scholarships and prizes		186	437	186	437
Non government grants		3,747	1,400	-	-
Net gain on disposal of property, plant & equipment		66	65	-	-
Net gain on sale of available-for-sale financial asset	18	3,608	1,439	3,608	1,439
Photocopy income		513	560	510	557
Recoveries		(84)	487	3,685	803
Publication sales		1,252	1,339	1,252	1,339
Printery income		148	172	148	172
Rebates		60	60	60	60
Others:					
Distributions from Macquarie University		-	15,515	-	-
Management fees		1,208	-	-	-
Food sales & hotel & retail		6,035	3,534	-	-
Research quantum		1,341	-	-	-
Commercial rent		1,391	386	-	-
Room, Academic dress hire		1,304	-	-	-
Child care fees		2,972	1,503	-	-
Members' fees		2,916	719	-	-
Others		808	3,630	2,076	3,559
<b>Total other revenue</b>		<b>29,062</b>	<b>32,168</b>	<b>13,116</b>	<b>9,068</b>

## Note 9. Employee related expenses

	Consolidated		Parent entity (University)	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
<b>Academic</b>				
Salaries	105,244	102,208	100,439	97,357
Contribution to superannuation and pension schemes:				
Emerging cost	1,565	1,900	1,565	1,900
Funded	18,252	10,597	17,716	10,072
Payroll tax	7,573	7,320	7,221	6,999
Worker's compensation	761	514	724	438
Long service leave expense	4,862	1,997	4,962	2,127
Annual leave	547	(188)	689	(220)
<b>Total academic</b>	<b>138,804</b>	<b>124,348</b>	<b>133,316</b>	<b>118,673</b>
<b>Non-academic</b>				
Salaries	113,022	92,478	82,814	74,628
Contribution to superannuation and pension schemes:				
Emerging cost	1,299	1,824	1,299	1,370
Funded	17,440	9,043	14,642	7,842
Payroll tax	7,551	6,325	5,951	5,372
Worker's compensation	840	582	601	324
Long service leave expense	3,923	3,816	3,649	3,856
Annual leave	941	293	304	(88)
Other	565	646	-	-
<b>Total non-academic</b>	<b>145,581</b>	<b>115,007</b>	<b>109,260</b>	<b>93,304</b>
<b>Total employee related expenses</b>	<b>284,385</b>	<b>239,355</b>	<b>242,576</b>	<b>211,977</b>
Deferred government employee benefits for superannuation	148,502	(23,566)	148,502	(23,566)
<b>Total employee related expenses, including deferred government employee benefits for superannuation</b>	<b>432,887</b>	<b>215,789</b>	<b>391,078</b>	<b>188,411</b>

## Note 10. Depreciation and amortisation

Notes	Consolidated		Parent entity (University)	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
<b>Depreciation</b>				
Buildings	12,725	12,258	12,725	12,258
Infrastructure	2,829	2,950	2,829	2,950
Plant and equipment	7,285	6,190	6,258	5,667
Leasehold improvements	665	125	-	-
Motor vehicle	295	343	295	343
Library Collection – General	5,379	5,259	5,379	5,259
<b>Total depreciation</b>	<b>29,178</b>	<b>27,125</b>	<b>27,486</b>	<b>26,477</b>
<b>Amortisation</b>				
Patents	6	-	6	-
<b>Total amortisation</b>	<b>6</b>	<b>-</b>	<b>6</b>	<b>-</b>
<b>Total depreciation and amortisation</b>	<b>29,184</b>	<b>27,125</b>	<b>27,492</b>	<b>26,477</b>

## Note 11. Repairs and maintenance

	Consolidated		Parent entity (University)	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
Buildings and infrastructure	5,901	3,844	5,353	3,679
Others	50	14	-	-
<b>Total repairs and maintenance</b>	<b>5,951</b>	<b>3,858</b>	<b>5,353</b>	<b>3,679</b>

## Note 12. Finance costs

	Consolidated		Parent entity (University)	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
Loan from NAB for Culloden Road student housing	953	1,068	953	1,006
<b>Total Finance costs expensed</b>	<b>953</b>	<b>1,068</b>	<b>953</b>	<b>1,006</b>

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

## Note 13. Impairment of assets

	Consolidated		Parent entity (University)	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
Trade receivables and patents	1,285	225	1,524	-
Available for sale financial assets	17,753	-	17,753	-
<b>Total impairment of assets</b>	<b>19,038</b>	<b>225</b>	<b>19,277</b>	<b>-</b>

## Note 14. Other expenses

	Consolidated		Parent entity (University)	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
Scholarships, grants and prizes	26,322	16,057	26,209	15,743
Non-capitalised equipment	5,097	3,880	3,496	2,643
Advertising, marketing and promotional expenses	4,818	3,183	3,138	1,988
Audit fees, bank charges, legal costs, insurance and taxes	5,883	6,667	3,938	5,938
General consumables/Materials	15,816	12,481	11,139	9,951
Printing, photocopying and stationery	2,407	2,487	1,587	1,686
Postage	674	717	662	716
Security charges	1,481	1,772	1,479	1,675
Utility expenses	4,384	3,543	3,564	3,210
Rental, hire and other leasing fees	9,452	10,041	6,467	7,555
Telecommunications	1,575	2,277	1,204	2,030
Travel and related staff development and training	15,403	13,435	13,668	12,292
Contractors/Consultants	38,317	28,874	60,383	48,721
Maintenance contracts	3,630	7,063	3,609	3,568
Subscriptions	4,721	4,363	4,565	4,306
Proceed from assets sold and/or written off:				
Property, plant and equipment	(486)	(2,347)	(664)	(2,805)
Other expenses:				
Food and Beverages purchase	1,797	-	-	-
Agents commission	2,725	-	-	-
MQ fee direction & patents	2,518	-	-	-
Chairman's fees	20	-	-	-
IT Supports	124	178	94	178
Consulting	471	-	-	-
Interest	20	-	-	-
Examiners' fees	136	98	136	98
Copyright charges	997	755	997	755
Motor vehicle expenses	307	311	304	311
General Services	16,126	13,978	14,926	13,978
Others	1,756	6,922	10	6,533
<b>Total other expenses</b>	<b>166,491</b>	<b>136,735</b>	<b>160,911</b>	<b>141,070</b>

## Note 15. Cash and cash equivalents

	Consolidated		Parent entity (University)	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
Cash at bank and on hand	27,448	32,586	13,790	8,360
Deposits at call	19,806	4,318	-	-
NSW T-Corp Hour Glass Investment Facility	59,645	35,823	59,645	35,823
UBS Cash Plus	355	47,787	355	47,787
<b>Total cash and cash equivalents</b>	<b>107,254</b>	<b>120,514</b>	<b>73,790</b>	<b>91,970</b>

### (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 cash flow statement as follows:

Balance as above	107,254	120,514	73,790	91,970
Balance per cash flow statement	107,254	120,514	73,790	91,970

### (b) Cash at bank and on hand

The NAB Business Investment Account is interest bearing between 0% and 2.25% (2007 between 0% to 5.4%)

### (c) Deposits at call

The deposits are bearing floating interest rates between 4.00% and 8.06% (2007 – 5.66% and 6.04%), these deposits have an average maturity of 365 days.

Included in the cash at bank and on hand is an amount of \$222,744 as at 31 December 2008 (2007: \$211,000) for the purpose of meeting the objectives of the estate of the late F.J. Walsh bequest.

## Note 16. Receivables

	Consolidated		Parent entity (University)	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
<b>Current</b>				
Related parties	-	-	4,187	2,959
Student and other debtors	13,633	15,905	7,926	11,529
Less: Provision for impaired receivables	(747)	(649)	(721)	(476)
	<u>12,886</u>	<u>15,256</u>	<u>11,392</u>	<u>14,012</u>
Accrued income	13,299	6,895	12,559	6,819
<b>Total current receivables</b>	<u>26,185</u>	<u>22,151</u>	<u>23,951</u>	<u>20,831</u>
<b>Non-current</b>				
Finance lease	21,787	22,074	21,787	22,074
Deferred government contribution for superannuation	269,842	121,339	269,842	121,339
<b>Total non-current receivables</b>	<u>291,629</u>	<u>143,413</u>	<u>291,629</u>	<u>143,413</u>
<b>Total receivables</b>	<u>317,814</u>	<u>165,564</u>	<u>315,580</u>	<u>164,244</u>

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:

	Consolidated		Parent entity (University)	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
State Superannuation Scheme	259,471	122,081	259,471	122,081
State Authorities Superannuation Scheme	6,974	(1,479)	6,974	(1,479)
State Authorities Non-Contributory Scheme (Basic Benefit)	3,397	737	3,397	737
Total receivable from government	<u>269,842</u>	<u>121,339</u>	<u>269,842</u>	<u>121,339</u>
<b>Non-current deferred government contribution for superannuation</b>	<u>269,842</u>	<u>121,339</u>	<u>269,842</u>	<u>121,339</u>

The increase in the liability during 2008 for the State Superannuation Schemes is \$148.502 million (2007: decrease \$23.566 million). This amount has been recorded in the Income Statement as an increase in deferred government contributions with an equivalent increase in deferred employee benefits for superannuation.

Note 24 provide details of the provisions for deferred employee benefits.

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

### Finance Lease

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

The period of the lease is 30 years 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 University from the student accommodation.

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

## Note 16. 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 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 at 31 December 2008 current receivables of the University with a nominal value of \$721,000 (2007: \$476,000) were impaired. Consolidated's receivables of \$746,503 (2007: \$688,123) were impaired.

The amount of the provision was \$721,000 (2007: \$476,000). The individually impaired receivables relate to students, student sponsors and trade debtors.

The ageing of these receivables is as follows:

	Consolidated		Parent entity (University)	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
< 3months	5	47	4	6
3 to 6 months	25	202	19	31
Over 6 months	717	439	698	439
	<u>747</u>	<u>688</u>	<u>721</u>	<u>476</u>

As of 31 December 2008, University's receivables of \$4,005,000 (2007: \$6,407,000) were past due but not impaired. Consolidated's receivables of \$4,559,066 (2007: \$7,0384,686) 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 entity (University)	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
3 to 6 months	1,614	1,968	1,562	1,930
Over 6 months	481	2,015	462	1,952
	<u>2,095</u>	<u>3,983</u>	<u>2,024</u>	<u>3,882</u>

Movements in the provision for impaired receivables are as follows:

	Consolidated		Parent entity (University)	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
At 1 January	688	1,008	476	992
Provision for impairment recognised during the year	379	199	564	3
Receivables written off during the year as uncollectible	(343)	(528)	(342)	(528)
Repayment of debt previously written off	23	9	23	9
Balance at 31 December	<u>747</u>	<u>688</u>	<u>721</u>	<u>476</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.

## Note 17. Inventories

	Consolidated		Parent entity (University)	
	<b>2008</b> <b>\$'000</b>	2007 \$'000	<b>2008</b> <b>\$'000</b>	2007 \$'000
<b>Current</b>				
Printery	85	82	60	60
Publications	74	75	74	75
Food and Beverages	37	119	-	-
Services stores	735	342	-	-
Total current inventories	<u>931</u>	<u>618</u>	<u>134</u>	<u>135</u>
<b>Total inventories</b>	<u><b>931</b></u>	<u><b>618</b></u>	<u><b>134</b></u>	<u><b>135</b></u>

## Note 18. Other financial assets

	Consolidated		Parent entity (University)	
	<b>2008</b> <b>\$'000</b>	2007 \$'000	<b>2008</b> <b>\$'000</b>	2007 \$'000
<b>Current</b>				
Available-for-sale	66,223	55,795	66,223	55,795
Held-to-maturity	14,931	13,361	14,811	13,361
Total current other financial assets	<u>81,154</u>	<u>69,156</u>	<u>81,034</u>	<u>69,156</u>
<b>Non-current</b>				
Available-for-sale	42,515	102,975	59,927	117,225
Held-to-maturity	283	1,440	-	1,000
Total non-current other financial assets	<u>42,798</u>	<u>104,415</u>	<u>59,927</u>	<u>118,225</u>
<b>Total other financial assets</b>	<u><b>123,952</b></u>	<u><b>173,571</b></u>	<u><b>140,961</b></u>	<u><b>187,381</b></u>

### Unrestricted Assets

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



## Note 18. Other financial assets (continued)

### Available-for-sale

	Consolidated		Parent entity (University)	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
<b>Current:</b>				
Available-for-sale:				
NSW T-Corp	65,831	23,906	65,831	23,906
UBS	392	31,889	392	31,889
Total current available-for-sale	<u>66,223</u>	<u>55,795</u>	<u>66,223</u>	<u>55,795</u>
<b>Non-current:</b>				
<b>Market Value:</b>				
Listed securities				
Shares	30,922	50,485	30,922	50,485
Unit trust	20,722	26,016	20,722	26,016
Debt	358	495	358	495
Property	3,752	16,248	3,752	16,248
Unquoted securities				
Shares in unquoted companies	5,788	11,367	23,200	25,617
	<u>61,542</u>	<u>104,611</u>	<u>78,954</u>	<u>118,861</u>
Less: provision for diminution of listed investments	(16,852)	-	(16,852)	-
Less: provision for diminution of unquoted investments	(2,175)	(1,636)	(2,175)	(1,636)
Total non-current available-for-sale	<u>42,515</u>	<u>102,975</u>	<u>59,927</u>	<u>117,225</u>

### Available-for-sale disposal

	Parent entity (University)	2008 \$'000		
		Cost	Proceeds	Gain/(Loss)
Shares		-	139	139
Debt		-	-	-
Unit trust		4,982	5,602	620
Unquoted		343	3,192	2,849
Written off - unquoted		100	-	-
Total		<u>5,425</u>	<u>8,933</u>	<u>3,608</u>

### Available-for-sale disposal

	Parent entity (University)	2007 \$'000		
		Cost	Proceeds	Gain/(Loss)
Shares		1,607	4,928	3,321
Debt		-	-	-
Unit trust		16,020	14,138	(1,882)
Unquoted		50	-	(50)
Total		<u>17,677</u>	<u>19,066</u>	<u>1,389</u>

## Note 18. Other financial assets (continued)

Available-for-sale (Non-current) At Cost	Consolidated		Parent entity (University)	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
At beginning of year	66,953	82,773	81,203	83,023
Adjustment related to last financial year	2,509	-	2,509	-
Additions	3,496	15,857	3,496	15,857
Disposals (sale, redemption and eliminations)	(8,587)	(31,677)	(5,425)	(17,677)
At end of year	<u>64,371</u>	<u>66,953</u>	<u>81,783</u>	<u>81,203</u>
Unrealised gain/(loss) of investment	Consolidated		Parent entity (University)	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
Listed securities				
Shares	25,677	22,360	25,677	22,360
Unit trust	26,091	23,691	26,091	23,691
Debt	490	490	490	490
Property	8,500	13,482	8,500	13,482
	<u>60,758</u>	<u>60,023</u>	<u>60,758</u>	<u>60,023</u>
Unquoted securities				
Shares in unquoted companies	<u>3,613</u>	<u>6,930</u>	<u>21,025</u>	<u>21,180</u>
Total at cost	64,371	66,953	81,783	81,203
Total market value	42,515	102,975	59,927	117,225
Unrealised gain/(loss) before provision for share diminution	(21,856)	36,022	(21,856)	36,022
Add: provision for share diminution for unlisted investments	2,175	1,636	2,175	1,636
Add: provision for share diminution for listed investments	16,852	-	16,852	-
Unrealised gain/(loss) after provision for share diminution	<u>(2,829)</u>	<u>37,658</u>	<u>(2,829)</u>	<u>37,658</u>
Adjustment related to conversion of shares in 2007	2,509	1	2,509	1
Available for Sale Reserve as disclosed in note 26	<u>(320)</u>	<u>37,659</u>	<u>(320)</u>	<u>37,659</u>
Movement of Available for Sale Reserve as disclosed in note 26	(37,980)	501	(37,980)	501

The movement of unrealised gain/(loss) during 2008 before provision for share diminution is (\$21.856 million) (2007: \$36.022 million).

The market value of unquoted share investments have not been ascertained as they are not quoted on the Australian Stock Exchange. A subsidiary of the University has an interest bearing deposit served as a bank guarantee for lease payments and therefore classified as a non-current asset.

The University also has 10.0% interest (at zero cost) in a foreign company registered in Hong Kong called International Education Network (IEN) Hong Kong as at 31 December 2008. The shareholding value was HKD 27 out of total equity value of HKD 270.

**Note 18. Other financial assets (continued)**

**Held-to-maturity investments**

	Consolidated		Parent entity (University)	
	<b>2008</b> <b>\$'000</b>	2007 \$'000	<b>2008</b> <b>\$'000</b>	2007 \$'000
<b>Current:</b>				
Term deposits	14,931	13,361	14,811	13,361
Total current held to maturity	14,931	13,361	14,811	13,361
<b>Non-current:</b>				
Term deposit for CBD lease from MGSM	283	274	-	-
Other term deposit	-	1,166	-	1,000
Total non-current held to maturity	283	1,440	-	1,000

Included in the other financial assets is an amount of \$2,388,034 (2007: \$ 2,361,394) held by the University solely for the purposes of meeting the objectives of the Nippon Foundation and \$2,000,000 (2007: \$2,000,000) for the Numismatic Fund.

**Note 19. Property, plant and equipment**

	Freehold land \$'000	Freehold buildings \$'000	Construction in progress \$'000	Plant and equipment* \$'000	Leasehold improvements \$'000	Library General \$'000	Library Special \$'000	Works of Arts \$'000	Infrastructure \$'000	Total \$'000
<b>Consolidated</b>										
<b>At 1 January 2007</b>										
- Cost	-	8,035	4,720	5,309	662	-	-	84	-	18,810
- Valuation	279,200	402,140	5,895	68,699	-	47,400	5,069	12,499	74,376	895,278
Accumulated depreciation	-	(22,480)	-	(43,871)	(307)	(34,651)	-	-	(5,738)	(107,047)
Net book amount	279,200	387,695	10,615	30,137	355	12,749	5,069	12,583	68,638	807,041
<b>Year ended 31 December 2007</b>										
Opening net book amount	279,200	387,695	10,615	30,137	355	12,749	5,069	12,583	68,638	807,041
Additions	-	10,508	11,019	12,850	3,482	5,789	-	342	698	44,688
Revaluation surplus	83,400	27,652	-	2,800	-	-	-	3,180	(5,141)	111,891
Assets included in a disposal group classified as held for sale and other disposals	(1,250)	(19,789)	-	(2,550)	-	-	-	(54)	(3,595)	(27,238)
Depreciation charge	-	(12,258)	-	(6,533)	(125)	(5,259)	-	-	(2,950)	(27,125)
Transfer between asset classes	-	10,477	(10,545)	-	-	-	-	-	68	-
Closing net book amount	361,350	404,285	11,089	36,704	3,712	13,279	5,069	16,051	57,718	909,257
<b>At 31 December 2007</b>										
- Cost	-	-	554	6,751	4,144	-	-	29	-	11,478
- Valuation	361,350	405,725	10,535	60,660	-	53,190	5,069	16,022	58,072	970,623
Accumulated depreciation	-	(1,440)	-	(30,707)	(432)	(39,911)	-	-	(354)	(72,844)
Net book amount	361,350	404,285	11,089	36,704	3,712	13,279	5,069	16,051	57,718	909,257

\* Plant and equipment, includes motor vehicles

**Note 19. Property, plant and equipment (continued)**

	Freehold land \$'000	Freehold buildings \$'000	Construction in progress \$'000	Plant and equipment* \$'000	Leasehold Improvements \$'000	Library General \$'000	Library Special \$'000	Works of Arts \$'000	Infrastructure \$'000	Total \$'000
<b>Consolidated</b>										
<b>Year ended 31 December 2008</b>										
Opening net book amount	361,350	404,285	11,089	36,705	3,712	13,279	5,069	16,051	57,718	909,258
Additions	17,829	30,021	88,467	9,323	1,535	6,042	-	1,003	912	155,132
Revaluation surplus	10,136	20,412	-	51	-	-	-	2,668	146	33,413
Assets included in a disposal group classified as held for sale and other disposals	-	(106)	-	(1,498)	-	-	-	-	-	(1,604)
Depreciation charge	-	(12,725)	-	(7,580)	(665)	(5,379)	-	-	(2,829)	(29,178)
Transfer between asset classes	-	4,308	(5,743)	-	-	-	-	-	1,435	-
Closing net book amount	389,315	446,195	93,813	37,001	4,582	13,942	5,069	19,722	57,382	1,067,021
<b>At 31 December 2008</b>										
- Cost	389,315	447,314	77,859	8,009	5,680	-	-	29	-	91,577
- Valuation	-	(1,119)	15,954	68,675	-	59,232	5,069	19,693	57,591	1,062,843
Accumulated depreciation	-	(1,119)	-	(39,683)	(1,098)	(45,290)	-	-	(209)	(87,399)
Net book amount	389,315	446,195	93,813	37,001	4,582	13,942	5,069	19,722	57,382	1,067,021

\* Plant and equipment, includes motor vehicles

**Note 19. Property, plant and equipment (continued)**

Parent entity (University)	Freehold land \$'000	Freehold buildings \$'000	Construction in progress \$'000	Plant and equipment* \$'000	Leasehold Improvements \$'000	Library General \$'000	Library Special \$'000	Works of Arts \$'000	Infrastructure \$'000	Total \$'000
<b>At 1 January 2007</b>										
- Cost	-	8,035	4,720	29	-	-	-	84	-	12,868
- Valuation	279,200	402,140	5,895	68,699	-	47,400	5,069	12,499	74,376	895,278
Accumulated depreciation	-	(22,480)	-	(40,425)	-	(34,651)	-	-	(5,738)	(103,294)
Net book amount	279,200	387,695	10,615	28,303	-	12,749	5,069	12,583	68,638	804,852
<b>Year ended 31 December 2007</b>										
Opening net book amount	279,200	387,695	10,615	28,303	-	12,749	5,069	12,583	68,638	804,852
Additions	-	10,508	4,465	9,917	-	5,789	-	313	698	31,690
Revaluation surplus	83,400	27,652	-	2,800	-	-	-	3,180	(5,141)	111,891
Disposals	(1,250)	(19,789)	-	(2,415)	-	-	-	(54)	(3,595)	(27,103)
Depreciation charge	-	(12,258)	-	(6,010)	-	(5,259)	-	-	(2,950)	(26,477)
Transfer between asset classes	-	10,477	(10,545)	-	-	-	-	-	68	-
Closing net book amount	361,350	404,285	4,535	32,595	-	13,279	5,069	16,022	57,718	894,853
<b>At 31 December 2007</b>										
- Cost	-	-	-	-	-	-	-	-	-	-
- Valuation	361,350	405,725	4,535	60,661	-	53,190	5,069	16,022	58,072	964,624
Accumulated depreciation	-	(1,440)	-	(28,066)	-	(39,911)	-	-	(354)	(69,771)
Net book amount	361,350	404,285	4,535	32,595	-	13,279	5,069	16,022	57,718	894,853

\* Plant and equipment, includes motor vehicles

**Note 19. Property, plant and equipment (continued)**

Parent entity (University)	Freehold land \$'000	Freehold buildings \$'000	Construction in progress * \$'000	Plant and equipment** \$'000	Leasehold Improvements \$'000	Library General \$'000	Library Special \$'000	Works of Arts \$'000	Infrastructure \$'000	Total \$'000
<b>Year ended 31 December 2008</b>										
Opening net book amount	361,350	404,285	4,535	32,595	-	13,279	5,069	16,022	57,718	894,853
Additions	17,829	30,021	17,162	7,550	-	6,042	-	1,003	912	80,519
Revaluation surplus	10,136	20,412	-	51	-	-	-	2,668	146	33,413
Disposals	-	(106)	-	(1,049)	-	-	-	-	-	(1,155)
Depreciation charge	-	(12,725)	-	(6,553)	-	(5,379)	-	-	(2,829)	(27,486)
Transfer between asset classes	-	4,308	(5,743)	-	-	-	-	-	1,435	-
Closing net book amount	389,315	446,195	15,954	32,594	-	13,942	5,069	19,693	57,382	980,144
<b>At 31 December 2008</b>										
- Cost	-	-	-	-	-	-	-	-	-	-
- Valuation	389,315	447,314	15,954	68,675	-	59,232	5,069	19,693	57,591	1,062,843
Accumulated depreciation	-	(1,119)	-	(36,081)	-	(45,290)	-	-	(209)	(82,699)
Net book amount	389,315	446,195	15,954	32,594	-	13,942	5,069	19,693	57,382	980,144

\* Construction in progress, includes WIP for IT and other pre payments for property and equipments

\*\* Plant and equipment, includes motor vehicles

## Note 19. Property, plant and equipment (continued)

### (a) Valuations of land and buildings

The 2008 revaluations were based on independent assessment by Global Valuation Services Pty Ltd as at 1 December 2008. The revaluation surplus was credited to property, plant and equipment revaluation reserve (note 26).

### (b) Land and Buildings

As at 31 December 2008, the University is not aware of any land or native title claims against University owned land.

### (i) Leased non-current assets

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

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

#### Macquarie University Research Park

University land at the corner of Herring and Talavera Road was developed as a site for Macquarie University Research Park. The Park is being developed through private investment. The University enters into long-term leases with investors, who finance the buildings, which are then leased to tenants. As at 31 December 2008, five buildings are occupied by tenants.

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



## Note 20. Intangible assets

Consolidated and Parent	Development costs \$'000	Patent costs \$'000	Total \$'000
<b>At 1 January 2007</b>			
Cost	-	1,185	1,185
Accumulated amortisation and impairment	-	-	-
Net book amount	<u>-</u>	<u>1,185</u>	<u>1,185</u>
<b>Year ended 31 December 2007</b>			
Opening net book amount	-	1,185	1,185
Amortisation charge	-	-	-
Additions	-	-	-
Adjustment	-	(14)	(14)
Closing net book amount	<u>-</u>	<u>1,171</u>	<u>1,171</u>
<b>At 31 December 2007</b>			
Cost	-	1,171	1,171
Accumulated amortisation and impairment	-	-	-
Net book amount	<u>-</u>	<u>1,171</u>	<u>1,171</u>
<b>Year ended 31 December 2008</b>			
Opening net book amount	-	1,171	1,171
Amortisation charge	-	(6)	(6)
Additions	-	191	191
Adjustment: impairment	-	(963)	(963)
Closing net book amount	<u>-</u>	<u>393</u>	<u>393</u>
<b>At 31 December 2008</b>			
Cost	-	1,362	1,362
Accumulated amortisation and impairment	-	(969)	(969)
Closing net book amount	<u>-</u>	<u>393</u>	<u>393</u>

## Note 21. Other non-financial assets

	Consolidated		Parent entity (University)	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
<b>Current</b>				
Prepayments – library	5,105	3,733	5,105	3,733
Prepayments – other	8,124	5,556	7,723	4,942
Total current other non-financial assets	<u>13,229</u>	<u>9,289</u>	<u>12,828</u>	<u>8,675</u>
<b>Non-Current</b>				
Total non-current other non-financial assets	-	-	-	-
<b>Total other non-financial assets</b>	<u>13,229</u>	<u>9,289</u>	<u>12,828</u>	<u>8,675</u>

## Note 22. Trade and other payables

	Consolidated		Parent entity (University)	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
<b>Current</b>				
Related parties include in other entities	-	-	2,319	2,083
Other entities	26,157	16,534	7,566	5,802
Accrued expense	15,250	21,449	15,240	21,380
Total current trade and other payables	<u>41,407</u>	<u>37,983</u>	<u>25,125</u>	<u>29,265</u>
<b>Non-Current</b>				
Other entities	631	-	-	-
Total non-current trade and other payables	<u>631</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total trade and other payables</b>	<u>42,038</u>	<u>37,983</u>	<u>25,125</u>	<u>29,265</u>

## Note 23. Borrowings

	Consolidated		Parent entity (University)	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
<b>Current</b>				
Unsecured				
Bank loans	872	732	785	732
Total current unsecured borrowings	<u>872</u>	<u>732</u>	<u>785</u>	<u>732</u>
Total current borrowings	<u>872</u>	<u>732</u>	<u>785</u>	<u>732</u>
<b>Non-current</b>				
Unsecured				
Bank loans	70,473	13,111	12,328	13,111
Total non-current unsecured borrowings	<u>70,473</u>	<u>13,111</u>	<u>12,328</u>	<u>13,111</u>
Total non-current borrowings	<u>70,473</u>	<u>13,111</u>	<u>12,328</u>	<u>13,111</u>
<b>Total borrowings</b>	<u>71,345</u>	<u>13,843</u>	<u>13,113</u>	<u>13,843</u>

## Note 23. Borrowings (continued)

### 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. This loan is unsecured.

The balance of the loan outstanding after allowing for amortised cost adjustment as at 31 December 2008 was \$12.911 million (in 2007 was \$13.483 million).

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

The average interest rate of the loan was at 7.30% for the period of the loan and the current drawn down amount is \$57.97 million.

The balance of the loan outstanding after allowing for amortised cost adjustment as at 31 December 2008 was \$63.53 million (in 2007 was nil).

## Note 24. Provisions

	Consolidated		Parent entity (University)	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
<b>Current provisions expected to be settled within 12 months</b>				
Employee benefits				
Annual leave	13,230	12,481	11,605	11,527
Long service leave	6,541	7,049	5,487	6,939
Other	220	461	100	-
Sub total	<u>19,991</u>	<u>19,991</u>	<u>17,192</u>	<u>18,466</u>
<b>Current provisions expected to be settled after more than 12 months</b>				
Employee benefits				
Annual leave	3,411	2,796	3,411	2,796
Long service leave	22,114	19,767	22,114	19,767
Sub total	<u>25,525</u>	<u>22,563</u>	<u>25,525</u>	<u>22,563</u>
Total current provisions	<u>45,516</u>	<u>42,554</u>	<u>42,717</u>	<u>41,029</u>
<b>Non-current</b>				
Employee benefits				
Annual leave	-	120	-	-
Long service leave	7,597	5,463	7,022	5,208
Other	-	386	-	-
Deferred government benefits for superannuation – State Superannuation	269,842	121,339	269,842	121,339
Deferred government benefits for superannuation – Professorial Superannuation	11,638	2,574	11,638	2,574
Total non-current provisions	<u>289,077</u>	<u>129,882</u>	<u>288,502</u>	<u>129,121</u>
<b>Total provisions</b>	<u>334,593</u>	<u>172,436</u>	<u>331,219</u>	<u>170,150</u>

## Note 24. Provisions (continued)

### State Superannuation Schemes

As at 31 December 2008, the net superannuation liabilities have been assessed by the actuary of Superannuation Administration Corporation, trading as Pillar Administration, William Mercer to be approximately \$269.841 million. (2007: \$121.339 million).

	State Authorities Superannuation Scheme		State Authorities Non-Contributory Scheme (Basic Benefit)		State Superannuation Scheme	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
Accrued liability	35,686	37,788	8,061	8,234	381,188	291,615
Reserve account balance						
Deferred liability/ (Prepaid contribution)	(28,713)	(39,267)	(4,664)	(7,497)	(121,717)	(169,534)
	<u>6,973</u>	<u>(1,479)</u>	<u>3,397</u>	<u>737</u>	<u>259,471</u>	<u>122,081</u>

(i) Basis of calculation

The 2008 assessment of SSS, SASS and SANCS is based on the requirements of Australian Accounting Standard AASB 119 "Employee Benefits". The economic assumptions that were applied for the calculations are:

	2007/2008	2008/2009
	in %	in %
Rate of investment return	7.6	7.0
Rate of salary increase	3.5	4.0
Rate of increase in C.P.I	2.5	2.5

	SASS 31-Dec-08	SANCS 31-Dec-08	SSS 31-Dec-08	TOTAL 31-Dec-08
<b>Member Numbers</b>				
Contributors	126	193	67	
Deferred benefits	-	-	33	
Pensioners	-	-	509	
Pensions fully commuted	-	-	182	
<b>Superannuation Position</b>				
	\$'000	\$'000	\$'000	\$'000
Accrued liability	35,687	8,060	381,188	424,935
Estimated reserve account balance	(28,713)	(4,663)	(121,717)	(155,093)
	<u>6,974</u>	<u>3,397</u>	<u>259,471</u>	<u>269,842</u>
Future Service Liability (Note 1)	(6,875)	(2,202)	(3,229)	(12,306)
Surplus in excess of recovery available from schemes	-	-	-	-
Net (asset)/liability to be recognised in balance she	<u>6,974</u>	<u>3,397</u>	<u>259,471</u>	<u>269,842</u>

Note 1:

The Future Service Liability (FSL) is not required to be recognised by an employer. It is used to determine if an asset ceiling limit should be imposed.

Any prepaid superannuation asset recognised cannot exceed the total of any unrecognised past service cost and the present value of any economic benefits that may be available in the form of refunds from the plan or reductions in future contributions to the plan. Where the "surplus in excess of recovery" is zero, no asset ceiling limit is imposed.

## Note 24. Provisions (continued)

Actuarial gains and losses are recognised immediately in profit and loss in the year in which they occur.

### Fund information

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

State Authorities Superannuation Scheme (SASS)

State Superannuation Scheme (SSS)

Police Superannuation Scheme (PSS)

State Authorities Non-contributory Superannuation Scheme (SANCS).

These schemes are all defined benefit schemes – at least a component of the final benefit is derived from a multiple of member salary and years of membership.

All the Schemes are closed to new members.

### Reconciliation of the present value of the defined benefit obligation

	SASS	SANCS	SSS
	Financial Year to 31 December 2008	Financial Year to 31 December 2008	Financial Year to 31 December 2008
	\$'000	\$'000	\$'000
Present value of partly funded defined benefit obligation at beginning of the year	37,788	8,234	291,615
Current service cost	1,364	415	613
Interest cost	2,305	483	18,027
Contributions by Fund participants	651	-	1,373
Actuarial (gains)/losses	(490)	1,054	94,063
Benefits paid	(5,932)	(2,125)	(24,503)
Past service cost	-	-	-
Curtailments	-	-	-
Settlements	-	-	-
Business Combinations	-	-	-
Exchange rate changes	-	-	-
Present value of partly funded defined benefit obligation at end of the year	<u>35,686</u>	<u>8,061</u>	<u>381,188</u>

### Reconciliation of the fair value of Fund assets

	SASS	SANCS	SSS
	Financial Year to 31 December 2008	Financial Year to 31 December 2008	Financial Year to 31 December 2008
	\$'000	\$'000	\$'000
Fair value of Fund assets at beginning of the year	39,266	7,497	169,534
Expected return on Fund assets	2,881	665	12,540
Actuarial gains/(losses)	(9,510)	(1,879)	(38,228)
Employer contributions	1,357	505	1,001
Contributions by Fund participants	651	-	1,372
Benefits paid	(5,932)	(2,125)	(24,503)
Settlements	-	-	-
Business combinations	-	-	-
Exchange rate changes	-	-	-
Fair value of Fund assets at end of the year	<u>28,713</u>	<u>4,663</u>	<u>121,716</u>

## Note 24. Provisions (continued)

Reconciliation of the assets and liabilities recognised in the balance sheet

	SASS Financial Year to 31 December 2008 \$'000	SANCS Financial Year to 31 December 2008 \$'000	SSS Financial Year to 31 December 2008 \$'000
Present value of partly funded defined benefit obligation at end of year	35,686	8,061	381,188
Fair value of Fund assets at end of year	(28,713)	(4,664)	(121,717)
Subtotal	6,973	3,397	259,471
Unrecognised past service cost	-	-	-
Unrecognised gain/(loss)	-	-	-
Adjustment for limitation on net asset	-	-	-
Net Liability/(Asset) recognised in balance sheet at end of year	<u>6,973</u>	<u>3,397</u>	<u>259,471</u>

Expense recognised in Income statement

	SASS Financial Year to 31 December 2008 \$'000	SANCS Financial Year to 31 December 2008 \$'000	SSS Financial Year to 31 December 2008 \$'000
Components Recognised in Income Statement			
Current service cost	1,364	415	613
Interest cost	2,306	483	18,027
Expected return on Fund assets (net of expenses)	(2,881)	(665)	(12,540)
Actuarial losses/(gains) recognised in year	9,020	2,933	132,291
Past service cost	-	-	-
Movement in adjustment for limitation on net asset	-	-	-
Curtailment or settlement (gain)/loss	-	-	-
Expense/(income) recognised	<u>9,809</u>	<u>3,166</u>	<u>138,391</u>

Fund assets

The percentage invested in each asset class at the balance sheet date:

	31-Dec-08	31-Dec-07
Australian equities	29.00%	34.10%
Overseas equities	26.50%	26.20%
Australian fixed interest securities	8.30%	6.70%
Overseas fixed interest securities	6.90%	6.60%
Property	10.80%	10.00%
Cash	4.20%	7.10%
Other	14.30%	9.30%

Fair value of Fund assets

All Fund assets are invested by STC at arm's length through independent fund managers.

## Note 24. Provisions (continued)

Expected rate of return on assets

The expected return on assets assumption is determined by weighting 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.

	SASS Financial Year to 31 December 2008 \$'000	SANCS Financial Year to 31 December 2008 \$'000	SSS Financial Year to 31 December 2008 \$'000
Actual return on Fund assets	<u>(6,331)</u>	<u>(1,214)</u>	<u>(27,696)</u>

Valuation method and principal actuarial assumptions at the balance sheet date

### a) 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.

### b) Economic Assumptions

	31-Dec-08
Salary increase rate (excluding promotional increases)	3.5% pa
Rate of CPI Increase	2.5% pa
Expected rate of return on assets backing current pension liabilities	8.30%
Expected rate of return on assets backing other liabilities	7.30%
Discount rate	4.09% pa

### c) Demographic Assumptions

The demographic assumptions at 31 December 2008 are those used in the 2006 triennial actuarial valuation. A selection of the most financially significant assumptions is shown below:

(i) SASS Contributors - the number of SASS contributors expected in any one year (out of 10,000 members), at the ages shown, to leave the Fund as a result of death, disability, resignation, retirement and redundancy. Promotional salary increase rates are also shown.

**Note 24. Provisions (continued)**

	Number of members expected in any one year, out of 10,000 members at the age shown, to leave the fund as a result of :					
Age nearest Birthday	Death	Total & Permanent Disability	Retirement	Resignation	Redundancy	Additional Promotional Salary Increase rate %
<b>Males</b>						
30	4	8	-	280	150	2.90
40	6	10	-	150	150	1.80
50	11	30	-	112	150	-
60	30	-	1,400	-	150	-
<b>Females</b>						
30	2	2	-	372	150	2.90
40	3	6	-	175	150	1.80
50	7	28	-	144	150	-
60	18	-	1,500	-	150	-

(ii) SSS Contributors – the number of SSS contributors expected in any one year (out of 10,000 members), at the ages shown, to leave the Fund as a result of death, disability, resignation, retirement and preservation. Promotional salary increase rates are also shown.

	Number of members expected in any one year, out of 10,000 members at the age shown, to leave the fund as a result of :					
Age nearest Birthday	Death	Ill-Health Retirement	Retirement (R60 for females)	Cash Resignation (R60 for females)	Preservation (R60 for females)	Additional Promotional Salary Increase rate %
<b>Males</b>						
30	4	42	-	178	95	2.90
40	6	54	-	80	140	1.80
50	11	144	-	20	50	-
60	30	-	6,500	-	-	-
<b>Females</b>						
30	2	6	-	204	124	2.90
40	3	21	-	72	105	1.80
50	7	103	-	30	90	-
60	18	-	6,300	-	-	-

Note: Different assumptions apply to females who have elected to retire at age 55 (R55 members)



## Note 24. Provisions (continued)

(iii) SSS Commutation – the proportion of SSS members assumed to commute their pension to a lump sum in any one year.

Age	Proportion of pension Commuted	
	Retirement	Breakdown
Later of commencement or age 55	0.15	0.2
	Widow	Widower
55	0.2500	0.2500
65	0.5380	0.5800
75	0.4825	0.5160
85	0.3928	0.3728

(iv) SSS Pensioner Mortality – assumed mortality rates (in 2006/2007) for SSS pensioners (separately for normal retirement/spouses and invalidity)

Age	Retirement pensioners and Spouses and Widows		Invalidity Pensioners	
	Males	Females	Males	Females
55	0.0025	0.0014	0.0081	0.0066
65	0.007	0.0055	0.0112	0.0125
75	0.0194	0.0157	0.0505	0.0314
85	0.0945	0.0634	0.1134	0.1268

(v) SSS Pensioner Mortality Improvements – per annum assumed rates of mortality improvement for SSS pensioners

Age	Improvement rates (for years post 2007)	
	Males	Females
55	0.0152	0.0113
65	0.0101	0.0065
75	0.0087	0.0068
85	0.0052	0.0080

### Historical information

	SASS Financial Year to 31 December 2008 \$'000	SANCS Financial Year to 31 December 2008 \$'000	SSS Financial Year to 31 December 2008 \$'000
Present value of defined benefit obligation	35,686	8,061	381,188
Fair value of Fund assets	(28,713)	(4,664)	(121,717)
(Surplus)/Deficit in Fund	6,973	3,397	259,471
Experience adjustments – Fund liabilities	(490)	1,054	94,063
Experience adjustments – Fund assets	9,510	1,879	38,228

### Expected contributions

	SASS Financial Year to 31 December 2008 \$'000	SANCS Financial Year to 31 December 2008 \$'000	SSS Financial Year to 31 December 2008 \$'000
Expected employer contributions in the next reporting period	-	3,112	-

## Note 24. Provisions (continued)

Funding arrangements for employer contributions

### (a) Surplus/deficit

The following is a summary of the 31 December 2008 financial position of the Fund calculated in accordance with AAS 25 "Financial Reporting by Superannuation Plans":

	SASS 31-Dec-08 \$'000	SANCS 31-Dec-08 \$'000	SSS 31-Dec-08 \$'000
Accrued benefits	32,692	7,178	267,077
Net market value of Fund assets	<u>(28,713)</u>	<u>(4,663)</u>	<u>(121,716)</u>
Net (surplus)/deficit	<u>3,979</u>	<u>2,515</u>	<u>145,361</u>

### (b) Contribution recommendations

Recommended contribution rates for the entity are:

SASS	SANCS	SSS
multiple of member contributions	% member salary	multiple of member contributions
-	17	-

### (c) Funding method

The method used to determine the employer contribution recommendations at the last actuarial review was the Aggregate Funding method. The method adopted affects the timing of the cost to the employer.

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.

### (d) Economic assumptions

The economic assumptions adopted for the last actuarial review of the Fund were:

#### Weighted-Average Assumptions

Expected rate of return on Fund assets backing current pension liabilities	7.7% pa
Expected rate of return on Fund assets backing other liabilities	7.0% pa
Expected salary increase rate	4.0% pa
Expected rate of CPI increase	2.5% pa

#### 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.

## Note 24. Provisions (continued)

### Unisuper

The University also contributes to UniSuper (formerly Superannuation 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 amendments to Clause 34 of UniSuper, a defined contribution plan under Accounting Standard AASB 119.

The next formal actuarial review of the DBD is scheduled for 31 December 2008, with the results expected to be reported in May 2009.

As at 30 June 2008, the assets of the DBD in aggregate were estimated to be \$323 million in excess 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 2008, the assets of the DBD in aggregate were estimated to be \$1,456 million in excess of accrued benefits. The accrued benefits have been calculated as the present value of expected future benefit payments to members and CPI indexed pensioners which arise from membership of Unisuper up to the reporting date.

The vested benefit and accrued benefit liabilities were determined by the Fund's actuary, Russell Employee Benefits, using the actuarial demographic assumptions outlined in their report dated 13 July 2006 on the actuarial investigation of the DBD as at 31 December 2005. The financial assumptions used were:

	Vested Benefits	Accrued Benefits
Gross of tax investment return	7.25% p.a.	8.5% p.a.
Net of tax investment return	6.75% p.a.	8.0% p.a.
Consumer Price Index	2.75% p.a.	2.75% p.a.
Inflationary salary increases long term	3.75% p.a.	3.75% p.a.
Inflationary salary increases next three years	5.0% p.a.	5.0% p.a.

(additional promotional salary increases are assumed to apply based on past experience).

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

## Note 24. Provisions (continued)

### Professorial Superannuation Scheme

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.

### Defined Benefit Section Assets

Assets are accumulated within the Scheme to meet the cost of the Non-Contributory Pension ("NCP"). The Administrator has advised that the value of assets held in respect of the NCP and members' accumulation benefits was approximately \$13,446,000 as at 30 September 2008

A summary of the calculation of the Scheme's estimated assets for defined benefit entitlements as at 31 December 2008 is provided in Table 1 as follows:

<u>Table 1 – Estimation of Scheme assets for defined benefit entitlements as at 31 December 2008</u>		
	<u>\$A'000</u>	<u>\$A'000</u>
Assets as provided by the Administrator as at 30 September 2008:		
Total assets	13,446	
Accumulation monies (estimated)	(2,977)	
Total assets value as at 30 September 2008		10,469
Projected cash inflows (1 October 2008 to 31 December 2008)		
University contributions	nil	
Projected cash outflows (1 October 2008 to 31 December 2008)		
Pension payments, expenses and tax	(409)	
Expected investment returns	(1,160)	(1,569)
<u>Estimated net asset value as at 31 December 2008</u>		<u>8,900</u>

The net assets were projected from 1 October 2008 to 31 December 2008 based on the following assumptions:

- projected expenses include administration expenses and tax on University contributions – these were determined on the basis of historic information provided by the Administrator as at 30 September 2008 and assume a 15% tax rate was payable on University contributions (net of expenses);
- University contributions are based on the agreed regular University contribution rate as per the previous valuation of the Scheme as at 30 June 2007.
- an expected rate of return of -11.3% for the period from 1 October 2008 to 31 December 2008, based on change in unit prices provided by the Administrator as at those dates.

## Note 24. Provisions (continued)

### Professorial Superannuation Scheme (continued)

Actuarial Gains or losses

The table below summarises the main elements of the actuarial gain or loss arising during the year:

Table 5 – Actuarial gains and losses arising during the financial year	AASB119
	\$A'000
Actuarial liability gain (loss)	(5,305)
Actuarial asset gain (loss)	(4,881)
Total actuarial gain (loss)	(10,186)

The total net actuarial losses arising under AASB119 over the period were \$10,186,000. The main factors contributing to this were:

- investment returns on the Scheme's assets were significantly less than the 7.9% per annum expected investment return – this contributed to a decrease in the value of the Scheme's assets;
- such lower than expected investment returns resulted in a increase in the provision for tax on future Employer contributions – this contributed to a greater than expected increase in the Scheme's defined benefit liabilities; and
- the gross discount rate decreased from 6.4% per annum to 4.1% per annum – this contributed to a greater than expected increase in the value of the Scheme's defined benefit liabilities.

**Note 25. Other liabilities**

	Notes	Consolidated		Parent entity (University)	
		<b>2008</b> <b>\$'000</b>	2007 \$'000	<b>2008</b> <b>\$'000</b>	2007 \$'000
<b>Current</b>					
HECS Trust Fund		-	894	-	894
Student fees in advance		31,804	24,529	31,804	24,529
Course fees in advance		955	3,539	-	2,727
Other		2,882	1,469	1,757	673
Total current other liabilities		<u>35,641</u>	<u>30,431</u>	<u>33,561</u>	<u>28,823</u>
<b>Non-current</b>					
Other – future leasing of land for private hospital	30	-	-	14,000	14,000
Total non-current other liabilities		<u>-</u>	<u>-</u>	<u>14,000</u>	<u>14,000</u>
<b>Total other liabilities</b>		<u><b>35,641</b></u>	<u><b>30,431</b></u>	<u><b>47,561</b></u>	<u><b>42,823</b></u>

**Note 26. Reserves and retained surplus**

	Notes	Consolidated		Parent entity (University)	
		<b>2008</b> <b>\$'000</b>	2007 \$'000	<b>2008</b> <b>\$'000</b>	2007 \$'000
<b>(a) Reserves</b>					
Property, plant and equipment revaluation reserve		386,082	352,660	386,073	352,660
Available-for-sale investments revaluation reserve		(321)	37,659	(321)	37,659
Balance 31 December		<u>385,761</u>	<u>390,319</u>	<u>385,752</u>	<u>390,319</u>
<b>Movements</b>					
<i>Property, plant and equipment revaluation reserve</i>					
Balance 1 January		352,660	240,769	352,660	240,769
Revaluation – gross	19	33,422	111,891	33,413	111,891
Balance 31 December		<u>386,082</u>	<u>352,660</u>	<u>386,073</u>	<u>352,660</u>
<i>Available-for-sale investments revaluation reserve</i>					
Balance 1 January		37,659	37,158	37,659	37,158
Revaluation - gross	18	(37,980)	501	(37,980)	501
Balance 31 December		<u>(321)</u>	<u>37,659</u>	<u>(321)</u>	<u>37,659</u>
<b>(b) Retained surplus</b>					
Movements in retained surplus were as follows:					
		Consolidated		Parent entity (University)	
		<b>2008</b> <b>\$'000</b>	2007 \$'000	<b>2008</b> <b>\$'000</b>	2007 \$'000
Retained surplus at 1 January		724,972	670,301	702,029	664,390
Adjustment to opening retained surplus		-	225	-	56
Net operating result for the period		26,195	54,446	19,031	37,583
Retained surplus at 31 December		<u>751,167</u>	<u>724,972</u>	<u>721,060</u>	<u>702,029</u>

**Note 26. Reserves and retained surplus (continued)**

	Consolidated		Parent entity (University)	
	<b>2008</b>	2007	<b>2008</b>	2007
	<b>\$'000</b>	\$'000	<b>\$'000</b>	\$'000
<b>Net operating result attributable to parent entity:</b>				
Attributable to retained surplus	26,195	54,446	19,031	37,583
<b>Total net operating result attributable to parent entity</b>	<b>26,195</b>	<b>54,446</b>	<b>19,031</b>	<b>37,583</b>

**(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.

	Consolidated		Parent entity (University)	
	<b>2008</b>	2007	<b>2008</b>	2007
	<b>\$'000</b>	\$'000	<b>\$'000</b>	\$'000
<b>(d) Minority interest</b>				
Interest in:				
Macquarie University Property Investment Trust (MUPIT)	10,049	10,000	-	-
<b>Total minority interest</b>	<b>10,049</b>	<b>10,000</b>	<b>-</b>	<b>-</b>



## Note 27. 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.

#### a) Names of Responsible Persons:

##### University council members:

<u>2008</u>	<u>2007</u>
Brodie, M *	Batliwalla, SM
Burns, A *	Brodie, M *
Coltheart, M *	Brus, G
Coutts, P *	Coltheart, M *
Crouch, E	Coutts, P *
Dodkin, M	Crouch, E
Egan, M	Dodkin, M
Forsythe, P	Egan, M
Irving MG	Irving MG
Johnson, MSJ	Jones, G
Jones, G	Kenny, PV
Kenny, PV	Lincoln, JF
Lincoln, JF	Newman, ML
Lindsay, GJ	Schwartz, S *
Nori, S	Warren, KB
Schwartz, S *	Burns, A *
Smith, A	Johnson, MSJ*
	Keneally, KK
	Kercher, BR*
	Ma, V
	Mueller, NF
	O'Donnell, RM

\* University employees

- Associate Professor Anne Burns became a member on 2 March 2007 and continues in office at the date of this report.
- Professor Michael Sterling James Johnson became ex officio member of the Council on 12 June 2007 and continues in office at the date of this report.
- The Hon Kristina Kerscher Keneally resigned on 18 May 2007.
- Professor Bruce Raward Kercher retired from the University on 20 April 2007 and hence ceased to be an ex officio member of the Council
- Mr Victor Ma resigned from Council effective from 16 May 2007.
- Professor Roderick Macduff O'Donnell retired from the University on 15 February 2007 and hence ceased to be an academic staff elected member of the Council

##### Executive officers of University:

<u>2008</u>	<u>2007</u>
Bowler, P	Bowler, P
Gorman, PJ	Gorman, PJ
Hass, P	Hass, P
Piper, J	More, E
Sachs, J	Piper, J
Schwartz, S	Rothwell, I
Sprague, T	Sachs, J
Trotman, C	Schwartz, S
	Spencer, B
	Sprague, T
	Trotman, C

- Ms P Hass resigned from Macquarie University effectively 08/08/2008

## Note 27. Key management personnel disclosures (continued)

### Directors of University's controlled entities:

#### Centre for Money, Banking and Finance Limited (CMBF):

<u>2008</u>	<u>2007</u>
Davis, EM	Davis, EM
Dolan, P.M	Dolan, P.M
Gabbott, T.M	Loxton, JH
Thorn, JG	Thorn, JG
Tress, RB	Tress, RB
Bowler, P	Bowler, P

#### Australian Proteome Analysis Facility Ltd (APAF):

<u>2008</u>	<u>2007</u>
Baker, M	Baker, M
Ballard, J	Ballard, J
Ellis, A	Bergquist, P
Piper, J	Crossley, PM
	Dawes, I
	Day, D
	Freeman, P
	Kho, CJ
	Piper, J
	Read, L

#### Macquarie Graduate School of Management Pty Ltd (MGSM):

<u>2008</u>	<u>2007</u>
Allan, P	Allan, P
Beerworth, W	Beerworth, W
Bowler, P	Bowler, P
Croucher, J	Croucher, J
Farley, A	Farley, A
Green, R	Green, R
Irving, M	Irving, M
Livingstone, C	Livingstone, C
Warburton, R	Loxton, JH
	Warburton, R

#### Note:

As at 31 December 2008, all but Bowler, P and Irving, M have resigned.

#### Access Macquarie Ltd:

<u>2008</u>	<u>2007</u>
Bowler, P	Bowler, P
Ellis, A	Deane, E
Jenkins, P	Friend, J
Jones, S	Jenkins, P
Piper, J	Jones, S
	Loxton, JH
	Piper, J
	Rothwell, I
	Schwartz, S

## Note 27. Key management personnel disclosures (continued)

### Directors of University's controlled entities:

#### LAMS International Pty Ltd:

<u>2008</u>	<u>2007</u>
Dalziel, J	Dalziel, J
Rothwell, I	Rothwell, I

#### LAMS Foundation Ltd:

<u>2008</u>	<u>2007</u>
Dalziel, J	Dalziel, J
Piper, J	Piper, J
Rothwell, I	Rothwell, I

#### U@MQ Ltd:

<u>2008</u>	<u>2007</u>
Bowler, P	Bowler, P
Dodkin, M	Dodkin, M
Hughes, W	Hughes, W
Osmand, D	Mueller, N
Shepherd, J	Osmand, D
Smith, A	Shepherd, J
Tongue, R	Spencer, B
Wall, M	Tongue, R
	Wall, M

#### Macquarie University Property Investment Ltd (MUPIT):

<u>2008</u>	<u>2007</u>
Briggs, A	Briggs, A
Gorman, J	Gorman, J
Irving, M	Rothwell, I
Bowler, P	Irving, M
	Bowler, P
	Dodd, P

#### Risk Frontiers Pty Ltd

<u>2008</u>
Castle, M
Bolling, D
Leigh, R
McAneney, KJ

All of the above persons were also key management persons during the year ended 31 December 2008.

## Note 27. Key management personnel disclosures (continued)

### (b) Remuneration of Board Members and Executives

				Consolidated		Parent entity (University)	
				2008	2007	2008	2007
				Number		Number	
<b>Remuneration of Board Members</b>							
Nil	to	\$	9,999	27	55	16	18
\$	20,000	to \$	29,999	1	1	-	-
\$	30,000	to \$	39,999	-	-	-	-
\$	50,000	to \$	59,999	-	-	-	-
\$	120,000	to \$	129,999	-	-	-	-
\$	190,000	to \$	199,999	-	-	-	-
\$	200,000	to \$	209,999	-	-	-	-
Aggregate remuneration of board members (\$'000)				\$ 20	\$ 20		

				Consolidated		Parent entity (University)	
				2008	2007	2008	2007
				Number		Number	
<b>Remuneration of executive officers</b>							
\$	20,000	to \$	29,999	-	1	-	1
\$	50,000	to \$	59,999	-	1	-	1
\$	90,000	to \$	99,999	2	1	-	1
\$	100,000	to \$	109,999	2	-	-	-
\$	120,000	to \$	129,999	1	-	-	-
\$	140,000	to \$	149,999	2	-	-	-
\$	150,000	to \$	159,999	1	1	1	-
\$	160,000	to \$	169,999	2	1	-	-
\$	170,000	to \$	179,999	-	1	-	-
\$	180,000	to \$	189,999	-	1	-	-
\$	190,000	to \$	199,999	2	-	-	-
\$	230,000	to \$	239,999	-	1	-	1
\$	250,000	to \$	259,999	1	-	-	-
\$	290,000	to \$	299,999	-	1	-	1
\$	300,000	to \$	309,999	-	1	-	1
\$	330,000	to \$	339,999	-	1	-	1
\$	340,000	to \$	349,999	2	-	2	-
\$	350,000	to \$	359,999	-	1	-	1
\$	370,000	to \$	379,999	2	-	2	-
\$	400,000	to \$	409,999	1	1	1	1
\$	410,000	to \$	419,999	1	-	1	-
\$	750,000	to \$	759,999	1	-	1	-
\$	810,000	to \$	819,999	-	1	-	1
\$	830,000	to \$	839,999	-	1	-	1
Numbers of people				20	15	8	11

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 with which it is expected the University would have adopted for a normal employee, customer or supplier relationship.

**Note 27. Key management personnel disclosures (continued)**

	Consolidated		Parent entity (University)	
	<b>2008</b> <b>\$'000</b>	2007 \$'000	<b>2008</b> <b>\$'000</b>	2007 \$'000
<b>(c) Key management personnel compensation</b>				
Short-term employee benefits	4,874	3,660	3,174	3,130
Termination benefits	-	607	-	607
Balance as at 31 December	<u>4,874</u>	<u>4,267</u>	<u>3,174</u>	<u>3,737</u>

**Note 28. Remuneration of auditors**

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

	Consolidated		Parent entity (University)	
	<b>2008</b> <b>\$'000</b>	2007 \$'000	<b>2008</b> <b>\$'000</b>	2007 \$'000
<b>Assurance services</b>				
<b>1. Audit services</b>				
Fees to The Audit Office of NSW:				
Audit and review of financial reports and other audit work under the Corporations Act 2001	530	362	287	237
<b>Total remuneration for audit services</b>	<u>530</u>	<u>362</u>	<u>287</u>	<u>237</u>
<b>2. Other assurance services</b>				
Fees paid to The Audit Office of NSW:				
Other assurance services	5	9	5	4
<b>Total remuneration for other assurance services</b>	<u>5</u>	<u>9</u>	<u>5</u>	<u>4</u>
<b>Total remuneration for assurance services</b>	<u>535</u>	<u>371</u>	<u>292</u>	<u>241</u>

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.

## Note 29. Commitments

Capital expenditure contracted for various building capital projects at the reporting date but not recognised as liabilities as at 31 December 2008 were:

	Consolidated		Parent entity (University)	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
<i>Property, plant and equipment</i>				
Payable:				
Within one year	61,636	104,807	9,294	44,574
Later than one year but not later than five years	-	59,629	-	-
<b>Total capital commitment (including GST)</b>	<b>61,636</b>	<b>164,436</b>	<b>9,294</b>	<b>44,574</b>

Included in the above capital commitment expenditures:

Australian Film, Television and Radio School (AFTRS) for 2007

On 7th July 2006, the University executed a Deed of Surrender of Land and Sale of Assets with AFTRS. The negotiated price payable by Macquarie University is \$35,000,000 plus GST. Settlement occurred upon AFTRS relocation to new premises at Fox Studios, in June 2008.

The Macquarie University Private Hospital Trust is constructing the Macquarie University Hospital and Clinic at a value of \$113 million over the period 2008 to 2010.

### (b) Lease commitments

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

	Consolidated		Parent entity (University)	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
Commitments in relation to leases contracted for at the reporting date but not recognised as liabilities, payable:				
Within one year	1,937	2,271	858	539
Later than one year but not later than five years	2,976	3,298	1,068	557
Later than five years	6	2	6	2
	<b>4,919</b>	<b>5,571</b>	<b>1,932</b>	<b>1,098</b>
Representing:				
Cancellable operating leases	50	48	50	48
Non-cancellable operating leases	1,913	4,254	1,882	1,050
Future finance charges on finance leases	-	-	-	-
<b>Total operating leases commitment (including GST)</b>	<b>1,963</b>	<b>4,302</b>	<b>1,932</b>	<b>1,098</b>

#### (i) Operating leases - non cancellable

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

	Consolidated		Parent entity (University)	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:				
Within one year	857	1,263	841	511
Later than one year but not later than five years	1,056	2,991	1,041	539
Later than five years	-	-	-	-
<b>Total operating leases commitments (including GST)</b>	<b>1,913</b>	<b>4,254</b>	<b>1,882</b>	<b>1,050</b>

## Note 29. Commitments (continued)

### (ii) Finance leases - as lessee

	Consolidated		Parent entity (University)	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
Commitments for minimum lease payments in relation to finance leases are payable as follows:				
Within one year	94	94	-	-
Later than one year but not later than five years	208	302	-	-
less: future finance charge	(38)	(64)	-	-
Total finance leasing commitments (including GST)	<u>264</u>	<u>332</u>	<u>-</u>	<u>-</u>

### (iii) Finance leases - as lessor

	Consolidated		Parent entity (University)	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
Minimum future lease payments receivables in relation to finance leases are as follows:				
Within one year	1,724	1,724	1,724	1,724
Later than one year but not later than five years	6,896	6,896	6,896	6,896
Later than five years	37,928	39,652	37,928	39,652
less: unearned finance income	(24,761)	(26,198)	(24,761)	(26,198)
Total finance leasing commitments (including GST)	<u>21,787</u>	<u>22,074</u>	<u>21,787</u>	<u>22,074</u>

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.

### (iv) Operating property leases

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

	Consolidated		Parent entity (University)	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:				
Within one year	1,590	1,517	527	537
Later than one year but not later than five years	1,893	840	-	551
Total operating property leasing commitments (including GST)	<u>3,483</u>	<u>2,357</u>	<u>527</u>	<u>1,088</u>

### (c) Other expenditure commitments

	Consolidated		Parent entity (University)	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
Commitments for goods and services in existence at the reporting date but not recognised as liabilities, payable:				
Within one year	9,340	17,505	9,340	17,505
Later than one year but not later than five years	-	-	-	-
Total other expenditure commitments (including GST)	<u>9,340</u>	<u>17,505</u>	<u>9,340</u>	<u>17,505</u>

## **Note 30. Contingencies**

### **Contingent Liabilities**

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

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

## **Note 31. Related parties**

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).

As at 31 December 2008, the University is the ultimate parent entity of twenty three operational wholly owned controlled entities (refer Note 31).

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

### **a) Centre for Money, Banking and Finance Limited (CMBF)**

The Company, limited by guarantee, was incorporated in 1987 to promote research and education in the areas of domestic and international monetary economics, financial institutions, capital markets, banking, finance and insurance. The liability per member is limited to twenty dollars (\$20.00).

### **b) Access Macquarie Ltd (AccessMQ)**

Access Macquarie Ltd, limited by guarantee, was established in 1989 to provide expansion and enhancement of the University's role in research consultancies and the training of researchers, while providing an avenue for commercial and government organisations to access the knowledge and expertise of academic staff of the University on a consulting basis. The liability per member is limited to one dollar (\$1.00). Additionally, AccessMQ Ltd has control over Risk Frontiers Flood (Australia) Limited and Risk Frontiers Group Pty Ltd.

### **c) Macquarie Graduate School of Management Pty Limited (MGSM)**

Macquarie Graduate School of Management Pty Limited (MGSM), limited by shares, was incorporated in August 1990 to encourage, promote and maintain the development and improvement of management education in Australia. The Company runs the postgraduate degree programs (including MBA) on behalf of University and offers publicly a wide range of executive development programs, from one-day seminars and conferences to a 5 day course Foundation of General Management. In addition, the Company designs and presents in-house programs tailored to the needs of public and private sector organisations who seek assistance in developing the expertise of their managers in a variety of management areas. The Company also provides a conference and accommodation centre for hire to companies who wish to use its facilities to run their own functions or programs. The University owns 100 \$1 ordinary shares of the Company.



## Note 31. Related parties (continued)

### d) Australian Proteome Analysis Facility Ltd (APAF)

The company (APAF), is limited by guarantee and, was incorporated in August 2003 to administer the Major National Research Facility known as the Australian Proteome Analysis Facility which, provides the biotechnology community of Australia the highest level of technology in proteomics. The liability per member is limited to ten dollars (\$10.00).

### e) LAMS Foundation Ltd

The company is a not-for-profit organisation, limited by guarantee, incorporated in February 2004 and, manages research and development into LAMS (Learning Activity Management System) and the concept of Learning Design. The LAMS Foundation collaborates with LAMS International to foster the adoption and implementation of LAMS across all education sectors. The liability per member is limited to one dollar (\$1.00).

### f) U@MQ Ltd

U@MQ is the new not-for-profit Macquarie University student organisation that merges the University's existing facilities of food, sport and recreation, club and societies, child care and entertainment. The company has been set up to provide a new, exciting vision for campus life through combining the existing services of Students@Macquarie (SAM) and Macquarie University Sports and Recreation (MUSR). The company, U@MQ is limited by guarantee, with Macquarie University as its sole member.

### g) Macquarie University Property Investment Trust (MUPIT)

Macquarie University Property Investment Company Pty Ltd is the Trustee for the Macquarie University Property Investment Trust. The trust was established for the purpose of developing Macquarie University Private Hospital to facilitate advanced medical teaching and research for the newly established Australian School of Advanced Medicine at Macquarie University. The following entities were established for the construction phase of the private hospital: MUPI Holding Trust No. 1, MUPI Holding Trust No. 2, MUPI Holding Trust No. 3, MUPI Holding Trust No. 4, MUPI Holding Trust No. 5, MUPI Holding Trust No. 6, MUPIT Sub-trust No. 1, MUPIT Sub-trust No. 2, MUPIT Sub-trust No. 3, MUPIT Sub-trust No. 4, Macquarie University Private Hospital Trust, MUPH Clinic Sub-trust, MUPH Hospital Sub-trust, Macquarie University Property Investment Trust, Macquarie University Property Investment Company Pty Ltd, Macquarie University Property Investment Company No. 2 Pty Ltd, MU Private Hospital Pty Limited, MUPH Clinic Pty Limited, MUPH Hospital Pty Limited.

### h) LAMS International Pty Ltd (LAMS Intl)

The company is limited by shares and, was incorporated in February 2004. It is a commercial services company established to assist with implementation and technical support for LAMS, working in conjunction with the LAMS Foundation. The University owns 55 \$1 ordinary shares of the company. The outside equity interest is considered not material and is not disclosed separately.

### i) Medical Research Foundation Limited

The Macquarie University Medical Research Foundation Ltd was established in 2007 to act as the Trustee of the foundation. Its purpose is to attract financial support to provide research funds for the activities of the Australian School of Advanced Medicine (ASAM), a department of the Macquarie University.

The company is limited by guarantee and Macquarie University is the sole member of the Foundation.

### Note 31. Related parties (continued)

a) The result of operations of related parties for the year ended 31 December 2008

	CMBF	APAF	MGSM	ACCESSMQ	LAMS INTL	U@MQ	MEDRES	MUPIT	TOTAL
Operating income	2,889	1,269	29,560	30,212	168	23,860	323	2,555	90,836
Operating expense	2,721	1,078	24,684	28,323	106	23,835	323	2,529	83,631
Operating result	168	191	4,876	1,889	62	25	-	26	7,205

b) The Balance Sheet of the controlled entities as at 31 December 2008

	CMBF	APAF	MGSM	ACCESSMQ	LAMS INTL	U@MQ	MEDRES	MUPIT	TOTAL
Current assets	1,168	1,140	14,056	16,569	171	10,138	-	942	44,184
Non-current assets	14	-	1,355	1,418	32	7,954	-	90,387	101,160
Total assets	1,182	1,140	15,411	17,987	203	18,092	-	91,329	145,344
Current liabilities	133	703	6,071	12,283	37	2,902	-	6,287	28,416
Non-current liabilities	14	-	326	-	-	413	-	58,598	59,351
Total liabilities	147	703	6,397	12,283	37	3,315	-	64,885	87,767
Net assets	1,035	437	9,014	5,704	166	14,777	-	26,444	57,577
Represented by:									
Reserves						9			
Retained profit/(losses)	1,035	437	9,014	5,704	166	14,768	-	26,444	57,577

Note: each of the above subsidiaries is incorporated in Australia

**Note 31. Related parties (continued)**

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

Name of entity	Country of incorporation	Principal Activity	Equity Holding 2008	Equity Holding 2007
Centre for Money, Banking and Finance Limited (CMBF)	Australia	management of consulting, educational services and administration	100%	100%
Australian Proteome Analysis Facility Ltd (APAF)	Australia	management of advanced proteomics and protein chemistry services	100%	100%
Macquarie Graduate School of Management Pty Limited (MGSM)	Australia	management of education, award courses, and research	100%	100%
Access Macquarie Ltd (AccessMQ)	Australia	management of research, consulting and commercialisation services	100%	100%
LAMS International Pty Ltd (LAMS Intl)	Australia	development and sales of LAMS software and support services	77%	77%
LAMS Foundation Limited	Australia	provide facilities for members of University community	100%	100%
U@MQ Ltd	Australia	management of research for Australian School of Advanced Medicine	100%	100%
Macquarie University Medical Research Foundation Ltd	Australia	management of research for Australian School of Advanced Medicine	100%	100%
Macquarie University Medical Research Trust	Australia	management of research for Australian School of Advanced Medicine	100%	100%
Macquarie University Private Hospital Trust	Australia	management of research for Australian School of Advanced Medicine	62%	62%
Macquarie University Private Hospital (MUPH) Clinic Pty Ltd	Australia	management of research for Australian School of Advanced Medicine	62%	62%
Macquarie University Private Hospital (MUPH) Clinic Sub-Trust	Australia	management of research for Australian School of Advanced Medicine	62%	62%
Macquarie University Private Hospital (MUPH) Hospital Pty Ltd	Australia	management of research for Australian School of Advanced Medicine	62%	62%
Macquarie University Private Hospital (MUPH) Sub-Trust	Australia	management of research for Australian School of Advanced Medicine	62%	62%
Macquarie University Property Investment Trust (MUPIT)	Australia	management of research for Australian School of Advanced Medicine	62%	62%
Macquarie University Property Investment Company No. 2 Pty Ltd	Australia	developing of private hospital for medical teaching and research	100%	100%
Macquarie University Property Investment Company Pty Ltd	Australia	developing of private hospital for medical teaching and research	100%	100%
Macquarie University Property Investment Ltd (MUPIT) Sub-Trust No.1	Australia	developing of private hospital for medical teaching and research	100%	100%
Macquarie University Property Investment Ltd (MUPIT) Sub-Trust No.2	Australia	developing of private hospital for medical teaching and research	100%	100%
Macquarie University Property Investment Ltd (MUPIT) Sub-Trust No.3	Australia	developing of private hospital for medical teaching and research	100%	100%
Macquarie University Property Investment Ltd (MUPIT) Sub-Trust No.4	Australia	developing of private hospital for medical teaching and research	100%	100%
Macquarie University Property Investment Trust (MUPIT) Holding Trust No. 1	Australia	developing of private hospital for medical teaching and research	100%	100%
Macquarie University Property Investment Trust (MUPIT) Holding Trust No. 2	Australia	developing of private hospital for medical teaching and research	100%	100%
Macquarie University Property Investment Trust (MUPIT) Holding Trust No. 3	Australia	developing of private hospital for medical teaching and research	100%	100%
Macquarie University Property Investment Trust (MUPIT) Holding Trust No. 4	Australia	developing of private hospital for medical teaching and research	100%	100%
Macquarie University Property Investment Trust (MUPIT) Holding Trust No. 5	Australia	developing of private hospital for medical teaching and research	100%	100%
Macquarie University Property Investment Trust (MUPIT) Holding Trust No. 6	Australia	developing of private hospital for medical teaching and research	100%	100%
Risk Frontiers Group Pty Ltd	Australia	qualitative natural hazard risk assessment and management	100%	0%
Risk Frontiers Flood (Australia) Pty Ltd	Australia	qualitative natural hazard risk assessment and management	100%	0%

## **Note 32. Joint ventures, associates, and minority interests**

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

#### **1. Sydney Educational Broadcasting Limited**

The University has a 50% joint venture interest in the F.M. radio station, 2SER-FM. The University of Technology, Sydney holds the remaining 50% interest in the station. The University's contribution to the operations of the company in 2008 was \$202,000 (2007: \$127,000). The company is independently audited by the Auditor-General of New South Wales and its Financial Report is not included in the Consolidated Financial Report of the University.

#### **2. Med-Aesthetics Solutions International Pty Ltd (formerly: Lighthouse Technologies Pty Ltd)**

Med-Aesthetics Solutions International Pty Ltd (formerly: Lighthouse Technologies Pty Ltd) was established to commercialise the yellow laser invention. The University did not adopt equity accounting as its share of results of operations, assets, liabilities and equity is not considered material. The University's contributions to the joint venture's have been included in the financial report of the University. The University holds 9.1% beneficial interest and 3.78% direct interest.

#### **3. Sydney Institute Marine Science Limited**

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

**Note 33. Reconciliation of operating result after income tax to net cash flows from operating activities**

	Notes	Consolidated		Parent entity (University)	
		2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
Operating result for the period		26,236	54,446	19,031	37,583
Depreciation and amortisation	10	29,184	27,125	27,492	26,477
Net (gain)/ loss on sale of non-current assets		12	21	-	-
(Gain)/Loss on disposal of fixed assets		456	2,076	456	2,076
(Gain)/Loss on disposal of investments		(3,608)	(1,389)	(3,608)	(1,389)
Gains on other financial assets at fair value through profit or loss		-	9	-	-
Non cash donated assets		17,391	(728)	17,391	(728)
Provision for Diminution of shares		-	695	-	695
(Increase)/ decrease in trade debtors		(154,033)	27,779	(151,647)	24,013
(Increase) /decrease in inventories		(314)	(116)	-	291
(Increase)/ decrease in prepayments		(3,891)	(3,891)	(3,891)	(3,629)
Decrease in other financial assets at fair value through profit or loss		(1)	(108)	-	(50)
(Increase)/ decrease in operating assets		12	44	-	-
Increase/ (decrease) in operating liabilities		(3)	262	-	-
Increase/ (decrease) in trade creditors		2,236	(4,039)	(3,717)	(6,099)
Increase /(decrease) in prepaid income		4,499	(3,531)	4,499	(3,945)
Increase /(decrease) in other liabilities		-	(24,719)	-	(25,373)
Increase /(decrease) in provisions for employee entitlements		161,068	-	161,068	-
Increase (decrease) in others		1,100	46	-	-
Net cash provided by/ (used in) operating activities		<u>80,344</u>	<u>73,982</u>	<u>67,074</u>	<u>49,922</u>

## Note 34. Financial Instruments

### 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.

2008 Consolidated	Floating interest rate \$'000	1 year or less \$'000	Fixed interest maturing in:					Non- interest bearing \$'000	Total \$'000
			Over 1 to 2 years \$'000	Over 2 to 3 years \$'000	Over 3 to 4 years \$'000	Over 4 to 5 years \$'000	Over 5 years \$'000		
<b>Financial assets</b>									
Cash	90,209	15,610	-	-	-	-	-	1,435	107,254
Receivables	-	-	-	-	-	-	-	296,027	296,027
Finance lease receivable	-	307	327	349	372	397	20,035	-	21,787
Other financial assets	66,223	15,214	-	-	-	-	-	-	81,437
Listed investments	358	-	-	-	-	-	-	38,544	38,902
Unquoted investments	-	-	-	-	-	-	-	3,613	3,613
	<u>156,790</u>	<u>31,131</u>	<u>327</u>	<u>349</u>	<u>372</u>	<u>397</u>	<u>20,035</u>	<u>339,619</u>	<u>549,020</u>
Weighted average interest rate	6.541%	6.358%	6.702%	6.702%	6.702%	6.702%	6.702%		
<b>Financial liabilities</b>									
Payables	-	-	-	-	-	-	-	42,038	42,038
Borrowings	28,984	1,682	30,665	1,682	1,682	1,682	10,648	265	77,292
	<u>28,984</u>	<u>1,682</u>	<u>30,665</u>	<u>1,682</u>	<u>1,682</u>	<u>1,682</u>	<u>10,648</u>	<u>42,303</u>	<u>119,330</u>
Weighted average interest rate	7.300%	7.035%	7.285%	7.035%	7.035%	7.035%	7.035%		
<b>Net financial assets (liabilities)</b>	<u>127,806</u>	<u>29,449</u>	<u>(30,338)</u>	<u>(1,333)</u>	<u>(1,310)</u>	<u>(1,285)</u>	<u>9,387</u>	<u>297,316</u>	<u>429,690</u>

2007 Consolidated	Floating interest rate \$'000	1 year or less \$'000	Fixed interest maturing in:					Non- interest bearing \$'000	Total \$'000
			Over 1 to 2 years \$'000	Over 2 to 3 years \$'000	Over 3 to 4 years \$'000	Over 4 to 5 years \$'000	Over 5 years \$'000		
<b>Financial assets</b>									
Cash	116,742	3,766	-	-	-	-	-	6	120,514
Receivables	-	-	-	-	-	-	-	143,490	143,490
Finance lease receivable	-	287	307	327	349	372	20,432	-	22,074
Other financial assets	55,795	13,801	1,000	-	-	-	-	-	70,596
Listed investments	495	-	-	-	-	-	-	92,749	93,244
Unquoted investments	-	-	-	-	-	-	-	9,731	9,731
	<u>173,032</u>	<u>17,854</u>	<u>1,307</u>	<u>327</u>	<u>349</u>	<u>372</u>	<u>20,432</u>	<u>245,976</u>	<u>459,649</u>
Weighted average interest rate	5.851%	6.904%	7.04%	6.702%	6.702%	6.702%	6.702%		
<b>Financial liabilities</b>									
Payables	-	-	-	-	-	-	-	37,983	37,983
Borrowings	-	1,682	1,682	1,682	1,682	1,682	12,333	-	20,743
	<u>-</u>	<u>1,682</u>	<u>1,682</u>	<u>1,682</u>	<u>1,682</u>	<u>1,682</u>	<u>12,333</u>	<u>37,983</u>	<u>58,726</u>
Weighted average interest rate		7.035%	7.035%	7.035%	7.035%	7.035%	7.035%		
<b>Net financial assets (liabilities)</b>	<u>173,032</u>	<u>16,172</u>	<u>(375)</u>	<u>(1,355)</u>	<u>(1,333)</u>	<u>(1,310)</u>	<u>8,099</u>	<u>207,993</u>	<u>400,923</u>

## Note 34. Financial Instruments (continued)

2008 Parent entity (University)	Floating interest rate \$'000	1 year or less \$'000	Fixed interest maturing in:					Over 5 years \$'000	Non- interest bearing \$'000	Total \$'000
			Over 1 to 2 years \$'000	Over 2 to 3 years \$'000	Over 3 to 4 years \$'000	Over 4 to 5 years \$'000				
<b>Financial assets</b>										
Cash	73,784	-	-	-	-	-	-	-	6	73,790
Receivables	-	-	-	-	-	-	-	-	293,793	293,793
Finance lease receivable	-	307	327	349	372	397	20,035	-	-	21,787
Other financial assets	66,223	14,811	-	-	-	-	-	-	-	81,034
Listed investments	358	-	-	-	-	-	-	-	38,544	38,902
Unquoted investments	-	-	-	-	-	-	-	-	21,025	21,025
	<b>140,365</b>	<b>15,118</b>	<b>327</b>	<b>349</b>	<b>372</b>	<b>397</b>	<b>20,035</b>	<b>353,368</b>	<b>530,331</b>	
Weighted average interest rate	6.623%	5.895%	6.702%	6.702%	6.702%	6.702%	6.702%	6.702%		
<b>Financial liabilities</b>										
Payables	-	-	-	-	-	-	-	-	25,125	25,125
Borrowings	-	1,682	1,682	1,682	1,682	1,682	10,648	-	-	19,060
	-	1,682	1,682	1,682	1,682	1,682	10,648	25,125	-	44,185
Weighted average interest rate		7.035%	7.035%	7.035%	7.035%	7.035%	7.035%	7.035%		
<b>Net financial assets (liabilities)</b>	<b>140,365</b>	<b>13,436</b>	<b>(1,355)</b>	<b>(1,333)</b>	<b>(1,310)</b>	<b>(1,285)</b>	<b>9,387</b>	<b>328,243</b>	<b>486,146</b>	

2007 Parent entity (University)	Floating interest rate \$'000	1 year or less \$'000	Fixed interest maturing in:					Over 5 years \$'000	Non- interest bearing \$'000	Total \$'000
			Over 1 to 2 years \$'000	Over 2 to 3 years \$'000	Over 3 to 4 years \$'000	Over 4 to 5 years \$'000				
<b>Financial assets</b>										
Cash	91,964	-	-	-	-	-	-	-	6	91,970
Receivables	-	-	-	-	-	-	-	-	142,170	142,170
Finance lease receivable	-	287	307	327	349	372	20,432	-	-	22,074
Other financial assets	55,795	13,361	1,000	-	-	-	-	-	-	70,156
Listed investments	495	-	-	-	-	-	-	-	92,749	93,244
Unquoted investments	-	-	-	-	-	-	-	-	23,981	23,981
	<b>148,254</b>	<b>13,648</b>	<b>1,307</b>	<b>327</b>	<b>349</b>	<b>372</b>	<b>20,432</b>	<b>258,906</b>	<b>443,595</b>	
Weighted average interest rate	5.990%	6.923%	7.04%	6.702%	6.702%	6.702%	6.702%	6.702%		
<b>Financial liabilities</b>										
Payables	-	-	-	-	-	-	-	-	29,265	29,265
Borrowings	-	1,682	1,682	1,682	1,682	1,682	12,333	-	-	20,743
	-	1,682	1,682	1,682	1,682	1,682	12,333	29,265	-	50,008
Weighted average interest rate		7.035%	7.035%	7.035%	7.035%	7.035%	7.035%	7.035%		
<b>Net financial assets (liabilities)</b>	<b>148,254</b>	<b>11,966</b>	<b>(375)</b>	<b>(1,355)</b>	<b>(1,333)</b>	<b>(1,310)</b>	<b>8,099</b>	<b>229,641</b>	<b>393,587</b>	

## Note 34. Financial Instruments (continued)

### 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's Balance Sheet.

2008 Consolidated	Governments	Financial Institution:	Students	Others	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial assets</b>					
Cash assets	-	107,248	-	6	107,254
Receivables	270,571	6,939	3,665	14,852	296,027
Finance lease receivable	-	-	-	21,787	21,787
Other financial assets	65,831	15,606	-	-	81,437
Listed investments	-	13,360	-	25,542	38,902
Unquoted investments	-	-	-	3,613	3,613
<b>Total financial assets</b>	<b>336,402</b>	<b>143,153</b>	<b>3,665</b>	<b>65,800</b>	<b>549,020</b>

2007 Consolidated	Governments	Financial Institution:	Students	Others	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial assets</b>					
Cash assets	-	120,508	-	6	120,514
Receivables	122,476	2,113	3,068	15,833	143,490
Finance lease receivable	-	-	-	22,074	22,074
Other financial assets	23,905	1,250	-	45,441	70,596
Listed investments	-	11,695	-	81,549	93,244
Unquoted investments	-	-	-	9,731	9,731
<b>Total financial assets</b>	<b>146,381</b>	<b>135,566</b>	<b>3,068</b>	<b>174,634</b>	<b>459,649</b>



## Note 34. Financial Instruments (continued)

### 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 University's maximum exposure to credit risk is represented by the carrying amounts of the financial assets included in the University's Balance Sheet.

2008 Parent entity (University)	Governments \$'000	Financial Institutions \$'000	Students \$'000	Others \$'000	Total \$'000
<b>Financial assets</b>					
Cash assets	-	73,784	-	6	73,790
Receivables	270,392	961	3,665	18,775	293,793
Finance lease receivable	-	-	-	21,787	21,787
Other financial assets	65,831	15,203	-	-	81,034
Listed investments	-	13,360	-	25,542	38,902
Unquoted investments	-	-	-	21,025	21,025
<b>Total financial assets</b>	<b>336,223</b>	<b>103,308</b>	<b>3,665</b>	<b>87,135</b>	<b>530,331</b>

2007 Parent entity (University)	Governments \$'000	Financial Institutions \$'000	Students \$'000	Others \$'000	Total \$'000
<b>Financial assets</b>					
Cash assets	-	91,964	-	6	91,970
Receivables	122,476	2,113	3,068	14,513	142,170
Finance lease receivable	-	-	-	22,074	22,074
Other financial assets	23,905	1,250	-	45,001	70,156
Listed investments	-	11,695	-	81,549	93,244
Unquoted investments	-	-	-	23,981	23,981
<b>Total financial assets</b>	<b>146,381</b>	<b>107,022</b>	<b>3,068</b>	<b>187,124</b>	<b>443,595</b>

In 2008, Macquarie University does not have any significant exposure to any individual customer or counterparty, other than the above.

### Financing facilities

There was no formal overdraft facility in place as at 31 December 2008. There was an unused Letter of Credit facility of \$70,000 with National Australia Bank at the year-end. There were also unused credit card facilities with National Australia Bank and Commonwealth Bank of Australia with total of \$2.90m 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 2008 was \$12.911 million (in 2007 was \$13.483 million).

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

The average interest rate of the loan was at 7.30% for the period of the loan and the current drawn down amount is \$57.97 million.

The balance of the loan outstanding after allowing for amortised cost adjustment as at 31 December 2008 was \$63.53 million (in 2007 was nil).

## Note 34. Financial Instruments (continued)

### Fair value of financial assets and liabilities

The carrying amounts and fair values of financial assets and liabilities at balance date are:

2008	Total Carrying Amount		Fair Value	
	Consolidated \$'000	Parent Entity (University) \$'000	Consolidated \$'000	Parent Entity (University) \$'000
<b>Financial assets</b>				
Cash and cash equivalents	107,254	73,790	107,254	73,790
Receivables	296,027	293,793	296,027	293,793
Finance lease receivable	21,787	21,787	21,787	21,787
Other financial assets	123,952	140,961	123,952	140,961
<b>Total financial assets</b>	<b>549,020</b>	<b>530,331</b>	<b>549,020</b>	<b>530,331</b>
<b>Financial liabilities</b>				
Payables	42,038	25,125	42,038	25,125
Borrowings	77,292	19,060	77,292	19,060
<b>Total financial liabilities</b>	<b>119,330</b>	<b>44,185</b>	<b>119,330</b>	<b>44,185</b>

2007	Total Carrying Amount		Fair Value	
	Consolidated \$'000	Parent Entity (University) \$'000	Consolidated \$'000	Parent Entity (University) \$'000
<b>Financial assets</b>				
Cash and cash equivalents	120,514	91,970	120,514	91,970
Receivables	143,490	142,170	143,490	142,170
Finance lease receivable	22,074	22,074	22,074	22,074
Other financial assets	173,571	187,381	173,571	187,381
<b>Total financial assets</b>	<b>459,649</b>	<b>443,595</b>	<b>459,649</b>	<b>443,595</b>
<b>Financial liabilities</b>				
Payables	37,983	29,265	37,983	29,265
Borrowings	20,743	20,743	20,743	20,743
<b>Total financial liabilities</b>	<b>58,726</b>	<b>50,008</b>	<b>58,726</b>	<b>50,008</b>

## Note 34. Financial Instruments (continued)

### Financial risk management

The University's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The University's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The University does not use derivative financial instruments such as foreign exchange contracts and interest rate swaps to hedge certain risk exposures. The University uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and other price risks, ageing analysis for credit risk and beta analysis in respect of investment portfolios to determine market risk.

The University's Finance and Facilities Committee reviews the University's Financial Risk at each of its bi-monthly meetings. The University's Investment Policy and Strategy has been determined by the Finance and Facilities Committee and is also reviewed against performance by senior University management. The University has minimal exposure to Foreign Exchange risk and does not use derivative instruments. In respect of interest rate risk the University entered into a loan for the construction of student housing. The interest rate on this loan is fixed at 7.035%. The University has issued a guarantee to the National Australia Bank in respect of a construction loan for the Macquarie University Hospital. The interest rate policy on this loan is a matter for the board of the MUPH sub-trust.

#### (a) Market Risk

##### (i) Foreign exchange risk

The University is exposed to fluctuations in foreign currencies arising from the purchase of goods and services in currencies other than the University's functional currency. Foreign currency requirements have been purchased at spot rates. The University have not used foreign currency derivative products.

##### (ii) Price risk

The University is exposed to equity securities price risk. This arises from investments held by the University and classified on the balance sheet as available for sale. The University has no exposure to commodity price risk.

##### (iii) Cash flow and fair value interest rate risk

Although the University carries debt, the debt is at a fixed rate of interest. Interest rate risk relates to investments. All other financial assets and liabilities are non-interest bearing.

## Note 34. Financial Instruments

### (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 31 December 2008	Carrying amount	Interest rate risk				Other price risk			
		-1%		+1%		-10%		+10%	
		Result	Equity	Result	Equity	Result	Equity	Result	Equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial assets</b>									
Cash	107,254	(1,073)	-	1,073	-	-	-	-	-
Receivables	296,027	-	-	-	-	-	-	-	-
Finance lease receivable	21,787	-	(218)	-	218	-	(2,179)	-	2,179
Other financial assets	81,437	-	(814)	-	814	-	(8,144)	-	8,144
Listed investments	38,902	-	(389)	-	389	-	(3,890)	-	3,890
Unquoted investments	3,613	-	(36)	-	36	-	(361)	-	361
<b>Financial liabilities</b>									
Payables	42,038	-	-	-	-	-	-	-	-
Borrowings	77,292	-	-	-	-	-	-	-	-
<b>Grand total increase/ (decrease)</b>		<b>(1,073)</b>	<b>(1,457)</b>	<b>1,073</b>	<b>1,457</b>	<b>-</b>	<b>(14,574)</b>	<b>-</b>	<b>14,574</b>

Consolidated 31 December 2007	Carrying amount	Interest rate risk				Other price risk			
		-1%		+1%		-10%		+10%	
		Result	Equity	Result	Equity	Result	Equity	Result	Equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial assets</b>									
Cash	120,514	(1,205)	-	1,205	-	-	-	-	-
Receivables	143,490	-	-	-	-	-	-	-	-
Finance lease receivable	22,074	-	(221)	-	221	-	(2,207)	-	2,207
Other financial assets	70,596	-	(706)	-	706	-	-	-	-
Listed investments	93,244	-	(932)	-	932	-	(9,324)	-	9,324
Unquoted investments	9,731	-	(97)	-	97	-	(973)	-	973
<b>Financial liabilities</b>									
Payables	37,983	-	-	-	-	-	-	-	-
Borrowings	13,843	-	-	-	-	-	-	-	-
<b>Grand total increase/ (decrease)</b>		<b>(1,205)</b>	<b>(1,956)</b>	<b>1,205</b>	<b>1,956</b>	<b>-</b>	<b>(12,504)</b>	<b>-</b>	<b>12,504</b>

## Note 34. Financial Instruments

### (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.

Parent Entity (University) 31 December 2008	Carrying amount	Interest rate risk				Other price risk			
		-1%		+1%		-10%		+10%	
		Result	Equity	Result	Equity	Result	Equity	Result	Equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial assets</b>									
Cash	73,790	(738)	-	738	-	-	-	-	-
Receivables	293,793	-	-	-	-	-	-	-	-
Finance lease receivable	21,787	-	(218)	-	218	-	(2,179)	-	2,179
Other financial assets	81,034	-	(810)	-	810	-	-	-	-
Listed investments	38,902	-	(389)	-	389	-	(3,890)	-	3,890
Unquoted investments	21,025	-	(210)	-	210	-	(2,103)	-	2,103
<b>Financial liabilities</b>									
Payables	25,125	-	-	-	-	-	-	-	-
Borrowings	19,060	-	-	-	-	-	-	-	-
<b>Grand total increase/ (decrease)</b>		(738)	(1,627)	738	1,627	-	(8,171)	-	8,171

Parent Entity (University) 31 December 2007	Carrying amount	Interest rate risk				Other price risk			
		-1%		+1%		-10%		+10%	
		Result	Equity	Result	Equity	Result	Equity	Result	Equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial assets</b>									
Cash	91,970	(920)	-	920	-	-	-	-	-
Receivables	142,170	-	-	-	-	-	-	-	-
Finance lease receivable	22,074	-	(221)	-	221	-	(2,207)	-	2,207
Other financial assets	70,156	-	(702)	-	702	-	-	-	-
Listed investments	93,244	-	(932)	-	932	-	(9,324)	-	9,324
Unquoted investments	23,981	-	(240)	-	240	-	(2,398)	-	2,398
<b>Financial liabilities</b>									
Payables									
Borrowings	29,265	-	-	-	-	-	-	-	-
	13,843	-	-	-	-	-	-	-	-
<b>Grand total increase/ (decrease)</b>		(920)	(2,095)	920	2,095	-	(13,930)	-	13,930

## Note 34. Financial Instruments (continued)

### Financial risk management (continued)

#### (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 balance sheet and notes to the financial statements. The University has no credit risk for derivative financial instruments.

#### (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.

#### (d) Fair value estimation

The fair value of financial instruments traded in active market (such as publicly traded derivatives) is based on quoted market prices at the balance sheet date. The quoted market price used for financial assets held by the University is the current bid prices.

The fair value of financial instruments that are not traded in an active market over the counter is determined using valuation techniques.

The carrying value less impairment provision of trade receivables and payables is a reasonable approximation of their fair value 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.

**Note 35. Acquittal of Australian Government financial assistance**

**35.1 DEEWR – CGS and Other DEEWR Grants**

Notes	Commonw'th Grants Scheme#	2007 \$'000	2008 \$'000	Indigenous Support Program	Parent entity (UNIVERSITY) ONLY		Disability Support Program	2007 \$'000	2008 \$'000	Workplace Reform Program	2007 \$'000	2008 \$'000	Workplace Productivity Program	2007 \$'000	2008 \$'000
					Equity Support Program*	2007 \$'000									
		71,708	67,888	613	698	76	72	247	375	1,201	1,141	660	660	-	-
		1,625	520	-	-	-	-	-	-	-	-	-	-	-	-
2(a)		73,333	68,408	613	698	76	72	247	375	1,201	1,141	660	660	-	-
		-	-	-	-	-	-	-	-	-	-	-	-	-	-
		73,333	68,408	613	698	76	72	247	375	1,201	1,141	660	660	-	-
		73,333	68,408	613	698	76	72	247	375	1,201	1,141	2,459	2,459	-	-
		-	-	-	-	-	-	-	-	-	-	(1,799)	(1,799)	-	-

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

# Includes the basic CGS grant amount, CGS-Regional Loading and CGS-Enabling Loading and HEFA Transition Fund

\* Includes Higher Education Equity Programme and Students with Disabilities Programme.

**Note 35. Acquittal of Australian Government financial assistance (continued)**

**35.1 DEEWR – CGS and Other DEEWR Grants (continued)**

Notes	Learning & Teaching Performance Fund		Collaboration & Structural Reform Program ##		Parent entity (UNIVERSITY) ONLY Improving Practical Component of Teacher Education		Transitional Cost Program		Total	
	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programmes)	(22)	2,994	1,063	80	556	-	2,345	-	78,660	73,035
Net accrual adjustments	-	-	-	-	-	-	-	-	1,625	520
Revenue for the period	(22)	2,994	1,063	80	556	-	2,345	-	80,285	73,555
Surplus / (deficit) from the previous year	2,506	-	213	211	-	-	-	-	2,719	211
Total revenue including accrued revenue	2,484	2,994	1,276	291	556	-	2,345	-	83,004	73,766
Less expenses including accrued expenses	2,122	488	95	78	556	-	2,345	-	83,260	71,047
Surplus / (deficit) for reporting period	362	2,506	1,181	213	-	-	-	-	(256)	2,719

## Includes Diversity and Structural Adjustment Fund





**Note 35. Acquittal of Australian Government financial assistance (continued)**

**35.3 Scholarships**

Notes	Australian Postgraduate Awards		International Postgraduate Research Scholarships		Commonwealth Education Cost Scholarships		Commonwealth Accommodation Scholarships		Indigenous Access Scholarships		Total
	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
	1,864	1,733	373	333	633	538	566	602	53	-	3,489
	-	-	-	(83)	-	-	-	-	-	-	(83)
2(c)	1,864	1,733	373	250	633	538	566	602	53	-	3,489
	288	336	(80)	46	417	162	740	390	-	-	1,365
	2,152	2,069	293	296	1,050	700	1,306	992	53	-	4,854
	1,849	1,781	400	376	455	283	281	252	4	-	2,989
	303	288	(107)	(80)	595	417	1,025	740	49	-	1,865
											1,365

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

**Note 35. Acquittal of Australian Government financial assistance (continued)**

**35.4 DIISR Research**

Notes	Institutional Grants Scheme		Research Training Scheme		Systemic Infrastructure Initiative		Research Infrastructure Block Grants		Implementation Assistance Programme		Australian Scheme for Higher Education Repositories	
	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	5,829	5,749	10,997	11,126	-	-	3,438	3,304	138	67	235	127
2 (d)	5,829	5,749	10,997	11,126	-	-	3,438	3,304	138	67	235	127
	-	-	-	-	701	3,721	-	400	67	-	127	-
	5,829	5,749	10,997	11,126	701	3,721	3,438	3,704	205	67	362	127
	5,829	5,749	10,997	11,126	701	3,020	3,438	3,704	68	-	294	-
	-	-	-	-	-	701	-	-	137	67	68	127

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

**Note 35. Acquittal of Australian Government financial assistance (continued)**

**35.4 DIISR Research (continued)**

	Notes	Parent entity (UNIVERSITY) ONLY			
		Commercialisation Training Scheme		Total	
		2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programmes)		108	100	20,745	20,473
Net accrual adjustments		-	-	-	-
Revenue for the period	2 (d)	108	100	20,745	20,473
Surplus / (deficit) from the previous year		97	-	992	4,121
Total revenue including accrued revenue		205	100	21,737	24,594
Less expenses including accrued expenses		35	3	21,362	23,602
Surplus / (deficit) for reporting period		170	97	375	992

**Note 35. Acquittal of Australian Government financial assistance (continued)**

**35.5 Better Universities Renewal Funding**

	Parent entity (UNIVERSITY) ONLY			
	Better Universities Renewal Funding	2007 \$'000	2008 \$'000	Total 2007 \$'000
Notes	2008 \$'000			
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programmes)	11,873	-	11,873	-
Net accrual adjustments	-	-	-	-
Revenue for the period	11,873	-	11,873	-
2 (e)				
Surplus / (deficit) from the previous year	-	-	-	-
Total revenue including accrued revenue	11,873	-	11,873	-
Less expenses including accrued expenses	2,550	-	2,550	-
Surplus / (deficit) for reporting period	9,323	-	9,323	-

**Note 35. Acquittal of Australian Government financial assistance (continued)**

**35.6 Australian Research Council Grants**

**(a) Discovery**

	Notes	Parent entity (UNIVERSITY) ONLY				
		Projects 2008 \$'000	2007 \$'000	Fellowships 2008 \$'000	2007 \$'000	Total 2008 \$'000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programmes)		7,941	8,589	658	33	8,599
Net accrual adjustments		-	-	-	-	-
Revenue for the period	2(f)(i)	7,941	8,589	658	33	8,599
Surplus / (deficit) from the previous year		5,049	4,281	669	1,529	5,718
Total revenue including accrued revenue		12,990	12,870	1,327	1,562	14,317
Less expenses including accrued expenses		8,963	7,821	661	893	9,624
Surplus / (deficit) for reporting period		4,027	5,049	666	669	4,693
						5,718

**Note 35. Acquittal of Australian Government financial assistance (continued)**

**35.6 Australian Research Council Grants**

**(b) Linkages**

**Parent entity  
(UNIVERSITY) ONLY**

Notes	Special Research Initiatives		Infrastructure		International		Projects		Total	
	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programmes)	-	-	-	1,265	11	39	1,695	2,247	1,706	3,551
Net accrual adjustments	-	-	-	-	-	-	-	-	-	-
Revenue for the period	-	-	-	1,265	11	39	1,695	2,247	1,706	3,551
Surplus / (deficit) from the previous year	34	34	-	-	50	86	1,533	624	1,617	744
Total revenue including accrued revenue	34	34	-	1,265	61	125	3,228	2,871	3,323	4,295
Less expenses including accrued expenses	-	-	-	1,265	42	75	2,123	1,338	2,165	2,678
Surplus / (deficit) for reporting period	34	34	-	-	19	50	1,105	1,533	1,158	1,617

**Note 35. Acquittal of Australian Government financial assistance (continued)**

**35.6 Australian Research Council Grants**

**(c) Networks and Centres**

**Parent entity  
(UNIVERSITY) ONLY**

Notes	Research Networks		Centres		Total	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
	1,397	1,369	844	827	2,241	2,196
2(f)(iii)	1,397	1,369	844	827	2,241	2,196
	1,250	1,192	-	-	1,250	1,192
	2,647	2,561	844	827	3,491	3,388
	2,113	1,311	844	827	2,957	2,138
	534	1,250	-	-	534	1,250

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



## Note 36. Disaggregated information

<b>Geographical Consolidated</b>	Revenue		Results		Assets	
	<b>2008</b>	2007	<b>2008</b>	2007	<b>2008</b>	2007
	<b>\$'000</b>	\$'000	<b>\$'000</b>	\$'000	<b>\$'000</b>	\$'000
Australia	675,880	435,342	24,812	54,489	1,630,499	1,379,984
Africa	-	-	-	-	-	-
Asia	4,782	3,904	1,424	(43)	95	-
Europe	75	-	-	-	-	-
North America	2	-	-	-	-	-
South America	1	-	-	-	-	-
	<b>680,740</b>	<b>439,246</b>	<b>26,236</b>	<b>54,446</b>	<b>1,630,594</b>	<b>1,379,984</b>
Unallocated	-	-	-	-	-	-
	<b>680,740</b>	<b>439,246</b>	<b>26,236</b>	<b>54,446</b>	<b>1,630,594</b>	<b>1,379,984</b>

<b>Geographical Parent Entity [University]</b>	Revenue		Results		Assets	
	<b>2008</b>	2007	<b>2008</b>	2007	<b>2008</b>	2007
	<b>\$'000</b>	\$'000	<b>\$'000</b>	\$'000	<b>\$'000</b>	\$'000
Australia	621,981	396,761	18,414	37,235	1,523,830	1,348,429
Africa	-	-	-	-	-	-
Asia	2,114	1,465	617	348	-	-
Europe	-	-	-	-	-	-
North America	-	-	-	-	-	-
South America	-	-	-	-	-	-
	<b>624,095</b>	<b>398,226</b>	<b>19,031</b>	<b>37,583</b>	<b>1,523,830</b>	<b>1,348,429</b>
Unallocated	-	-	-	-	-	-
	<b>624,095</b>	<b>398,226</b>	<b>19,031</b>	<b>37,583</b>	<b>1,523,830</b>	<b>1,348,429</b>

## Note 37. Prior period error

The prior year comparatives have been restated following the identification of a prior year error. This has been done in accordance with AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors. The restatement has impacted the Balance Sheet and the Income Statement.

The prior year errors arose from the reclassification of the current receivable (\$21,293) and the current provision (\$21,293) relating to the unfunded superannuation liabilities (refer Note 1(ab)) to be disclosed as non-current receivables and non-current provisions, the lease agreement associated with the management and operating of the student accommodation and recording of income and expenditure previously reported in the Parent entity believed to be controlled by Australian Proteome Analysis Facility Limited a wholly owned controlled entity of the University.

The prior year error arose from the lease agreement commencing on 1 January 2007 with Campus Living Pty Ltd to manage and operate the student accommodation known as Macquarie University Village Stage 1.

The University had originally classified this lease as an operating lease upon lease inception. However, upon further consideration of the allocation of risks and rewards of the leased asset, the University believes the original classification incorrect. The term of the lease is for 30 years and the University has determined that since this represents the majority of the economic life of the building, this is indicative of the lease being a finance lease.

Due to the term of the lease (30 years) the University has written down to nil the carrying value of the building and infrastructure for the student accommodation on the basis that there is no future benefit to the University.

The land associated with this arrangement was also assessed independently and the University based on advice from CB Richard Ellis have revalued the land component to its current value under the lease arrangement.

Consolidation	Consolidated at 31 Dec 2007	Revised Consolidated at 31 Dec 2007	Adjustments
Income Statements for year ended	\$'000	\$'000	\$'000
Australian Government grants	121,439	121,439	-
HECS-HELP	42,579	42,579	-
FEE-HELP	15,643	15,643	-
State and local Government financial assistance	4,935	4,935	-
FEE-HELP student payments	13,607	13,607	-
Fees & Charges	199,050	198,846	(204)
Investment Income	19,089	19,089	-
Royalties, Trademarks & Licence	509	509	-
Consultancy & Contracts Research	13,997	13,997	-
Other Revenue	32,168	32,168	-
Deferred Gov't Superannuation Contribution	(23,566)	(23,566)	-
<b>TOTAL OPERATING INCOME</b>	<b>439,450</b>	<b>439,246</b>	<b>(204)</b>
Employee Benefits and on costs	239,355	239,355	-
Depreciation & Amortisation	27,125	27,125	-
Repairs and Maintenance	3,858	3,858	-
Finance Costs	1,068	1,068	-
Impairment of assets	225	225	-
Other Expense	136,735	136,735	-
Deferred Employee Benefits for Superannuation	(23,566)	(23,566)	-
<b>TOTAL OPERATING EXPENSES</b>	<b>384,800</b>	<b>384,800</b>	<b>-</b>
<b>Net Operating Result</b>	<b>54,650</b>	<b>54,446</b>	<b>(204)</b>

**Note 37. Prior period error (continued)**

Balance Sheet	Consolidated at 31 Dec 2007	Revised Consolidated at 31 Dec 2007	Adjustments
	\$'000	\$'000	\$'000
Cash and cash equivalents	120,514	120,514	-
Receivables	43,444	22,151	(21,293)
Inventories	618	618	-
Other fin assets	69,156	69,156	-
Other non-financial assets	9,289	9,289	-
<b>TOTAL CURRENT ASSETS</b>	<b>243,021</b>	<b>221,728</b>	<b>(21,293)</b>
Receivable	100,046	143,413	43,367
Other financial assets	104,415	104,415	-
Property, plant & equipment	938,288	909,257	(29,031)
Intangible assets	1,171	1,171	-
<b>TOTAL NON-CURRENT ASSETS</b>	<b>1,143,920</b>	<b>1,158,256</b>	<b>14,336</b>
Trade and other payables	37,983	37,983	-
Borrowings	732	732	-
Provisions :	63,847	42,554	(21,293)
Other liabilities	30,431	30,431	-
<b>TOTAL CURRENT LIABILITY</b>	<b>132,993</b>	<b>111,700</b>	<b>(21,293)</b>
Borrowings	13,111	13,111	-
Provisions	108,589	129,882	21,293
Other liabilities	-	-	-
<b>TOTAL NON-CURRENT LIABILITY</b>	<b>121,700</b>	<b>142,993</b>	<b>21,293</b>
<b>NET ASSETS</b>	<b>1,132,248</b>	<b>1,125,291</b>	<b>(6,957)</b>
Accumulated Fund			-
Reserves	397,128	390,319	(6,809)
Retained surplus	725,120	724,972	(148)
Minority interest	10,000	10,000	-
<b>TOTAL EQUITY</b>	<b>1,132,248</b>	<b>1,125,291</b>	<b>(6,957)</b>

**Note 37. Prior period error (continued)**

Parent entity	Parent entity at 31 Dec 2007	Revised Parent entity at 31 Dec 2007	Adjustments
Income Statements for year ended	\$'000	\$'000	\$'000
Australian Government grants	121,439	121,439	-
HECS-HELP	42,579	42,579	-
FEE-HELP	15,643	15,643	-
State and local Government financial assistance	4,935	4,935	-
FEE-HELP student payments	13,607	13,607	-
Fees & Charges	188,010	187,690	(320)
Investment Income	18,299	18,299	-
Royalties, Trademarks & Licence	569	569	-
Consultancy & Contracts Research	9,270	7,963	(1,307)
Other Revenue	9,226	9,068	(158)
Deferred Gov't Superannuation Contribution	(23,566)	(23,566)	-
<b>TOTAL OPERATING INCOME</b>	<b>400,011</b>	<b>398,226</b>	<b>(1,785)</b>
Employee Benefits and on costs	213,361	211,977	(1,384)
Depreciation & Amortisation	26,477	26,477	-
Repairs and Maintenance	3,679	3,679	-
Finance Costs	1,006	1,006	-
Impairment of assets	25	-	(25)
Other Expense	141,078	141,070	(8)
Deferred Employee Benefits for Superannuation	(23,566)	(23,566)	-
<b>TOTAL OPERATING EXPENSES</b>	<b>362,060</b>	<b>360,643</b>	<b>(1,417)</b>
<b>Net Operating Result</b>	<b>37,951</b>	<b>37,583</b>	<b>(368)</b>

**Note 37. Prior period error (continued)**

Balance Sheet	Parent entity at 31 Dec 2007	Revised Parent entity at 31 Dec 2007	Adjustments
	\$'000	\$'000	\$'000
Cash and cash equivalents	91,970	91,970	-
Receivables	42,573	20,831	(21,742)
Inventories	135	135	-
Other fin assets	69,156	69,156	-
Other non-financial assets	8,937	8,675	(262)
<b>TOTAL CURRENT ASSETS</b>	<b>212,771</b>	<b>190,767</b>	<b>(22,004)</b>
Receivable	100,046	143,413	43,367
Other financial assets	118,225	118,225	-
Property, plant & equipment	923,884	894,853	(29,031)
Intangible assets	1,171	1,171	-
<b>TOTAL NON-CURRENT ASSETS</b>	<b>1,143,326</b>	<b>1,157,662</b>	<b>14,336</b>
Trade and other payables	29,398	29,265	(133)
Borrowings	732	732	-
Provisions :	62,322	41,029	(21,293)
Other liabilities	29,237	28,823	(414)
<b>TOTAL CURRENT LIABILITY</b>	<b>121,689</b>	<b>99,849</b>	<b>(21,840)</b>
Borrowings	13,111	13,111	-
Provisions	107,828	129,121	21,293
Other liabilities	14,000	14,000	-
<b>TOTAL NON-CURRENT LIABILITY</b>	<b>134,939</b>	<b>156,232</b>	<b>21,293</b>
<b>NET ASSETS</b>	<b>1,099,469</b>	<b>1,092,348</b>	<b>(7,121)</b>
Accumulated Fund			-
Reserves	397,128	390,319	(6,809)
Retained surplus	702,341	702,029	(312)
<b>TOTAL EQUITY</b>	<b>1,099,469</b>	<b>1,092,348</b>	<b>(7,121)</b>

**Note 38. Events occurring after the balance sheet date**

There has not occurred in the period between the end of half financial year (31 December 2008) and the date of this report any item, transaction or event of a material nature to significantly affect the financial position of the University.

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