

# Annual Report 2014

VOLUME 1

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## Letter of submission

For the period 1 January 2014 to 31 December 2014

The Hon Adrian Piccoli, BEc, LLB MP  
Minister for Education  
Parliament House, Sydney

Dear Minister,

The Council of Macquarie University has the honour to submit the Annual Report of Macquarie University for the year ended 31 December 2014. 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 sincerely,

A handwritten signature in black ink, appearing to read 'Michael Egan'.

The Hon Michael Egan  
Chancellor

A handwritten signature in black ink, appearing to read 'S Bruce Dowton'.

Professor S Bruce Dowton  
Vice-Chancellor and President

# Message from the Vice-Chancellor



Macquarie University has continued to grow and accelerate during 2014.

This has been a remarkable year for the University, as we celebrated our golden jubilee, fifty years from the proclamation in the New South Wales Parliament of the Act that formally created Macquarie University. Half a century later, we celebrated this historic occasion with a year-long calendar of events and activities reflecting on our achievements, looking to our future, and recognising that throughout we have remained true to the vision of our founders.

We are still different.

Emerging from humble beginnings on the site of market gardens in North Ryde, today we have 40,000 students on our campus, each with unique talents and the potential to do remarkable things. Ours is a world full of possibilities where no two days – and no two students – are ever the same. It is an extraordinary privilege to lead a university where not only could anything happen, but where we actively try to make sure that it does.

Anniversaries are not only times for reflection but also for renewal and rebirth, and in 2014 we unveiled a new identity for our University, at once returning us to our roots and propelling us to a bright new future. The reintroduction of the Macquarie Lighthouse as the symbol of the University was central to the new, vibrant visual identity for our community. It represents not only our past, but our core mission and our hope for the future: to light the way for our students to steer their own course.

Our new identity is just one of the many changes announced last year. In July, we launched the Faculty of Medicine and Health Sciences, and the establishment of Australia's only Academic Health Sciences Centre, accelerating our quest for distinction at the intersection between medical research, healthcare and higher education.

In November, we welcomed the Australian Institute of Health Innovation into the new faculty after many successful years at the University of New South Wales. The AIHI is one of the world's leading research centres in healthcare innovation and a major national resource for strengthening health systems, organisations and services.

Following extensive consultation within the University and far

beyond, we launched our Strategic Research Framework as the year drew to a close. This document outlines the future of research activity at the University, and focuses on five key areas that will have a profound impact on the world in the future. Healthy people, resilient societies, prosperous economies, a secure planet and innovative technologies will be at the heart of tomorrow's world, and our framework outlines the steps we will take to address some of the most pressing issues we will face in the next decade.

Work also began on our Learning and Teaching Plan, to be unveiled in 2015, detailing how we will instil in future generations the knowledge, skills and attributes needed to meet the challenges the world will face after they graduate.

We have welcomed new members to our leadership team, and farewelled others over the past 12 months, and across the University we have celebrated the successes not only of 2014, but also of our 50-year history. We have made new friends and reconnected with those of long standing. We have reminisced about our past and, in knowing where we have been, fixed our gaze firmly upon our future.

Like the light on the hill, we will guide our students as they make their way toward their own futures, free from fear, full of wonder, and armed for success.

I commend to you this report, this University, all who have helped us to achieve so much, and all whose time is yet to come.

A handwritten signature in black ink, reading 'S Bruce Dowton'.

Professor S Bruce Dowton  
Vice-Chancellor and President



## Contents

Research	6	Financial statements	48
Learning and teaching	10	Independent auditor's report	50
Engagement and advancement	14	Statement of appointed officers	52
Equity, diversity and inclusion	15	Income statement	53
Sustainability	19	Statement of comprehensive income	54
Staff	21	Statement of financial position	55
Governance and management	30	Statement of changes in equity	56
Infrastructure	37	Statement of cash flows	57
Operations	38	Notes to the financial statements	58
Financial performance	45	Index	132

# Research

Macquarie continues to be one of the country's leading research universities, bringing together the best minds to conduct cutting-edge research that crosses traditional disciplinary boundaries and addresses the big issues and substantial problems facing the world.

The celebration of Macquarie's 50th anniversary in 2014 marked a number of important milestones for research. The University developed its first 10-year Strategic Research Framework – *World-Leading Research; World-Changing Impact*. The framework, which was the result of 12 months of University-wide consultation, comprises two components that identify the areas of research Macquarie University will excel in over the coming decade and the strategies that will support achievement of our vision for research excellence. The framework outlines 14 research themes proposed by the faculties and supported by a number of research streams. These research themes have been aggregated at a higher level to identify five future-shaping research priorities – Healthy people, Resilient societies, Prosperous economies, Secure planet, and Innovative technologies. The four key research objectives – Accelerate world-leading performance, Prepare world-ready higher degree research candidates, Engage as a world-recognised research collaborator of choice, and Deliver research with world-changing impact – are supported by a suite of research goals, targets and strategies that will guide our path to the achievement of the 2024 research targets.

In its first 50 years of research excellence, Macquarie has built a reputation for being one of Australia's leading research-intensive universities. The 2014 publication *50 Years: World-Leading Research, World-Changing Impact* features unique discoveries and innovations made by Macquarie researchers in the first 50 years of research at the University. From the significant finds in Ancient Egyptian history to innovations in wireless technology, this publication is a testament to the innovation and impact of research at Macquarie and was a significant element of celebrating Macquarie's 50th anniversary.

Additionally, in 2014 Macquarie University worked to firmly establish itself as a leader in both research integrity practices and research commercialisation and innovation. The *Macquarie University Code for the Responsible Conduct of Research* is based on outlining standards of best practice and helping researchers meet those standards, rather than compliance and sanctions. Macquarie is working to weave the principles of research integrity into all aspects of the University, including ensuring all higher degree research candidates integrate best practice into their research projects. As the importance of commercialisation and innovation of research increases for Australian universities, Macquarie put itself on the front foot in 2014 by adopting an updated intellectual property policy that will allow for greater flexibility and agility within this sphere.

## Research quality and acceleration

The 2013 release of the Australian Research Council's (ARC) *Benefits Realisation Review of Excellence in Research for Australia* (ERA) affirmed ERA's instrumental role in identifying the research strengths of Australian universities, and their capacity to deliver outcomes to Australian society that are at world standard – or better – from publicly funded research activity.

For Macquarie, this report underscores the return on investment it generates by developing its research strengths, with Macquarie's ERA 2012 results contributing significantly to the Government's ERA-based identification of national strengths in research.

Of the 20 national research strengths, determined by 10 or more universities rating above world standard (ERA rating 4 or 5), Macquarie contributed to eight areas: astronomical and space sciences, ecology, environmental science and management, evolutionary biology, geology, historical studies, law, and plant biology.

As testament to the quality of our researchers, one of the University's most eminent researchers, Professor Marion Maddox from the Faculty of Arts' Department of Modern History, Politics and International Relations, was appointed to serve on the ARC College of Experts. The ARC College of Experts assesses and ranks ARC grant applications submitted under the National Competitive Grants Program, makes funding recommendations to the ARC and provides strategic advice to the ARC on emerging disciplines and interdisciplinary developments.

The University invested heavily in research acceleration by establishing the new Faculty of Medicine and Health Sciences; this new faculty will enable Macquarie to be more competitive in the medical research disciplines and National Health and Medical Research Council (NHMRC) funding opportunities. In addition to the establishment of this faculty, the University welcomed the Australian Institute of Health Innovation (AIHI) in 2014. The AIHI brings together three well-established and successful research centres that work in the separate but related areas of clinical governance, health informatics, and health systems and safety, and will be a part of the new faculty. The AIHI is one example from many where the University has made significant inroads into strategic research appointments to ensure accelerated research performance across a range of disciplines.

## Research publications

Publications by Macquarie researchers published in 2013 (reported in 2014) increased by 2 per cent over 2012.

This included an increase of almost 10 per cent in peer-reviewed research articles with a 15 per cent reduction in conference-based publications. Analysing research productivity based on reported publications per academic full-time equivalent (FTE) shows Macquarie outperforming all non-Group of Eight (Go8) universities and all but three Go8 universities.

The Faculty of Science (now the Faculty of Science and Engineering) generated 43 per cent of published research outputs reported by the University, while the Faculty of Human Sciences had the largest increase in output – up 16 per cent from the previous year.

During 2014, Macquarie ranked consistently among the Top 50 institutions and ranked seventh among Australian universities in the *Nature Publishing Index Asia-Pacific* ranking of research institutions. The *Nature Publishing Index Asia-Pacific* tracks on a weekly basis research published in *Nature* and/or *Nature* monthly research journals authored by researchers from more than 700 institutions based in Asia-Pacific countries.

Macquarie University's international reputation for world-leading research in environmental science was repeated in 2014 with the University placed in the top 30 research institutions in the world for cited research papers in environment/ecology (Thomson Reuters Essential Science Indicators). By the end of 2014, Macquarie's cited environmental research was outperforming the cited research produced by Stanford, NASA and the Smithsonian Institute, as well as Ivy League universities such as Brown, Harvard and Yale.

The scope of Macquarie University's research collaboration is growing nationally and internationally. In 2014, Macquarie researchers co-authored with researchers based in more than 70 countries, resulting in 49 per cent of research articles involving international collaboration. At the national level, 45 per cent were co-authored with researchers from another Australian university



or institution. One in five research articles published in 2014 by Macquarie researchers involved collaboration with both Australian and overseas institutions (Source: Scopus).

The CWTS Leiden Ranking for 2014 indicates the strength of Macquarie's international collaboration and the impact of its scientific scholarship. Overall, Macquarie was ranked sixth in Australia for proportion of publications co-authored with researchers from another country. Macquarie's international collaboration in Earth and environmental sciences is the second highest in Australia and 21st in the world; in mathematics, computer science and engineering Macquarie is third highest in Australia and 20th in the world; and in life sciences is fourth highest in Australia and 159th in the world. In terms of the proportion of research papers in the top 10 per cent of citation impact in their field, Macquarie was ranked third in Australia and 80th in the world in Earth and environmental sciences; and fifth in Australia and 164th in the world in natural sciences.

### Higher degree research enrolments and completions

Macquarie's higher degree research (HDR) training program is strategically focused to ensure high-achieving applicants receive candidature places and scholarships. The University's targeted HDR scholarships are also used to support candidates and researchers working in priority areas.

2014 was the first year requiring all applicants for HDR programs to have the equivalent of the Bachelor of Philosophy/Master of Research (MRes) for admission. This meant that the University's HDR admissions profile changed significantly. A large cohort of students who would have previously gained direct admission to the PhD program are now required to complete the second year of the MRes before being admitted to a PhD. The result was a smaller number of direct admissions to PhD programs in 2014. However, as shown in Table 1, overall commencements in both HDR programs show continuing strong numbers of research candidates entering Macquarie's research degrees.

As shown in Table 2, Macquarie's annual HDR completions in 2014 were the highest number the University has ever recorded – close to 400, with 85 of these MRes completions. Combined with the high number of MRes theses submitted in 2014 (over 220), the University is continuing the dramatic expansion of its HDR programs.

The first MRes cohort completed their program in 2014 and, as mentioned above, a large number of MRes theses were submitted for examination. External examiners of MRes theses have identified more than 80 per cent of the cohort as qualified to continue onto the PhD, showing that the MRes program is providing an excellent grounding for success in HDR. The MRes continues to attract a high number of domestic candidates, against the trend Australia-wide of declining domestic interest in research training.

Macquarie has been participating in cotutelle degree programs since 1999. These became a formal component of the University's research strategy in 2007. They aim to help establish deep, continuing relationships with international research universities, through joint research candidate supervision. As of the end of 2014, Macquarie University has hosted more than 210 cotutelle and joint PhD candidates with more than 110 universities in over 30 countries, led by Europe and China.

The University is continuing to implement policies and practices that encourage HDR candidates to complete their research in good time. The HDR Learning Skills program offers support to candidates in oral presentation, software use, statistics and project management, and writing, so that all candidates have the skills and support they need to complete their PhD without unnecessary and stressful delays. This program was expanded in 2014, with the appointment of HDR Learning Skills advisers across the University who provide direct support to candidates during their PhDs. Further support programs for HDR candidates will be designed in 2015, especially in the area of professional skills development.

**Table 1: Higher degree research student enrolments 2011–2014**

	2011	2012	2013		2014	
	PhD/ MPhil	PhD/ MPhil	PhD/ MPhil	MRes	PhD/ MPhil	MRes
Faculty of Arts	556	512	516	112	457	176
Faculty of Business and Economics	167	165	188	31	177	51
Faculty of Human Sciences	567	579	607	24	595	63
Faculty of Science*	580	540	555	79	531	122
MGSM	117	107	98	0	72	5
<b>Total</b>	<b>1987</b>	<b>1903</b>	<b>2210</b>		<b>2249</b>	

\* Known as the Faculty of Science and Engineering from 2015

Source: DataMart00108 – Government Student Enrolment by Owning Organisation table. HDRO Commencement Report 10022015.

**Table 2: Higher degree research completions 2011–2014**

	2011	2012	2013	2014	
	PhD/ MPhil	PhD/ MPhil	PhD/ MPhil	PhD/ MPhil	MRes
Faculty of Arts	62	70	67	71	43
Faculty of Business and Economics	20	20	23	30	9
Faculty of Human Sciences	47	75	90	90	14
Faculty of Science*	103	94	103	102	18
MGSM	12	11	14	15	1
<b>Total</b>	<b>244</b>	<b>270</b>	<b>297</b>	<b>393</b>	

Source: AMIS Research Completions report (GRD035)

## Research excellence recognised

One of the world's most influential ecologists, Professor Mark Westoby, was named NSW Scientist of the Year at the 2014 New South Wales Science and Engineering Awards. An ARC Laureate Fellow, Distinguished Professor of Biology and leader of the Genes to Geoscience Research Centre, Westoby is a pioneer of 'trait-based ecology'.

Professor Catriona Mackenzie, Faculty of Arts Associate Dean (Research), was elected as a Fellow of the Australian Academy of the Humanities in recognition of the excellence and impact of her scholarship in the field of philosophy, and contributions to the humanities throughout her career. Professor Mackenzie, Director of the Macquarie University Research Centre for Agency, Values and Ethics (CAVE) was recognised by the Academy as 'a philosopher with an international reputation for her research in moral psychology, applied ethics, social philosophy and feminist philosophy'.

Dr Yingjie Yang, Dr Ian Wright and Dr Melanie Bishop were recognised with prestigious Australian Academy of Science Awards. Yang, an early career researcher from the Department of Earth and Planetary Sciences, received an Anton Hales Medal for distinguished research in the Earth sciences for early- to mid-career researchers. Plant ecologist Wright, from the Department of Biological Sciences, received the Fenner Medal, which recognises distinguished research in biology for early- to mid-career researchers. The Department of Biological Sciences' Bishop is part of a team that received recognition from the Thomas Davies Research Fund for Marine, Soil and Plant Biology to develop indicators of seagrass carbon storage. The Fund offers annual science grants of up to \$10,000 each to early- and mid-career researchers in the field of marine, soil and plant biology.

Dr Sonia Allan from Macquarie Law School, Professor Trevor Johnston from the Department of Linguistics, and PhD student Emma Nile from the Department of Cognitive Science were individually recognised as 'Tomorrow Makers' at the 2014 AMP Tomorrow Fund gala dinner. They received three of the 47 awards in total, chosen from 5600 applicants.

Eminent geologist Distinguished Professor Sue O'Reilly was elected to the Australian Academy of Science Council where she will represent the physical sciences. O'Reilly commences in her position in May 2015.

The Academy of the Social Sciences in Australia awarded the Paul Bourke Award for Early Career Research to Associate Professor Anina Rich for her research on synaesthesia. The award honours Australians in the early part of their career who have achieved excellence in scholarship in one or more fields of the social sciences.

PhD student Emma Gray became one of 15 women from around the world to be awarded one of 2014's \$20,000 UNESCO-L'Oréal for Women in Science International Fellowships, which support talented young women scientists to take up research positions in other countries.

Associate Professor Michelle Arrow from the Department of Modern History, Politics and International Relations is part of a team that received the 2014 NSW Premier's History Awards – Multimedia History Prize for its radio production *Public Intimacies: The 1974 Royal Commission on Human Relationships*.

## Research partnerships

Macquarie's capacity for collaboration extends to its research partnerships as well. The University is closely involved in the development of a medical technology knowledge hub (precinct), together with Cochlear Ltd, the Medical Technology Association of Australia, and many other commercial and research organisations. This long-term strategic partnership seeks to increase the size and scope of the medical technology industry in Australia, linking commercial entities with research in technology and other relevant fields, including business, marketing, psychology, regulation and workforce management. This development aligns both with the New South Wales Government's 2014 priorities for economic development in NSW and with the Commonwealth Government's industry precincts initiative.

Macquarie University researchers will spearhead Australia's role in the international Yeast 2.0 project, tasked with creating the world's first-ever synthetic complex organism. This project will open the door for more robust synthetic biology research at the University, with end-user applications, including the environmentally friendly production of biofuels and better targeted medication. It is partnered by the Australian Wine Research Institute and backed by funding from the New South Wales Government and Bioplatforms Australia.

Associate Professor Ian Blair will leverage the work completed in 2014 on Project MinE for applications for future NHMRC funding. Project MinE is a global consortium working to sequence the genomes of 15,000 amyotrophic lateral sclerosis (ALS) patients worldwide. Blair is one of the leading Australian researchers on Project MinE.

Macquarie's capacity to develop rich research collaborations with a broad range of research end users is evidenced by the University's excellent result in the ARC Linkage Projects round in 2014. Nine projects, with ARC contributions of almost \$3 million, and cash and in-kind partner contributions of more than \$4.9 million, were supported by the ARC from a total of 11 proposals:

- Associate Professor Culum Brown is leading a team studying sharks as vital components of marine ecosystems with partners Sonotronics, Taronga Conservation Society Australia, New South Wales Department of Primary Industry – Fishing and Aquaculture, and Bimini Biological Field Station
- Associate Professor Michael Fine is leading a team investigating the level of care required to maintain older people at home with partners Aged & Community Services NSW & ACT, KinCare Community Services, New South Wales Community Options Projects Inc, and Baptist Community Services – NSW and ACT
- Professor Michael Heimlich is leading a team that aims to revolutionise electronic packaging and provide cheaper and more energy-efficient applications with partners M/A-COM Technology Solutions Holdings, Inc, and Lintek
- Associate Professor Jin Dayong is leading a team to enable rapid DNA-based pathogen diagnostics with partner AusDiagnostics
- Dr Andrew Lee is leading a team developing practical and robust terahertz radiation systems opening up the potential for revolutionary applications in fields ranging from biomedicine to counterterrorism with partner M Squared Lasers
- Professor Andrew Lepone leads a team to investigate the impact of high frequency trading on financial market quality and is partnered with the Australian Securities Exchange



- Associate Professor Belinda Medlyn leads a team to calculate the risk of drought mortality for key tree species, developing risk profiles that are fundamental to conservation planning and land management with the NSW Office of Environment and Heritage
- Associate Professor Marina Pasic leads a team to engage the community in collaborative planning and implementation with an innovative mathematics and science program for Indigenous children in remote New South Wales together with partners Maari Ma Health and Gowrie NSW
- Associate Professor Vladimir Strezov leads a team that aims to help expand the mining potential of currently unviable iron ore deposits in partnership with Hamersley Iron.

## Research funding

Macquarie University researchers attract significant funding through competitive research grants. In 2014, the University reported \$48.64 million of competitive external funding earned during 2013. In addition, the University was awarded \$35.88 million in research block grant funding from the federal government in 2014. Initial analysis of research income received in 2014 indicates that the University will have achieved a higher level of funding than that received in 2013.

The University aims to continue to increase its research income and has established strategies and measurable targets in the Strategic Research Framework to ensure this objective is achieved. While Macquarie has seen annual increases in the past five years in Category 1 funding (Australian Competitive Grants), the University will look to increase funding from Category 2 (other public sector research income), Category 3 (industry and other research income) and Category 4 (Cooperative Research Centre (CRC) research income). Similarly, in addition to increasing the funding we are awarded by the ARC and NHMRC, we are working to further increase our Category 1 funding by targeting other opportunities on the Australian Competitive Grants Register. The diversification of research income will ensure long-term success of Macquarie's forward-thinking research agenda.

### ARC AND NHRMC

Professor Ian Paulsen from the Department of Chemistry and Biomolecular Sciences was awarded an ARC Laureate Fellowship in August 2014. The Laureate Fellowship scheme is designed to support outstanding research leaders in their conduct of urgent and complex research into issues of importance to Australia and the world. Paulsen aims to establish a new understanding of complex biological systems through the development of computational models of single cells and global ecosystems. Models created from the integration of data from genetic, biochemical and physiological studies will be used in combination with biomonitoring technologies that will be developed, enabling assessment of the health of Australia's marine ecosystems.

During 2014, three prestigious ARC Future Fellowships were also awarded to Macquarie researchers:

- Associate Professor Andrew Barron, from the Department of Biological Sciences, who works on the grand challenge of truly understanding how the brain works. By studying the honey bee, his project aims to reveal how the brain makes complex decisions, to establish key principles and foundational studies for comprehending larger and more complex brains, thus yielding new approaches to machine learning.
- Dr Colin Klein, from the Department of Philosophy, aims to link neuroimaging to facts about manipulable relationships between the brain and the mind, providing a bridge between neuroimaging and complementary technologies for directly intervening on the brain. This platform will facilitate

exploration of the theoretical and ethical consequences of direct brain manipulation.

- Dr Robert Lanfear, from the Department of Biological Sciences, will study somatic mutations. Although these mutations have important consequences for the plant industry and conservation, almost nothing is known about them because they are so hard to measure. By developing new methods and software to detect, analyse, and compare the genome-wide history of somatic mutation in individual plants, this project aims to provide the first insights into the genome-wide causes and consequences of somatic mutation in plants.

The 2014 recipients of ARC Discovery Early Career Researcher Awards for funding commencing in 2015 are:

- Dr Andrea Guilianni, who will join Macquarie's Earth sciences team, aims to develop new understanding of the constraints on melting processes and recycling of crustal material in the deep mantle
- Dr Celia Harris, working in the area of cognitive sciences, will investigate the influences on the benefits of 'collaborative remembering', the phenomenon that older couples remember more together than apart
- Dr Diep Nguyen, who aims to improve radio spectrum utilisation by harvesting temporarily unused spectrum holes to accommodate future traffic, thus reducing the costs of the radio spectrum, allowing cheaper and better mobile data services for the Australian public
- Dr Michael Proctor, who uses state-of-the-art articulatory methods to examine the difficult-to-master 'l' and 'r' sounds in speech, who is laying the foundations for future work on remediation and instruction in four typologically distinct languages
- Dr Sasha Tetu, who aims to provide the first account of how common chemical pollutants (for example, herbicides) affect key groups of marine photosynthetic bacteria in a new application of gene monitoring techniques to ocean conservation.

Dr Kelly Williams was awarded an NHMRC Early Career Fellowship. Williams aims to identify epigenetic factors that cause the variation in disease onset and duration seen among motor neurone disease patients, and will continue to lead gene discovery efforts in this disease. These studies will provide tools for identifying novel therapeutic and diagnostic targets, and pave the way for research efforts to identify treatments for this devastating disease.

Several researchers from the Faculty of Medicine and Health Sciences, established in July 2014, were awarded project grants from the NHRMC:

- Associate Professor Julie Atkin will investigate the disruption to intracellular trafficking as a central pathogenic mechanism in amyotrophic lateral sclerosis (ALS)
- Professor Marcus Stoodley will develop and test pro-thrombotic conjugates for brain arteriovenous malformations (AVM).

# Learning and teaching

Macquarie strives to motivate and inspire students, engender a command of a field of study, foster independent learning, respect students as individuals and encourage participation in scholarly activities to enhance learning and teaching.

Learning and teaching at Macquarie has undergone significant structural change and rethinking in 2014. In a new executive structure, a Deputy Vice-Chancellor (Academic) (DVC-A) was appointed in September to oversee the management of planning, quality and delivery of education provided to Macquarie's undergraduate and postgraduate students.

The DVC-A is Macquarie's chief academic officer and engages with external regulatory and statutory authorities involved in the teaching and learning mission of the University.

The DVC-A is responsible for:

- overseeing and planning the delivery of the University's undergraduate and postgraduate teaching programs
- developing and implementing strategies aimed at improving the quality of learning and teaching as well as capacity and capability
- developing and implementing strategies aimed at increasing quality assurance in the delivery of teaching programs
- developing and implementing strategies aimed at increasing academic leadership capability and academic staff engagement
- reviewing, implementing and managing academic policies, processes, structures and resources aimed at ensuring excellence in teaching, learning and scholarship
- managing Indigenous Strategy, the Macquarie University Library and the Macquarie University Art Gallery.

The Pro Vice-Chancellor (Learning and Teaching), known as the PVC (L&T), also falls within this portfolio and is responsible for the Learning and Teaching Centre, the Centre for Open Education and PACE (Professional and Community Engagement).

In 2014, working with the DVC-A, the PVC (L&T) embarked on broad consultation across academic and professional staff and students to inform the new Learning and Teaching Strategy 2015 – 2020, which will set out a strategic approach for the core business of learning and teaching at the University for the next five years.

The strategy is being designed to create a culture of transformative learning that enables and empowers students to achieve their goals, with a Green Paper anticipated in March 2015.

During the year, the PVC (L&T) also provided strategic direction and management of a number of priority initiatives including:

- developing early entry pathways for undergraduate offerings, including the Global Leadership Entry Program (GLEP) and Schools Recommendation Scheme (SRS)
- curriculum planning and programming for the Macquarie University International College
- Open Universities Australia (OUA) program development and support, including instigating an OUA pilot to investigate academic and student-facing learning analytics
- the Student Engagement for Success strategic initiative, including the cross-faculty rollout of KickStart, which created 20 online modules designed to improve student preparation by providing early access to unit materials, supporting transition into learning, and supporting a positive student experience through introductions to convenors and students enrolled in the same unit

- ongoing support for the Big History initiative
- development of the online-only *Handbook of Undergraduate Studies* following release of the online *Handbook of Postgraduate Coursework Studies* in 2013
- development and implementation of new student policies, including a new Student Code of Conduct.

## PACE

PACE is Macquarie University's signature transformative learning program. As an integral part of our undergraduate curriculum, PACE develops the capabilities of students to actively contribute to the wellbeing of other people and the planet. People and Planet units are included in all undergraduate programs and provide students with an opportunity to learn about contemporary world issues and to develop capacity to become engaged and ethical local and global citizens. PACE units build on this experience by giving students the opportunity to work on real-world projects with local, regional and international partner organisations.

Through PACE, Macquarie produces graduates who are work-ready and equipped with the skills and experience sought by employers.

The University is expanding PACE as a signature transformative learning program that distinguishes Macquarie University in learning and teaching. As a result, it is anticipated that the number of students enrolling in PACE units will continue to increase, with up to 10,000 annual enrolments once the program is fully implemented. From 2016, all new students commencing their degree will complete a PACE unit as part of their program of study.

Other highlights of 2014 included a number of awards, grants and citations.

## AUSTRALIA DAY HONOURS

- Chancellor The Hon Michael Egan FAICD was appointed as Officer of the Order of Australia for distinguished service to the Parliament of New South Wales through a range of senior ministerial roles, to tertiary education administration and medical research, and to the community.
- Emeritus Professor Anthony Blackshield was recognised for distinguished service to the law as an academic, to legal education and scholarship, as a contributor to leading professional publications, and as an author and commentator.
- Distinguished Professor David Throsby was appointed as Officer of the Order of Australia for distinguished service to the community as a leading cultural economist, to the promotion and preservation of Australian arts and heritage, and to tertiary education.

## AMP TOMORROW MAKERS 2014 AWARDS

- Dr Sonia Allan, a senior lecturer at Macquarie Law School, received an AMP Tomorrow Fund grant for research and development of an online resource that provides information to the community about health law.

- Professor Trevor Johnston from the Department of Linguistics has been instrumental in researching, teaching, documenting and promoting Auslan (Australian Sign Language). AMP's support will help him integrate an Auslan dictionary and archive into a website.
- Emma Nile from the Department of Cognitive Science was awarded \$30,000 to further develop, test and roll out her *Our Stories* program, a reminiscence program for older adults living in care. This work forms part of her PhD in cognitive science.

#### YOUNG TALL POPPY SCIENCE AWARDS

Two researchers were recognised among New South Wales' best young scientists at the Young Tall Poppy Science Awards.

- Astronomer Dr Lee Spitler received the award for his research that pushes current telescope technology to its limits.
- Volcanologist Dr Heather Handley received the award for her research on the development of new methodologies for accurate dating of soils and sediments that will deliver a novel approach for understanding climate-led landscape changes.

#### Teaching excellence

In 2014, Macquarie's academic staff were recognised for their excellence in a number of national awards and grants.

#### NATIONAL LEARNING AND TEACHING GRANTS AND AWARDS

Office of Learning and Teaching (OLT) Fellowship

- Dr Marina Harvey for *Quality learning and teaching with sessional staff – systematising national standards*.

Strategic Priority Grants

- Associate Professor Greg Downey and colleagues for *Classroom of many cultures: Co-creating support curriculum with international community partners and students*.

Extension Grants

- Professor Leigh Wood and colleagues for *Embedding and building teamwork capabilities in business under the Promotion of excellence in learning and teaching in higher education program*.
- Dr Marina Harvey for *Recognising and rewarding good learning and teaching practice with sessional staff*.
- Professor Chris Patel and colleagues for *Building discipline-specific communication skills in accounting*.

Office of Learning and Teaching (OLT) Citations

- Dr Diane Hughes was recognised for an outstanding contribution to facilitating student engagement and learning through the design of innovative contemporary music curricula.
- Dr Jane Messer was recognised for support of student engagement with graduate capabilities through the design of an innovative curriculum and resources that promote student motivation, resourcefulness and creativity.
- Professor David Wilkinson was recognised for *Australian Medical Assessment Collaboration: From proof of concept to proof of sustainability*.

- Professor David Wilkinson was also recognised for *From proof of concept towards implementation: nationwide collaborative assessment of Australian medical students*.
- Dr Theresa Winchester-Seeto was recognised for *Building institutional capacity to enhance access, participation and progression in work integrated learning*.

#### Student enrolments

In 2014, 39,335 students were enrolled at Macquarie University, an increase of 808 students compared with 2013.

There was a decrease of 816 international students compared with 2013, while domestic student enrolments increased by 1624 over the same period. The University's total equivalent full-time student load in 2014 was 28,565, an increase of 748 (2.7 per cent) over 2013. Of the total student load, 22 per cent was in postgraduate programs and 78 per cent in undergraduate programs.

**Table 1: Student enrolments 2014<sup>1</sup>**

Type of attendance	
Full-time	27,070
Part-time	12,265
Gender	
Female	21,397
Male	17,938
<b>Total</b>	<b>39,335</b>

<sup>1</sup>Source: preliminary calendar year data as at 21 December 2014. Individual figures may not add up to totals due to rounding.

**Table 2: Enrolments by program level 2014**

Doctorate by research	1625
Professional doctorate	3
Masters degree by research	391
Masters degree by coursework	7889
Other postgraduate programs	1275
<b>Postgraduate total</b>	<b>11,183</b>
Bachelor degrees (including honours)	27,085
Other undergraduate degrees	172
Non-award and enabling degrees	895
<b>Undergraduate total</b>	<b>28,152</b>

Note: A student with multiple enrolments will be counted only once in the course with the greatest EFTSL, which is consistent with the method adopted by the Commonwealth government.

# Learning and teaching continued

**Table 3: Enrolments by home location 2014**

Africa and the Middle East	298
Americas	602
North-East Asia	6211
Northern and Western Europe	322
Oceania and Antarctica	29,965
South and Central Asia	766
South-East Asia	1041
Southern and Eastern Europe	128
No Information	2
<b>International total</b>	<b>9165</b>
<b>Domestic total</b>	<b>30,170</b>

The domestic total represents students with Australian citizenship, those with a Humanitarian Visa, New Zealand citizens, or students with permanent residency. International students are those with a temporary permit or who reside outside Australia.

**Table 4: Student load by discipline 2014**

Agriculture, environmental and related studies	394.4
Architecture and building	19.1
Creative arts	1414.2
Education	2490.9
Engineering and related technologies	367.7
Health	1064.6
Information technology	969.1
Management and commerce	8679.2
Natural and physical sciences	3161.9
Society and culture	10,004.1
<b>Total</b>	<b>28,565.2</b>

**Table 5: Student awards 2014**

Doctorate by Research	280
Masters degree by research	9
Masters degree by coursework	2525
Other postgraduate programs	833
<b>Postgraduate total</b>	<b>3647</b>
Bachelor degrees (including honours)	5602
Other undergraduate degrees	32
<b>Undergraduate total</b>	<b>5634</b>

## Student experience: Student feedback and consumer response

The University continued a significant program of work in 2014 to realise its objective of being the number-one university in Australia for student experience. Experiential learning and teaching spaces were introduced and the new Student Connect facility, which has significantly improved face-to-face and online student support as well as student self-help, was opened. The Deputy Vice-Chancellor (Students and Registrar) delivers a broad range of para-academic and governance services to engage with, assist and support students.

## Student representation and engagement in institutional governance and management

Our unique, democratically elected, student advisory board is in its second year and continues to add value to student life. Our strong focus on continuing to improve the student experience saw the introduction of the Student Experience Sub-Committee. Reporting to the University Council, its membership includes members of the University Council, executive group, academic and professional staff, and students from the advisory board.

A new student code of conduct, student disciplinary rule and complaint handling system was also implemented in 2014. These changes are expected to improve the overall governance of the University and ultimately enhance the student experience.

## Academic appeals

The Academic Appeals Committee hears appeals from students against exclusion from enrolment. Despite an increasing population of students, the Committee has received a declining number of appeals each year since from 2008 to 2013.

### Academic Appeals Committee determinations 2011 – 2014

Appeals	2011	2012	2013	2014
Considered	231	158	117	6
Successful	52	28	11	2*

\* This data only includes Session 1 2014 Academic Appeals, it does not include Session 2 or Session 3 2014/15 data as reported for previous years.

## Grievances

A student grievance management procedure was approved in 2013 to support the University's Grievance Management Policy. In 2014, 60 student complaints were managed as formal grievances in accordance with established procedures.

## Discipline

Academic and non-academic misconduct by students is managed under Student Misconduct and Discipline Rules. A total of 372 student misconduct matters progressed to University disciplinary committees for determination in 2014. Of this total, seven determinations were subsequently appealed by students to the University's discipline appeal bodies.

## Escalation and the Student Ombudsman

The role of Student Ombudsman was created in 2012 and reports directly to the Chancellor, providing an independent and impartial service to students who are dissatisfied with a University decision or process. During 2014, the Student Ombudsman received and managed 46 case referrals.

### 2014 Student Ombudsman referrals

Type of referral	2013	2014
Academic advice	1	5
Academic supervision grade	1	2
Exclusion	31	13
Grade review	12	9
Grievance	14	11
Other	3	6
<b>Total</b>	<b>62</b>	<b>46</b>



## Internationalisation

The continuing strength of the University's international reputation was reflected in the *Times Higher Education* (THE) rankings that placed Macquarie 18th among the most international universities in the world.

The list was compiled using THE's international outlook indicator, which examines a university's international student numbers, its percentage of international staff and the proportion of its research papers published with a co-author from at least one other country.

There were approximately 8900 full degree international students studying at Macquarie University North Ryde and City campuses in 2014, equivalent to 22.4 per cent of the student population and representing 116 countries. Of those, approximately 3850 students commenced their studies at Macquarie in 2014. Additionally, 335 students were enrolled in the University's offshore programs in China, Hong Kong, Korea and Singapore in 2014.

Macquarie offered 202 scholarships to commencing international students, including 22 full scholarships and 180 partial scholarships.

Some 4000 students were enrolled in 57 PACE units, offered across the four active faculties, and worked with over 1200 partner organisations. One hundred and sixty-five students participated in PACE international projects in India, Borneo, Peru, Vietnam, Cambodia and the Philippines. Five hundred and fifty-five students travelled overseas on exchange or short-term overseas study in 2014, and the University welcomed 305 inbound exchange and study abroad students.

Macquarie's world-leading cotutelle program grew, with 24 new student agreements executed in 2014. Since the program's inception, more than 210 doctoral students from over 30 countries have benefitted from the collaborative research opportunities it offers, with a currently enrolled cohort of over 90 candidates.

Macquarie also finalised 38 international agreements. Of those, 18 were renewals (including 16 student exchange agreements, one study abroad agreement and one Memorandum of Understanding – MOU), and 20 were new (including four student exchange agreements, one staff exchange and one study abroad agreement, 12 MOUs, one dual degree agreement and one letter of intent). New partnership countries include Iceland, Pakistan and Nepal.

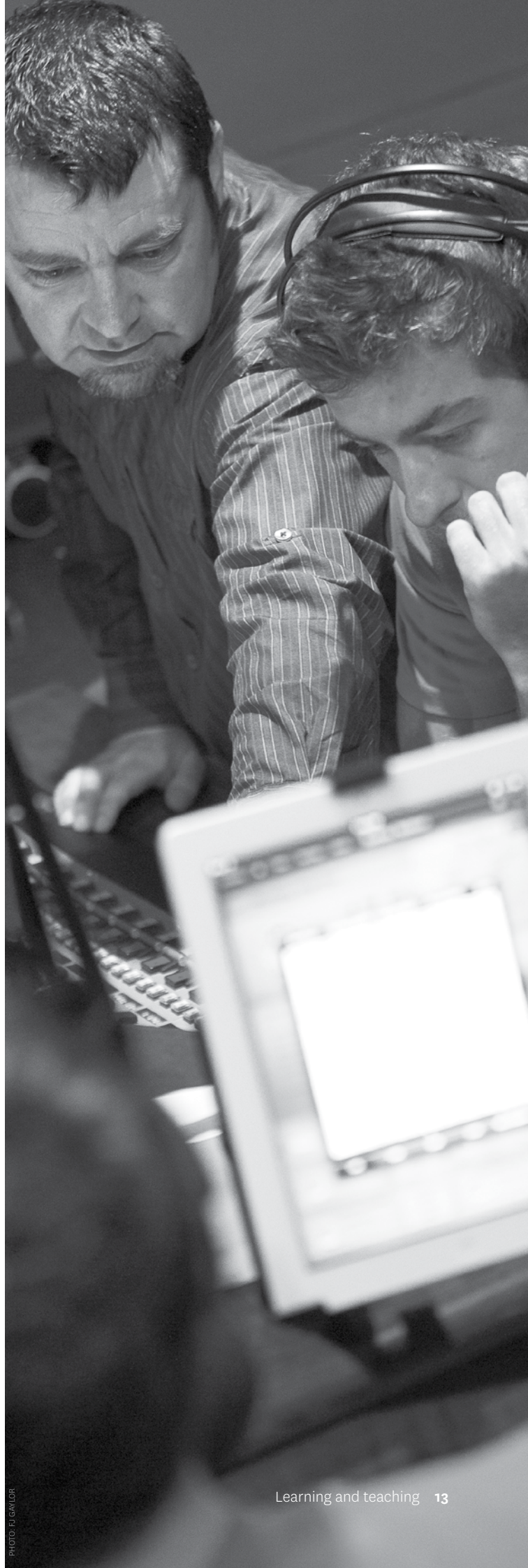
### GLOBAL LEADERSHIP PROGRAM

In 2014, the Macquarie Global Leadership Program (GLP) provided a 30-hour structured extracurricular program for 2800 students to develop cross-cultural understanding through elective workshops focusing on global issues and skills development.

The GLP also offered a flexible experiential component, an annual Distinguished Speaker event hosting 1000 students, and 12 optional events ranging from consular seminars to international symposia.

Participants come from a broad cross-section of the University community – undergraduate and postgraduate, HDR, domestic, international and study abroad/exchange students.

During the year, Macquarie also launched the Global Leadership Entry Program (GLEP) for Year 12 high school students. Based on their previous academic results as well as demonstrated leadership and community service engagement, the program offered them a place in one of nine undergraduate Macquarie degrees before completing their HSC.



# Engagement and advancement

The University is continuing to build relationships with both community and alumni as well as increasing philanthropic support from donors and industry. Together, these strengthen opportunities for enterprise and innovation, and contribute to the growth of the broader community.

In 2014, the University's 50th anniversary, the portfolio of Corporate Engagement and Advancement, including marketing, corporate engagement, and advancement (incorporating alumni relations), supported the delivery of the University's strategic framework.

## Office of Advancement

The Office of Advancement (formerly the Foundation Office) continued to build relationships with individual donors and supporters, delivering a 50 per cent increase in philanthropic income. Expanding core fundraising activities and support services resulted in successful appeals seeing much-needed support for Motor Neurone Disease research and assistance in the form of equity scholarships for students in need.

The University also welcomed 11 new patrons of the Joan and John Lincoln Society at the annual society lunch hosted by the Chancellor The Hon Michael Egan AO and Vice-Chancellor and President Professor S Bruce Dowton.

## Alumni relations

The University increased its alumni outreach activities in 2014. Alumni around the world celebrated the University's Jubilee with events in Sydney, New York, London, Hong Kong, Beijing, Shanghai and Singapore, while a comprehensive survey of alumni affinity yielded nearly 5000 responses. These informed the development of a revamped alumni program and provided greater opportunities for segmented programming. Enhanced communications, new event streams and revised benefit offerings helped achieve a 15 per cent increase in total alumni engagement. By year end, the University's alumni community had grown to more than 156,000 from more than 140 countries.

## Office of Corporate Engagement

A number of significant corporate engagement outcomes were achieved during 2014. Relationship agreement partnerships grew from five at the start of the year to 12, and now include global companies such as Microsoft, Abbott Australasia, and Johnson & Johnson (J&J) Medical. Active engagement arrangements are in place with more than 30 companies, up from 13 at the end of 2013.

More than \$250,000 in revenue was generated from corporate partners in 2014, including funding from Google for the March 2015 FIRST Robotics regional event, leadership symposia conducted for SingTel and Optus, and training programs commissioned by J&J Medical. A proposal to manage the Optus cadetship program was also successful, and will commence in July 2015.

## Marketing unit

In 2014, Macquarie developed and launched 'Our Shared Identity', a project that reinvigorates the Macquarie University brand. With the brand proposition 'Nurtured to break free', the initiative ensures that the brand aligns with the strategic direction, vision, values and mission of the University – both in its visual form, and in the way we talk about the University to our many target audiences worldwide; clearly differentiates Macquarie in a cluttered and homogeneous marketplace; and is experienced by our staff, students and other key stakeholders in ways that are consistent with our values and vision for the University.





# Equity, diversity and inclusion

Macquarie University is a diverse, vibrant and innovative university, committed to equity, diversity and inclusion in education and employment. In our Jubilee year, we saw many successful initiatives and further embedding of principles of equity, diversity and inclusion into usual practice at the University.

Macquarie is one of only three Australian universities with National White Ribbon Workplace Accreditation, and in 2014 hosted a precinct forum for business leaders to promote the accreditation program.

The Vice-Chancellor and many of the University executive are White Ribbon Ambassadors, and this year, Macquarie successfully implemented the Corporate Champions project, a federally driven initiative to raise awareness and combat age discrimination in the workplace.

Once again, Macquarie was named in Australia's top 20 employers at the Pride in Diversity Awards for support of gay, lesbian, bisexual, transgender and intersex staff.

The University retained its national accreditation from the Australian Breastfeeding Association, which involved provision of paid lactation breaks and specially equipped parenting rooms across campus.

During 2014, Macquarie signed as a supporter of the national 'Racism. It Stops With Me' campaign, and set up a Multicultural Advisory and Student Ambassador Program.

Student and staff-led cultural events remained varied and exciting.

Progressing the Disability Action Plan 2012–2017 engaged both staff and students, with the mid-term review scheduled for 2015.

During the year, the Mentors@Macquarie program continued to support a smooth transition to university for new students through peer mentoring. The generous Macquarie equity scholarship scheme supported the enrolment, participation and retention of students from disadvantaged backgrounds. The LEAP Program (Learning, Education, Aspiration, Participation) provided outreach to students from low socio-economic backgrounds to build their aspiration to attend and succeed at university.

## Access and inclusion initiatives

### ALTERNATIVE PATHWAYS TO UNIVERSITY

Macquarie's Centre for Open Education continued to offer an entry pathway via non-award courses to all domestic students able to pay tuition fees and who met the more flexible entry requirements. Applications were assessed on a case-by-case basis with consideration also given to non-academic factors. In 2014, there were 336 successful non-award pathway applications: 57.4 per cent had no previous tertiary study, 9.5 per cent had incomplete undergraduate study, 33 per cent held TAFE or other post-secondary study, and 35.7 per cent were mature age.

One hundred and three Bachelor of Arts and 43 Bachelor of Science places were offered by direct entry in 2014. An additional 407 new places were offered in other external undergraduate degrees by UAC application. These included students with incomplete tertiary study, those living in low socio-economic or regional areas, mature age students and incarcerated students.

Open Universities Australia continued to offer an alternative entry pathway for non-award undergraduate admission in 2014, with access to a Bachelor of Arts after successful completion of four units at pass grade (GPA 2.0). There were 11,551 unit enrolments in the online programs (10,767 undergraduate and 784 postgraduate) in 2014. From voluntary disclosure, 1.6 per cent identified as Indigenous Australians, one per cent lived in remote areas, nine per cent had a disability, 5.6 per cent spoke a language other than English and 12 per cent had not completed Year 12.

The following alternative pathways (which considered academic and non-academic factors) were also offered by Macquarie in 2014:

- Lighthouse Scheme, for students whose disadvantage seriously affected their senior schooling
- Mature Age Jubilee Scheme, for applicants over 21 years of age who have not previously undertaken any university study
- Warawara Alternative Entry Program, for Indigenous Australian applicants
- Next Step program, for students whose UAI/ATAR rank was not sufficient to gain an offer and for mature age students
- Rural Bonus Scheme, for students from rural and regional Australia.

# Equity, diversity and inclusion *continued*

## SCHOLARSHIPS

Macquarie offers a range of generous Equity Scholarships, awarded on the basis of financial need or other hardship. Most are renewable for up to four years. Since their introduction in 2008, more than 1300 students have received funding. Recipients include students from rural or remote areas, culturally and linguistically diverse backgrounds, refugee backgrounds, with disability and/or long-term medical conditions, who are sole parents or have carer responsibilities.

### Equity related scholarship recipients 2011–2014

Scheme	2011	2012	2013	2014
Macquarie Accommodation Scholarships	55	55	58	53
Macquarie Education Costs Scholarships	143	150	127	168
Indigenous Access Scholarships	8	8	11	12
Indigenous Commonwealth Accommodation Scholarships	4	5	9	11
Indigenous Commonwealth Education Costs Scholarships	6	7	22	26
Macquarie Higher Study Scholarships	41	25	22	34
Macquarie University Indigenous Grant Program	60	100	111	153
Merit Scholarships	35	45	39	37
Non-current School Leaver Scholarships	14	18	16	10
Refugee Scholarships	1	3	2	4
Macquarie University Dunmore Lang College Indigenous Incentive Scholarship	2	12	20	16
Macquarie University Dunmore Lang College Regional and Rural Scholarship	2	4	6	10
<b>Total</b>	<b>371</b>	<b>432</b>	<b>443</b>	<b>534</b>

## INDIGENOUS ENGAGEMENT

*Patyegarang*, the University's Aboriginal and Torres Strait Islander Peoples' Advancement Strategy 2012–2017, provides an institutional framework to advance educational and employment opportunities for Indigenous Australians. It covers the areas of community engagement and outreach (building aspiration); access and participation, retention and completion; academic programs and pathways; and research advancement, sustainable employment and wellbeing.

### WARAWARA: DEPARTMENT OF INDIGENOUS STUDIES

In 2014, Warawara appointed two new key roles that have enhanced the Indigenous strategy across the university. Associate Professor Shane Hearn was appointed as Director, Indigenous Strategy, and Uncle Lexodious (Lex) Dadd was appointed as the male Elder in Residence. Both of these roles supplement the current staff at Warawara. A highlight of 2014 was the opening of the Learning Circle on the campus during NAIDOC week in July. The Learning Circle provides a safe and welcoming place of cultural significance that will be shared by all across the wider University.

There were a total of 269 Indigenous students enrolled across Macquarie University in 2014, an increase from 219 in 2013.

Warawara continued to provide support for all Indigenous students with services including academic advice, induction, referral and pastoral care, and provision of facilities such as the Indigenous student common room and dedicated computer laboratory. In 2014, an Indigenous library space was also opened, with computer access and group study areas.

The Indigenous Tutorial Assistance Scheme (ITAS) provided supplementary individual and small group tutoring to Indigenous students. A total of 106 Indigenous students accessed the program.

### NATIONAL INDIGENOUS SCIENCE EDUCATION PROGRAM

The National Indigenous Science Education Program (NISEP) is an innovative program run collaboratively by Macquarie staff, secondary school staff, Aboriginal communities and a growing consortium of science outreach organisations and universities. The main aim of NISEP is to use science engagement activities to provide secondary students from low socioeconomic backgrounds, especially Indigenous youth, with the motivation and skills to complete their high school studies.

### INDIGENOUS OUTREACH

Macquarie's Indigenous mentoring initiative aimed at developing academic preparedness and increasing success levels with Chifley College and Tuggerah Lakes Senior College, continued in 2014. Two faculty Indigenous outreach and support officers continued working with current and potential students, linking them to faculty programs.

### SBS NITV INDIGENOUS MEDIA MENTORSHIP

The SBS NITV Indigenous Media Mentorship is a parallel program to the SBS Media Mentorship (see page opposite), and a joint initiative of the Ethnic Communities' Council of NSW and SBS. It provides additional support and opportunities to students of diverse backgrounds with the ultimate goal of improving the cultural diversity of the Australian media landscape. A highlight of the program in 2014 was four Indigenous students having the opportunity to work behind the scenes on the National Indigenous Media Awards held in Darwin in August.

## **INDIGENOUS CADETSHIPS AT MACQUARIE**

The Macquarie Indigenous Cadetship program continued in 2014. The program is a Macquarie University initiative supported by central funding. There are 15 cadets employed across all divisions of the University in professional and academic environments. Cadets complete 60 days per year in an area related to their study and interests to gain professional experience and build networks, as well as work skills and confidence. Cadetships can have an academic or professional focus, and cadets receive mentoring, pastoral support and professional development opportunities.

## **INDIGENOUS STAFF DEVELOPMENT FUND**

This fund continued to provide top-up funding for Indigenous staff to attend or present at conferences, participate and host national meetings and undertake further professional development.

## **Multicultural Policies and Services Program**

Macquarie University values the cultural diversity of its community, and is committed to ensuring that people from culturally and linguistically diverse backgrounds (CALD) have equal opportunity to participate fully in University life.

During 2014, the Equity and Diversity Unit reviewed the University's multicultural plan under the new Community Relations Commission University Guidelines, and established a Multicultural Advisory Group (staff and students) for stakeholder engagement. Comprehensive CALD staff and student data across a range of parameters continued to be collected and analysed, to ensure that initiatives were supported by evidence, and specific needs identified.

Macquarie teaches and undertakes research across a broad range of multicultural areas; for example, Literacy in a Multicultural Society (EDUC373); Migration, Human Rights and Diversity (SOC297); and Cross Cultural Management (BBA340). Postgraduate programs also offer a range of units exploring multicultural topics, and staff publish in fields grouped under 'Multicultural, Intercultural and Cross-Cultural Studies'.

## **ASPIRATION AND CAPACITY BUILDING ACROSS DIVERSE COMMUNITIES**

Macquarie University continued to engage with students, teachers, parents and communities in 2014 through the LEAP (Learning, Education, Aspiration, Participation) suite of programs. LEAP aims to increase knowledge and awareness of higher education, build capacity to access higher education and increase educational confidence and motivation among students from communities under-represented in higher education, many of whom are from migrant and refugee backgrounds.

Collectively, the Widening Participation initiative reached over 9300 primary and high school students, 320 teachers and 210 parents at 65 schools across New South Wales in 2014. Programs included Advancement via Individual Determination (AVID); Community of Schools (Auburn); Environmental Science Curriculum Enrichment (Broken Hill); Macquarie Mentoring (Refugee Mentoring); Macquarie Tutoring Program; Robotics for 9 to 16 year old students; the highly acclaimed National Indigenous Science Education Program and the Rural Students University Experience, in partnership with the Country Education Foundation of Australia.

## **SUPPORTING DIVERSITY OF STUDENTS AND STAFF**

In 2014, Macquarie continued to increase access and participation for students from diverse backgrounds and provide a range of services and social programs.

The Learning Skills program expanded its range of academic literacy resources to assist coursework students to transition

into university and develop their academic reading and writing skills. It delivered 108 academic literacy workshops to a total of 1873 students, and provided 710 face-to-face or online individual consultations to students to assist in the development of their academic language and learning. The StudyWISE iLearn unit was also launched in 2014 to introduce students to the expectations of academic culture and help them to become self-directed and lifelong learners. This resource proved incredibly popular with students, with a total of 18,818 enrolled users and 12,883 total views in 2014.

Macquarie University provides a range of support services to students from diverse backgrounds, including medical, counselling, triage, welfare (including financial scholarship advice), disability support, advocacy, chaplaincy and career advice. Demand for these services increased by 34 per cent in 2014, with a focus on triage and referral of students requiring support. There were 1252 students seeking disability support, 1068 seeking counselling, 162 seeking welfare support, 2352 seeking advocacy support, and 3549 seeking careers support. The 24-hour helpline (1800 CARE MQ) provided immediate response to over 1250 students in 2014.

The University signed as an official supporter for the national 'Racism. It Stops With Me' (RISWM) campaign to empower the Macquarie community to prevent and respond effectively to racism. 2014 activities included workshops exploring issues of race and racism and its impact on individuals and communities, Indigenous Learning Circles for staff and students with Elder in Residence Uncle Lex Dadd, the establishment of a Multicultural Advisory Group and the development of the Student Ambassador Program for the RISWM campaign.

Macquarie also continued to provide facilities, services and amenities such as a multi-faith prayer room, chaplaincy service, access to housing, on-campus childcare, a dedicated Women's Room, QueerSpace and social spaces.

With 45 cultural and faith-based student groups, activities were many and varied. 'Big Brunches' on campus brought international and domestic students together to share culture with regular attendances of more than 500.

Macquarie's Buddy Program, which offers peer support for international students, involved 45 volunteers and over 6000 students participated in welcome lunches, social events and day trips in 2014.

In partnership with SBS and the Ethnic Communities' Council of NSW, Macquarie continued offering its SBS Media Mentorship Program. This three-year program offers a suite of skills development workshops, mentoring and work placements for media students from culturally and linguistically diverse backgrounds. In 2014, the program recruited a new group of six students from migrant and refugee backgrounds, and offered work placements at SBS for the first cohort of third-year mentees.

Macquarie also supports staff from CALD backgrounds by offering career advancement, a free and confidential 24/7 Employee Assistance Program, paid education leave to undertake approved English language courses, cultural leave, a suite of professional development workshops, postgraduate study scholarships, and the postgraduate MGSM Scholarship Scheme. The Equity and Diversity Unit continued to offer free Auslan classes to staff and students to raise awareness of deaf culture and language.

## **CALD ENGAGEMENT ACTIVITIES**

Macquarie continued its involvement with UN Women in 2014, ensuring representation and participation in a range of events including the International Women's Day UN Women's Breakfast.

# Equity, diversity and inclusion *continued*

With an emphasis on diversity, women were also invited to participate in the Macquarie Women initiative, guiding the development of the gender equity strategy for the University, and sponsored to attend external workshops and conferences. A Harmony Day Symposium was held, hosted by the Faculty of Business and Economics' Cultural Diversity Research Network, with guest speakers including the Vice-Chancellor and the Australian Race Discrimination Commissioner. Staff also held a range of Harmony Day initiatives in their work areas across the University.

Macquarie continued to offer students and staff Diversity Grants for projects supporting inclusion and diversity. Funded projects included:

- The Importance of Libraries in Africa – co-hosted by library staff, the African Students Association and community group Saidia-Australia, it was attended by staff, students and esteemed Sudanese community members. A keynote from the University librarian was followed by cultural performances, food and dancing.
- The Africa Game Night and Think Africa lecture featured a keynote presentation by Associate Professor Andre Renzaho (from Monash University), cultural trivia games and performances.
- A Pakistani Kite Flying Festival was attended by more than 200 students, staff and community members.
- Japanese language and culture sessions (Nippon Kissa) involved a series of informal Japanese conversation sessions for interested students and staff to promote spoken Japanese on campus and introduce Japanese culture.
- A student-led conference on asylum seekers and refugees, which was a full-day conference with over 200 students, staff, and representatives from a range of not-for-profit and community organisations. The highlights of this comprehensive and thought-provoking conference program were: a panel discussion on refugee policy and issues with Senators Sam Dastyari and Lee Rhiannon, and Lucy Morgan, Refugee Council of Australia representative; the personal story of Maxwell Vanday, a Macquarie alumnus and former refugee; and a moving Treehouse Theatre performance by young refugees.

Other culturally affiliated student group activities included a Chinese food festival, Diwali night, Latino night, Sikh awareness day, Islamic awareness week and an International night.

## **MULTICULTURAL POLICIES AND SERVICES PROGRAM GOALS FOR 2015**

- consolidate the Multicultural Advisory Group and develop a set of priorities and activities for 2015 in line with the reviewed Multicultural Plan 2015–2017
- consolidate the Student Ambassadors Program for the 'Racism. It Stops with Me' campaign
- focus on methods of strengthening staff cultural awareness and competency through smaller group facilitated discussions about race and racism
- focus on methods to strengthen student cultural awareness and competency through student engagement and student groups
- continue outreach programs for students from disadvantaged backgrounds through Widening Participation and LEAP initiatives
- continue the provision of language and literacy programs for CALD students and staff, monitor usage rates and identify specific needs based on direct feedback
- encourage collaborations with external partners such as the Australian Human Rights Commission, Multicultural NSW, the Community Relations Commission of NSW, SBS Broadcasting, UN Women and White Ribbon Australia
- strengthen the mechanisms that allow CALD staff and students to participate fully in academic and campus life, and have a voice in decision making
- support career advancement, professional opportunities and visibility of CALD staff
- ensure that University policy and procedures support, respect and value CALD staff and students
- monitor University and student publications to ensure balanced representation for CALD students and staff in content and images.

# Sustainability

Universities educate most of the world's future leaders, decision-makers and teachers, while advancing the boundaries of knowledge. Macquarie University is constantly seeking to meet its responsibility and exemplify sustainability best practice through both core business and supportive services.

## Vision

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

- function as a sustainable community, embodying responsible consumption of energy, water, food, products and transport
- support sustainability in the local community and region
- ensure students leave the University prepared to contribute as working citizens to an environmentally healthy and equitable society
- meet changing social, environmental and economic conditions to reduce the impact of climate change upon the environment
- embed sustainability in all that we do.

## Demonstrating leadership

A joint staff and student campaign focusing on reducing the use of disposable plastic bottles saw the University receive the Student Engagement Award at the annual Green Gown Awards Australasia. The Tap It campaign successfully recruited more than 700 members of the campus community who pledged to choose tap over bottled water, developed a campus wide 'tap map', handed out over 1500 reusable bottles made in Australia from renewable sugar cane, and hosted a popular Bottled Water Free Day.

## Partnership and engagement

To continue encouraging staff members to take advantage of their volunteer leave, the sustainability team held a volunteering expo to help staff engage with a variety of charities and not-for-profit organisations, to make partnering up as easy as possible.

Building on the success of the 'M-power' staff engagement program launched in 2013, four new quarterly sustainability themes provided an engaging and simple structure and suite of resources for the Sustainability Representative Network (SRN) to utilise across their departments.

This year the SRN celebrated its fifth birthday, indicating the strength of the network's ability to build community through facilitating engagement across departments. Three SRN Awards of Excellence were presented: an overall winner for professional (Sidsel Sorensen, Faculty of Human Sciences); overall winner for academic (Dr Peter Keegan, Faculty of Arts); and a Highly Commended award (Meg Woods, Gumnut Cottage).

Participation in the sixth annual Department Sustainability Challenge (DSC) grew with 41 departments getting involved. The DSC encourages actions across four different categories, including the introduction of 'Target Sustainability', a new approach to understanding and measuring holistic sustainability within departments to help improve sustainability performance and identify outstanding gaps for actions. A heated competition saw Human Resources and the Department of Ancient History winning the Most Sustainable Department (Professional and Academic) titles, while the Faculty of Human Sciences took out the Most Sustainable Faculty award. Thirty-two departments achieved over 15 stars, for which a tree was planted in critical koala habitat, while 16 departments achieved over 30 stars, for which they received Oxfam sponsorship of a piglet for a family in Vietnam.

To encourage more staff and students to commute by bicycle, the sustainability team held its seventh annual Ride2Uni Day Breakfast in October, attracting over 100 attendees and partnerships with Bicycle NSW, BikeNorth and Chain Reaction Cycles. Macquarie University continues to strengthen its relationships with the wider community through representation on the City of Ryde bike advisory committee.

The University began the development of an iPad tour application aimed at engaging the community with sustainability initiatives on campus. The application provides a resource for developing tours of any kind, and can be utilised by other departments across campus.

The Arboretum continued to attract crowds with 12 tours conducted, including school, corporate and community groups. Staff and students also joined in with dedicated walks on campus. The Arboretum continued to expand with the completion of the Indian Spice Garden, a collaborative project with the Faculty of Arts. Explanatory signs were also installed in the Bush Tucker Garden, the Indian Spice Garden, and by the lake, with 80 individual plant labels installed across campus. More interpretive signage was added to the Arboretum, the Earth Sciences and Biological Sciences gardens, enabling greater engagement with staff, students and the community. Guided tours continue to be a successful community engagement activity, with strong positive feedback, and the clear enjoyment of visitors.

## Learning, teaching and research

Embedding sustainability throughout the curriculum remained a focus in 2014, with one program from each faculty involved in identifying and connecting with sustainability literacy. Utilising a framework developed by Macquarie colleagues with input from national and international sector representatives, program and unit conveners mapped locations where learning is already occurring, to make implicit connections more explicit.

Green Steps (BIOL392) was again delivered as a Session 2 PACE unit. The unit was run at capacity with good engagement and feedback from students.

The Arboretum continued to be a resource for staff and students, as both an outdoor learning space and a teaching resource. Teaching gardens were expanded with additional plants added to the Bush Tucker Garden, the Indian Spice Garden, and the Earth Sciences (Proteaceae) Garden.

# Sustainability *continued*

## Campus operations

### ENERGY EFFICIENCY AUDIT

Arising from the Energy Strategy 2013, an energy efficiency audit of the main campus buildings and facilities commenced in September 2014 and will reach completion in early 2015. It is anticipated that the audit will outline key knowledge gaps such as outdated metering, as well as identify opportunities for improvements within both routine maintenance and during building refurbishments and upgrades.

### BIODIVERSITY

In the campus' more remote northwest corner, mapping of the condition of a large patch of weed-impacted Sydney turpentine ironbark forest has indicated a strong turnaround in the five years since regular bushland regeneration work was first commenced. Vegetation mapped as being of moderate condition or above has increased from 49 per cent to 75 per cent of the forest across the life of the program.

### FURNITURE RE-USE STORE

2014 saw the furniture re-use store relocated to new premises on the ground floor of C7A. Despite being closed for almost two months while the move took place, a total of 952 items were re-used on campus during 2014, with almost half of the items being chairs.

From fake plants to footrests, from desks to desk fans, staff members embraced the scheme and its benefits, and took advantage of the new central campus location to inspect items.

### ONE PLANET

Design guidelines for use of the ecological footprinting tool were finalised for new projects and major refurbishments. A small refurbishment project was conducted as a trial process with successful outcomes. Upcoming projects will be implemented under the completed guidelines.

### TRAVEL SURVEY

The University carried out a biennial survey to determine staff and student travel to campus. The survey of 900 respondents indicated that among the student population, the target of 40 per cent mode share for accessing the campus by public or active transport is being exceeded.

Visit [mq.edu.au/sustainability](http://mq.edu.au/sustainability) for more information on sustainability.





# Staff

Both academic and professional staff benefit from Macquarie's investment in its people, and its focus on developing staff capacity and rewarding excellence.

## Staff engagement and development

Throughout 2014, the University provided a broad range of development activities and events for staff at all levels, including centrally run courses, bespoke developmental and team building workshops, and grants and scholarships for professional staff.

The University provided ongoing development to managers and leaders through the Academic Leadership Development and Networking Forums, Researcher Development Program, Leadership Seminar Series, High Potential Management Development Alumni Program, Leadership Coaching Program and bespoke office leadership programs. We also commenced a program to enhance organisational service capability.

The University implemented an improved Performance, Development and Review (PDR) system and process, making it easier for managers and staff to prepare and implement performance and development plans.

The University launched the Vice-Chancellor's Excellence Awards for Professional Staff to recognise and reward professional staff who have made outstanding contributions to the strategic aims of the University, in particular those of service and engagement.

## Policy and procedure

There were no major changes to staff policies in 2014. The rollout of online professional timesheets was completed and all employee files were upgraded from paper copy to an electronic document management system. A preferred supplier arrangement for academic and executive recruitment was created following a thorough procurement process.

## WAGE AND SALARY MOVEMENTS

The University's professional staff salaries and conditions are determined by the Macquarie University Enterprise Agreement 2010, which provided for salary increases of 2 per cent each in March and September 2014 (ie 4 per cent over the year). The University's academic staff salaries and conditions are determined by the Macquarie University Academic Staff Enterprise Agreement 2014, which provided for one salary increase of 3 per cent in March 2014. The recommended increase for staff employed on individual contracts was 2.5 per cent. There have been no significant wage movements outside of these increases.

## INDUSTRIAL RELATIONS POLICIES AND PRACTICES

As outlined above, the University has separate enterprise agreements for academic and professional staff. Bargaining for the academic staff agreement was completed in August 2014. Bargaining for the professional staff agreement commenced in November and is ongoing.

## Staff statistics

There were 223<sup>2</sup> female academic staff at the level of Level C (Senior Lecturer) or above (46 per cent of all female academic staff), compared with 395 males (59 per cent of all male academic staff).

Of the 1388 professional staff positions, 510 (37 per cent) were in academic faculties and research centres of the University, 118 (9 per cent) in the library and 145 (10 per cent) in the Office of the Registrar. The balance of 615 (44 per cent) were in central administration or other offices of University administration.

## STAFF FULL-TIME EQUIVALENCE

The full-time equivalence (FTE) of non-casual staff as at 31 March 2014 was 2358, an increase of 133 FTE (6.0 per cent) over 2013. The change consisted of an increase of 58 FTE for academic staff and an increase of 74 FTE for professional staff. In 2014<sup>3</sup> the FTE of casual staff was 630, including 382 academic and 248 professional FTE.

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.

## Academic staff full-time equivalent staff numbers 2011-2014<sup>1</sup>

Academic classification	2011	2012	2013	2014
Level A	175	165	178	191
Level B	275	301	297	309
Level C	222	225	225	239
Level D	158	156	164	173
Level E and above	134	142	148	158
Deputy Vice-Chancellor	4	4	4	4
Vice-Chancellor	1	1	1	1
Casual	340	362	382	382 <sup>3</sup>
<b>Total academic</b>	<b>1308</b>	<b>1356</b>	<b>1399</b>	<b>1457</b>

<sup>1</sup> Statistics are calculated using the average staff numbers throughout the year.

<sup>2</sup> This is based only on the full-time and fractional full-time staff numbers (headcount).

<sup>3</sup> 2014 casual data is only an estimate and is based upon 2013 casual FTE from 1 January 2013 to 31 December 2013. All other years reflect actual casual figures.

## Professional staff full-time equivalent staff numbers 2011–2014

Professional classifications <sup>1</sup>	2011	2012	2013	2014
HEW Level 1	1	1	1	1
HEW Level 2	25	14	10	10
HEW Level 3	44	35	30	22
HEW Level 4	74	70	87	83
HEW Level 5	206	193	215	215
HEW Level 6	265	260	262	298
HEW Level 7	231	253	265	266
HEW Level 8	124	131	131	160
HEW Level 9	116	119	108	120
HEW Level 10 and above	92	97	101	108
Casual <sup>2</sup>	259	224	238	238 <sup>4</sup>
<b>Total professional</b>	<b>1436</b>	<b>1398</b>	<b>1447</b>	<b>1521</b>
<b>Full-time/ part-time total</b>	<b>2145</b>	<b>2169</b>	<b>2226</b>	<b>2358</b>
<b>Casual total</b>	<b>599</b>	<b>586</b>	<b>620</b>	<b>620</b>
<b>Total University</b>	<b>2744</b>	<b>2755</b>	<b>2846</b>	<b>2978</b>

<sup>1</sup>HEW Higher Education Worker

<sup>2</sup>Casual staff FTE are for the previous calendar year from 1 January to 31 December 2013.

<sup>3</sup>As at 31 March 2014. Figures may not add up to totals due to rounding.

<sup>4</sup>2014 casual data is only an estimate and is based upon 2013 casual FTE from 1 January 2013 to 31 December 2013

## Senior executive remuneration

In 2014, there was a total of five female and nine male senior executives, compared with three female and nine male senior executives in 2013. The average remuneration for senior executives in 2014 was \$464,127, compared with \$529,396 in 2013.

The total executive remuneration (including salary, pension, bonus and exit payments) in 2014 was \$7,833,000, which represented 1.99 per cent of total employee related expenditure. In 2013, the total executive remuneration was \$6,943,000, which represented 2.01 per cent of total employee expenditure.

	2013			2014		
	Male	Female	Total	Male	Female	Total
Vice-Chancellor	1	0	1	1	0	1
Deputy Vice-Chancellor	2	2	4	4	1	5
Executive	6	1	7	4	4	8
<b>Total</b>	<b>9</b>	<b>3</b>	<b>12</b>	<b>9</b>	<b>5</b>	<b>14</b>
Average executive salary	\$529,396			\$464,127		

## Health and safety

Macquarie University operates in a wide range of work and risk environments, creating a complex risk profile. The following section outlines the University's health and safety performance in 2014.

### INCIDENT PROFILE

A total of 121 staff related incidents were reported in 2014, which is the same number of incidents reported in 2013. The profile of type of incident changed in 2014 when compared with the profile in the three years prior, with most incidents occurring as a result of:

- manual handling (18 per cent)
- hitting objects (17 per cent)
- falls (19 per cent).

The following results provide further information regarding employee incidents.

Performance measure	2011	2012	2013	2014
Incidents reported (staff only)	166	139	121	121
FTE employees	2595	2400	2425	2532 <sup>1</sup>
Incidence rate (per 100 employees)	6.32	5.88	4.99	4.78
Frequency rate (per million hours worked)	35.51	41.82	30.00	23.00
Incidents to claims lodged rate	32%	43%	41%	27%

<sup>1</sup> Employee FTE is calculated using a March census date.

Incidents	2011	2012	2013	2014
At work incidents				
– manual handling	2	0	10	19
– maintenance	0	0	5	4
– undertaking experiments	1	3	11	14
– moving equipment	4	5	5	8
– administration	58	52	25	25
– commuting on campus	42	42	35	17
– other	1	8	10	23
<b>At work incidents total</b>	<b>108</b>	<b>110</b>	<b>101</b>	<b>110</b>
Attending approved break or sporting event	20	5	5	3
Travelling to and from work	36	20	9	6
Field trips	0	4	6	2
<b>Total incidents</b>	<b>164</b>	<b>139</b>	<b>121</b>	<b>121</b>

## Workers' compensation

A total of 33 claims for workers' compensation were lodged in 2014, compared with 50 claims in 2013. This represents a 34 per cent reduction in reported claims between the years. The University's claim lodgement rate fell to 1.30 (per 100 FTE) compared with 2.06 in 2013. The University's performance in managing risk and claims continues to demonstrate significant improvement, with ongoing reductions in the number of claims lodged, in the number of claims with lost time and in the average cost per claim. There were no fatalities reported in 2014.

## Health and Safety unit

The unit plans, coordinates and administers the health and safety system across the University and its controlled entities. The unit consists of 10 staff, and works closely with faculty-based specialists and over 100 health and safety representatives across the faculties and offices of the University.

The unit's focus in 2014 was to:

- further cement the system of workplace safety inspections
- embed and further develop risk profiles across the University
- implement risk management plans in key areas of the University
- strengthen consultative structures between management and employees.

## Retro-Paid Loss Premium model (workers' compensation)

In 2011, the University Group became a participant in the Retro-Paid Loss Premium model in respect of its workers' compensation insurance. This model is driven largely by claims costs and provides incentives for employers with strong performance in workplace health and safety, injury management and return to work.

Continued strong claims and injury management practices has realised ongoing savings to the Macquarie University Group (Macquarie University and all of its controlled entities) premium. The University Group's 2014 minimum premium was calculated at \$1,252,551. This represents a saving to the University Group of \$2,020,872 when compared with what would have been paid under the conventional premium model calculation. Details of claims can be found on the following page.

## Notifiable incidents

Two notifiable incidents occurred in the reporting period. These matters were notified to WorkCover NSW, investigated internally, remediation actions put into place and the matters have been closed.



## Workers' compensation results 2011–2014

Performance	2011	2012	2013	2014
Claim numbers	52	61	50	33
Claims (per 100 FTE)	2.00	2.53	2.06	1.30
Total claims costs	\$284,931	\$116,025	\$86,526	\$23,700
Average cost of claim	\$3,372	\$1,902	\$1746	\$718

## Claims by accident type 2011–2014

Claims by accident type	2011	2012	2013	2014
Burns and scalds	0	1	1	2
Caused by another person	0	2	1	0
Exposure to electrical current	0	0	0	0
Exposure to extreme temperature	0	1	1	0
Exposure to radiation	0	0	0	0
Fall of a person	16	20	15	6
Falling object	0	0	0	2
Stress/anxiety/harassment	2	1	1	3
Hit object with body	10	4	3	4
Journey/recess	11	10	5	1
Manual handling	9	15	10	11
Struck by an animal	0	3	1	0
Other	4	4	12	4

## Employment equity and diversity<sup>1</sup>

The following pages set out the workforce diversity achievements of Macquarie University during the reporting year and the key workforce diversity strategies proposed by the University for the following year.

### GENDER EQUITY

In 2014, women represented 55.4 per cent of all continuing and fixed-term staff (1440 women from a total of 2599 continuing and fixed-term staff) exceeding the 50 per cent New South Wales Government benchmark.

The representation of women on the three key University decision-making bodies in 2014 was:

- 29 per cent on University Executive (four out of 14 members)
- 47 per cent on University Council (eight out of 17 members)
- 32 per cent on Academic Senate (13 out of 41 members)

Representation of women in academic roles in 2014 was 42 per cent, which was below the higher education sector average of 43.7 per cent (latest figures available<sup>2</sup>).

The representation of women (FTE) in the professoriate was 36.8 per cent for Level D (Associate Professor) and 29.5 per cent for

Level E (Professor). While it is pleasing that both figures are above the sector averages (33.4 per cent and 23.8 per cent respectively), it is noted that there has been a marginal decrease in the representation of women at Level D and E since 2013 (D – 1.7 per cent and E – 1.4 per cent), which will remain a watching brief.

In terms of distribution of academic women across salary levels, data shows that in 2014 more academic women were concentrated at lower salary levels than men. The Group Distribution Index (GDI)<sup>3</sup> shows a small decrease from 83 in 2013 to 81 in 2014.

In 2014, women held 41.8 per cent of all continuing academic positions, a figure that has remained steady over the past five reporting years. Of all academic women in continuing roles, the majority work full-time (90.3 per cent) with only marginal fluctuations of the full-time to part-time ratio over the past five years.

The rate at which academic women left the Macquarie workforce in 2014 was 40.4 per cent (61 out of 151), which was marginally below the 2014 workforce participation rate for academic women (41.7 per cent). Women represented 34 per cent of all voluntary and 56.1 per cent of all involuntary separations. The majority of all separations of academic women in 2014 was due to the end of contracts (70.4 per cent) followed by resignations (23 per cent). There were no voluntary redundancies and no forced separations of academic women in 2014.

<sup>1</sup> Total staff figures differ slightly from the Department of Education audited statistics reported on pages 21–22. Numbers in this section were sourced from the Macquarie University Human Resources Information System (HRIS) in order to enable categorisation and reporting on employment equity. Unless specified otherwise, headcount is used in this section.

<sup>2</sup> Universities Australia 2014, 'Selected Inter-Institutional Gender Equity Statistics – Australia Wide – 2012', Canberra, ACT.

<sup>3</sup> GDI values of less than 100 indicate that the EEO group is concentrated at a lower salary level than other staff, the lower the index, the more pronounced the tendency.

As at 31 March 2014, women represented 26.2 of the 42 Concentration of Research Excellence (CORE) appointments, which is a 2.8 per cent increase since 2013. As CORE appointments are at senior levels C, D and E, this appointment rate remains significantly below women's workforce representation at these levels.

The percentage of women applying to participate in the Outside Studies Program in 2014 was 44.9 per cent (35 out of 78). Women's success rate was 94.3 per cent, as compared with an 83.7 per cent success rate for male applicants. Women represented 55.6 per cent of all applicants for New Staff and Staff Returning from Parental Leave Research Grants in 2014 and their success rate was 53.3 per cent.

In 2014, 45.2 per cent of all applications for academic promotion were from women (33 out of 73).

For promotion to Level B, 58.3 per cent of all applicants (seven out of 12) and 54.5 per cent of all promotions (six out of 11) were women. Of all female applicants 85.7 per cent (six out of 7) were promoted, as compared with 100 per cent success rate of their male counterparts.

For promotion to Level C, 38.5 per cent of all applicants (10 out of 26) and 41.7 per cent of promotions (10 out of 24) were women. Of all female applicants, 100 per cent (10 out of 10) were promoted, as compared with an 87.5 per cent success rate for men at this level.

For promotion to Level D, 41.7 per cent of applicants (10 out of 24) and 50 per cent of all promotions (eight out of 16) were women. Both the application and promotion rates are significantly higher than women's workforce representation (36.8 per cent) and the sector average at this level (33.4 per cent). Of all female applicants, 80 per cent (eight out of 10) were promoted, as compared to a 57.1 per cent success rate of their male counterparts.

For promotion to Level E, 54.5 per cent of all applications (6 out of 11) and 60 per cent of all promotions (6 out of 10) were women. It is pleasing that all female applicants (6 out of 6) were promoted to this higher level of academia. Eighty per cent of male applicants were promoted. Both the application and promotion rates are significantly higher than women's workforce participation rates (29.5 per cent) and the sector average at this level (23.8 per cent).

In 2014, the workforce participation rate of women on professional staff was 65.3 per cent. Women remained clustered in mid-range employment levels. Representation of FTE professional women in management roles (HEW 10 and above) was 50.1 per cent, which is on par with the government benchmark. Women's Group Distribution Index (GDI) during the reporting period was 91, two points higher than the previous year (89 in 2013).

Women held 65.5 per cent of all continuing professional staff positions in 2014, with the majority employed in full-time roles (79 per cent). Both these figures have remained steady over the past five reporting years. The significant over-representation of professional women in part-time contract positions (82.5 per cent) remains a watching brief.

During the year, professional women left the Macquarie University workforce at a rate of 66.2 per cent (147 out of 222), which is consistent with their workforce representation. Women represented 64.4 per cent of all involuntary and 67.1 per cent of all voluntary professional staff separations. In 2014, the majority (57.3 per cent) of professional women separated from the University due to resignations. This was followed by separations due to the end of contracts (22.6 per cent). Professional women represented 45.5 per cent of forced separations in 2014.

The University continues to have comprehensive and generous parental leave provisions allowing four weeks' paid leave on the

child's birth (for birth mother and partner) and up to 22 weeks of paid leave for the primary carer. The University recognises same sex parents, adoption, and fostering of children. In 2014, 152 staff (65.8 per cent of whom were women and 34.2 per cent men) took parental leave. Of the number of days taken, 8.8 per cent were taken by men.

During the year, the Macquarie Women's Brains Trust continued to meet face to face and through email. This diverse group of women (academic/professional/junior/senior) come together to advise on the progress of the University's Gender Equity Strategy. In 2014, the University sponsored 17 women to attend the Macquarie Women, Work and Management Conference, and supported women to attend the Universities Australia Executive Women Workshops, and a range of networking events on campus. It is exciting that the new Strategic Research Framework 2015–2024 clearly articulates the desire for a 'step change in gender equity' at Macquarie over the next 10 years.

In 2014, the University continued to be part of the Australian Breastfeeding Association workplace initiative and retained its status as an accredited Breastfeeding Friendly Workplace. The University provides three parenting rooms and paid lactation breaks for women wishing to breastfeed or express on campus.

As one of only three universities in Australia with White Ribbon Workplace Accreditation, Macquarie continued to lead in promoting the National White Ribbon Workplace Program, and held a high profile Business Leaders Symposium at MGSM, to encourage local precinct partners to become involved in Australia's largest anti-violence towards women campaign.

#### **PEOPLE WITH DISABILITY**

The University recognises that employment equity for people with disability requires targeted interventions across a range of areas. 2014 saw significant progress in the implementation of the University's Disability Action Plan (DAP) 2012–2017. During the year, a Human Resources DAP working party was established to specifically progress employment equity matters. An Accessible Information and Communications Roundtable Group was also set up. The Accessible Environments Advisory Group continued to focus on the built environment and resolving physical access issues.

In order to ensure the perspectives of staff with disability were heard, a survey was conducted that informed the work of relevant committees. The University continued its silver membership of the Australian Network on Disability, a not-for-profit organisation advancing the inclusion of people with disability in employment. Through this membership, an audit of Macquarie's recruitment process in terms of accessibility was conducted. Raising the awareness of disability issues, rights and responsibilities in the Macquarie workforce is a key part of professional development.

According to voluntary responses, people with disability represented 3.9 per cent of academic and 4.2 per cent of professional staff at Macquarie in 2014. Representation of academic and professional staff with disability requiring work-related adjustments was 0.9 per cent. Academic staff with disability were primarily employed at Level C in 2014 (41.4 per cent of all academic staff with disability) and in mid-range professional staff positions HEW 5–7 (highest being HEW 6 at 21.1 per cent).

Of all academic staff with disability, 75.9 per cent were in continuing and 24.1 per cent in fixed-term roles. Of the continuing roles, 86.4 per cent were full-time. Of all professional staff with disability, 81.6 per cent were in continuing roles and 18.4 per cent were fixed-term employees. Of the continuing roles, 83.9 per cent were full-time.



During the reporting year, there was one voluntary redundancy and no forced separations of academic staff with disability.

## **INDIGENOUS AUSTRALIANS<sup>4</sup>**

In 2014, the University continued the implementation of *Patyegarang* Aboriginal and Torres Strait Islander People's Advancement Strategy (2012–2017) to improve educational and employment outcomes for Indigenous people at Macquarie. According to voluntary responses, the representation of Aboriginal and Torres Strait Islander Peoples in the Macquarie workforce remained well below the government benchmark of 2.6 per cent. For academic staff, Indigenous Australian representation was 0.8 per cent in 2014 (six academic staff at levels B, C, D and E). The University recruited one Indigenous Australian into an academic role during the reporting year. Indigenous professional staff representation in 2013 was 0.7 per cent, which included six professional staff. Two Indigenous Australians were employed in casual professional staff roles.

## **CULTURAL AND LINGUISTIC DIVERSITY**

Macquarie University's staff profile is diverse with 90 countries and 65 languages represented. In 2014, based on voluntary responses, the representation of staff from non-English speaking backgrounds (NESB) was 30.8 per cent in the academic and 34.8 per cent in the professional workforce. These rates are significantly higher than the government benchmark of 19.0 per cent.

In 2014, the highest representation of academic staff from non-English speaking backgrounds was at Level B (28.9 per cent of all academic staff from non-English speaking backgrounds). For professional staff it was at HEW 7 (26.4 per cent).

Staff from non-English speaking backgrounds represented 22.9 per cent of all academic and 11.9 per cent of all professional employees externally recruited in 2014. External recruitment was to academic levels A, B, C and E, and to professional HEW levels 2–10.

In separations from the Macquarie workforce, staff from non-English speaking backgrounds represented 8.0 per cent of all academic and 4.5 per cent of all professional staff separations in 2014. There were no voluntary redundancies of either academic or professional staff from non-English speaking backgrounds.

Of all academic staff from non-English speaking backgrounds, 71.1 per cent held continuing positions and 28.9 per cent fixed-term positions. Of the continuing roles, 98.2 per cent were full-time. Of all professional NESB staff, 84.1 per cent were employed in continuing and 15.9 per cent in fixed-term roles. Of these continuing roles, 91.5 per cent were full-time.

The GDI for both academic and professional NESB staff remained below the government benchmark of 100 (83 and 86 respectively).

## **EMPLOYMENT EQUITY GOALS FOR 2015**

- embed equity considerations in human resources processes (recruitment and selection, induction, professional development, promotion and advancement)
- monitor restructures and change management processes for equity issues
- partner with external organisations that align with our equity goals and maximise opportunities to build a sense of community and engagement for all employees
- continue to provide Equity Observers for all academic promotion rounds and participation in reviews of processes
- provide professional development for managers and supervisors on legislation, rights and responsibilities around discrimination for staff and students, with a focus on inclusive leadership and the prevention of bullying and harassment
- consolidate the University's Gender Equity Strategy with two main streams: Women in Research and Women in Science and Engineering, in consultation with the Macquarie Women's Brains Trust
- continue to lead the White Ribbon Workplace Accreditation rollout
- implement the employment-related recommendations of the University's Indigenous Advancement Strategy
- maintain the Macquarie Indigenous Student Cadetship Program at full capacity
- continue the Indigenous Staff Development Fund
- implement and monitor the Disability Action Plan 2012–2017 and conduct a 2015 mid-term review to increase local area operational plans and strategies that promote and support people with disability
- investigate opportunities for the employment of Macquarie students with disability at Macquarie both prior to and after graduation
- continue implementation of the 'Racism: It Stops with Me' campaign and launch the reviewed Multicultural Policies and Services Program.

<sup>4</sup> Data pertaining to designated equity groups (Indigenous Australians, staff with disabilities and staff from culturally and linguistically diverse backgrounds) is gathered through voluntary e-survey responses.



**EEO group representation (2011–2014) – benchmark comparison at 31 March 2014<sup>5</sup>**

**Professional staff**

	2011	2012	2013	2014	Government benchmark or target
Women <sup>6</sup>	64.9%	64.4%	65.1%	65.3%	50%
Aboriginal people and Torres Strait Islanders <sup>7</sup>	1.1%	1.0%	1.1%	0.7%	2.6%
People whose first language is not English <sup>7</sup>	32.5%	35.8%	34.4%	34.8%	19%
People with disability <sup>7</sup>	4.1%	4.9%	4.1%	4.2%	N/A
People with a disability requiring work-related adjustment <sup>7</sup>	1.1%	1.2%	1.3%	0.9%	1.5% (2013)

**Academic staff**

	2011	2012	2013	2014	Government benchmark or target
Women <sup>6</sup>	41.7%	42.2%	41.8%	42.0%	50%
Aboriginal people and Torres Strait Islanders <sup>7</sup>	0.8%	0.7%	0.8%	0.8%	2.6%
People whose first language is not English <sup>7</sup>	25.0%	28.8%	30.1%	30.8%	19%
People with disability <sup>7</sup>	4.6%	4.8%	4.3%	3.9%	N/A
People with a disability requiring work-related adjustment <sup>7</sup>	1.2%	1.4%	1.4%	0.9%	1.5% (2013)

<sup>5</sup> Continuing and fixed-term staff numbers are as at 31 March 2014.

<sup>6</sup> Actual persons.

<sup>7</sup> Based on voluntary responses to EEO questions.



## EEO Group Distribution Index<sup>8</sup> (2011–2014) – benchmark comparison at 31 March 2014<sup>9</sup>

### Professional staff

	2011	2012	2013	2014	Government benchmark
Women	93	92	89	91	100
Aboriginal people and Torres Strait Islanders	N/A	N/A	N/A	N/A	100
People whose first language is not English	96	92	87	86	100
People with disability	92	101	107	117	100
People with a disability requiring work-related adjustment	N/A	N/A	N/A	N/A	100

### Academic staff

	2011	2012	2013	2014	Government benchmark
Women	83	78	83	81	100
Aboriginal people and Torres Strait Islanders	N/A	N/A	N/A	N/A	100
People whose first language is not English	95	93	85	83	100
People with disability	97	90	99	107	100
People with a disability requiring work-related adjustment	N/A	N/A	N/A	N/A	100

<sup>8</sup> A distribution index of 100 indicates that the centre of the distribution of the EEO group across salary levels is equivalent to that of other staff. Values less than 100 mean that the EEO group tends to be more concentrated at lower salary levels than is the case for other staff. The more pronounced this tendency is, the lower the index will be. In some cases the index may be more than 100, indicating that the EEO group is less concentrated at lower salary levels. N/A denotes where numbers are too small for the distribution index figure to be reliable.

<sup>9</sup> Continuing and fixed-term staff numbers are as at 31 March 2014.

**EEO group representation (FTE)<sup>10</sup> within levels at 31 March 2014<sup>11</sup>**

**Professional staff**

Level	Total staff	Women	Aboriginal people and Torres Strait Islanders	People whose first language is not English <sup>12</sup>	People with disability <sup>12</sup>	People with a disability requiring adjustment <sup>12</sup>
Level 1	1	100.0%	0.0%	0.0%	100.0%	100.0%
Level 2	10	63.8%	0.0%	10.8%	25.0%	0.0%
Level 3	22	65.2%	0.0%	32.2%	10.9%	0.0%
Level 4	83	64.6%	0.0%	38.4%	5.5%	0.0%
Level 5	215	65.4%	1.6%	43.1%	4.5%	0.0%
Level 6	298	77.4%	1.0%	37.5%	4.0%	1.3%
Level 7	266	59.2%	0.0%	40.7%	2.2%	1.2%
Level 8	160	60.4%	0.9%	31.7%	3.4%	1.8%
Level 9	120	51.8%	0.0%	26.2%	5.4%	0.0%
Level 10 +	108	50.1%	1.3%	19.4%	5.3%	0.0%
<b>Total</b>	<b>1283</b>	<b>63.7%</b>	<b>0.7%</b>	<b>35.3%</b>	<b>4.3%</b>	<b>0.9%</b>

**Academic staff**

Level	Total staff	Women	Aboriginal people and Torres Strait Islanders <sup>12</sup>	People whose first language is not English <sup>12</sup>	People with disability <sup>12</sup>	People with a disability requiring adjustment <sup>12</sup>
Level A	191	44.1%	0.0%	50.7%	2.5%	0.8%
Level B	309	48.5%	0.6%	34.2%	2.5%	0.4%
Level C	239	42.8%	1.1%	27.3%	5.5%	2.6%
Level D	173	36.8%	1.4%	26.7%	1.7%	0.0%
Level E <sup>13</sup>	163	29.5%	0.9%	25.2%	5.0%	0.0%
<b>Total</b>	<b>1075</b>	<b>41.7%</b>	<b>0.9%</b>	<b>31.6%</b>	<b>3.5%</b>	<b>0.9%</b>

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

FTE: Full-time equivalences.

<sup>10</sup> Continuing and fixed-term staff.

<sup>11</sup> Based on the responses to EO questions.

<sup>12</sup> Level E includes Vice-Chancellor and Deputy Vice-Chancellors.

# Governance and management

## 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 2014.

### MEMBERS

The following persons were members of the Macquarie University Council during 2014:

The Hon Michael Egan AO – Chancellor  
Elizabeth Crouch – Deputy Chancellor  
Professor S Bruce Dowton – Vice-Chancellor and President  
Professor Dominic Verity – Chair of Academic Senate  
Brendan Crotty  
Chum Darvall  
Professor Julie Fitness  
The Hon Patricia Forsythe  
Professor Richard Howitt  
Gregory Jones  
Professor Deborah Kane  
The Hon Sandra Nori  
Gemma Quinn  
Steven Rubic (resigned 28 February 2014)  
Dr Kerry Schott  
Kathy Vozella  
Gregory Ward  
John Wigglesworth

### MEETINGS OF MEMBERS

Information about the numbers of meetings of the members of Macquarie University's Council in 2014, and the number of meetings attended by each member, appears on page 34.

### 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 informed 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 the *Macquarie University Act 1989*, and
- (h) that are sufficient to ensure the integrity of the University's academic programs.

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

### REVIEW OF OPERATIONS

The activities of the Macquarie University Council during 2014 included:

- receipt of the Vice-Chancellor's report at 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 University's strategic plan
- receipt of regular reports on health and safety across campus
- approval of key compliance reports including the Macquarie University 2013 Annual Report
- approval of the 2015 Consolidated Budget and 2015 Capital Management Plan
- approval of the conferral of various honorary awards
- approval of a new Council charter and updated terms of reference for Council committees
- approval of the Campus Masterplan
- approval of the establishment of the Faculty of Medicine and Health Sciences
- approval of an updated Intellectual Property policy
- approval of a new policy framework
- receipt of presentations from faculties on faculty performance and plans
- receipt of seminars on learning and teaching, the campus masterplan and presentations on other key areas of the business.

### 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 2014.

### LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

There have been no developments of significance since the end of 2014.

### ENVIRONMENTAL REGULATION

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

#### Legislation

- *Contaminated Land Management Act 1997* (NSW)
- *Energy Efficiency Opportunities Act 2006* (Cth) (until 29 June)
- *Environmental Planning and Assessment Act 1979* (NSW)
- *Environment Protection and Biodiversity Conservation Act 1999* (Cth)
- *Local Government Act 1993* (NSW)
- *National Greenhouse and Energy Reporting Act 2007* (Cth)
- *Native Vegetation Act 2003* (NSW)
- *Pesticides Act 1999* (NSW)
- *Protection of the Environment Operations Act 1997* (NSW)
- *Threatened Species Conservation Act 1995* (NSW)

## Regulations

- *Energy Efficiency Opportunities Regulations 2006* (Cth) (until 14 June)
- *National Greenhouse and Energy Reporting Regulations 2008* (Cth)
- *National Greenhouse and Energy Reporting (Measurement) Determination 2008* (Cth)
- *Native Vegetation Regulation 2013* (NSW)
- *Protection of the Environment Operations (Clean Air) Regulation 2010* (NSW)
- *Protection of the Environment Operations (Waste) Regulation 2014* (NSW)

## INSURANCE OF OFFICERS

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

- Professional Liability Protection Insurance, which covers 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 Liability Insurance, which covers the University and individuals deemed to be insured Directors or Officers for their legal liability arising out of their conduct as officers of the University. Deemed insured persons include any Chancellor; Deputy Chancellor; Vice-Chancellor; Deputy Vice-Chancellor; Registrar; Bursar; Member of Council; Member of Senate; Member of a Regulatory Board or Committee who is responsible for the management, or monitoring the performance of management of the University; University Secretary and any employee who is concerned in, or takes part in, the management of the University.

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



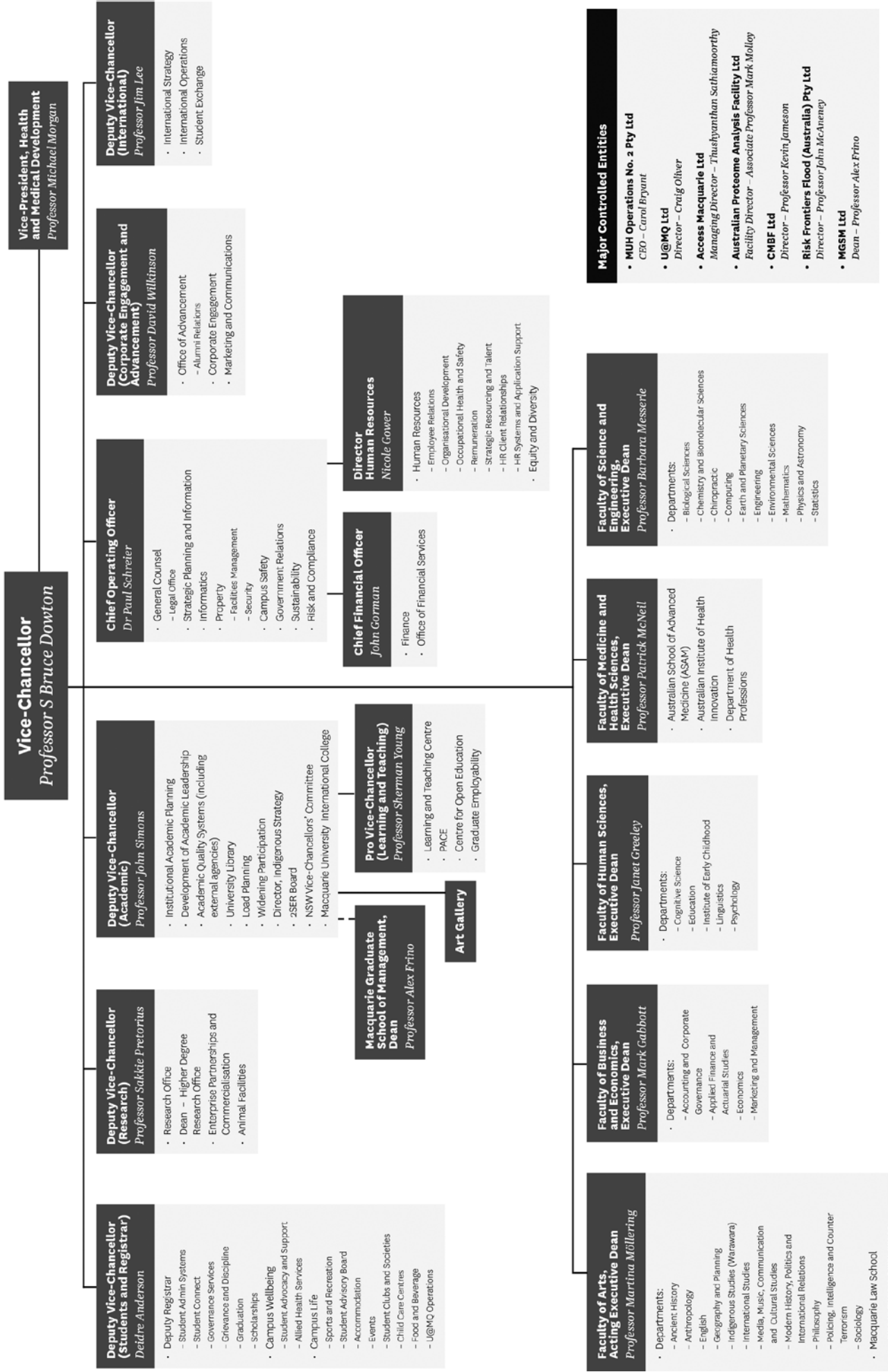
Michael Rueben Egan  
Chancellor

9 April 2014





# Macquarie University organisation chart



# Governance and management *continued*

## Principal office bearers

### Visitor

Her Excellency Professor The Honourable Dame Marie Bashir AC CVO  
Governor of New South Wales (until 1 October)

His Excellency General The Honourable David Hurley AC DSC (Retd)  
Governor of New South Wales (from 2 October)

### Chancellor

The Hon Michael Rueben Egan AO, BA Syd, FAICD

### Deputy Chancellor

Elizabeth Crouch, BEc Macq, FAICD

### Vice-Chancellor and President

Professor S Bruce Dowton, MBBS Syd, MD Syd, FACMG FRACP

### Deputy Vice-Chancellor (Provost)

Professor Judyth Sachs, BA Qld, PhD Qld, MA WMich (until 4 March)

### Deputy Vice-Chancellor (Students and Registrar)

Deidre Anderson, BA VU, MA VU, PG Cert Athlete Counselling AIS,  
PG Dip Soc Sc Latrobe

### Deputy Vice-Chancellor (Corporate Engagement and Advancement)

Professor David Wilkinson, BSc Manc, MBChB Manc, MSc Col,  
MD Natal, PhD UniSA, DSc UniSA, FRCP (London), FAFPHM,  
FRACGP, FACRRM

### Deputy Vice-Chancellor (Research)

Professor Sakkie Pretorius, BSc Free State, BSc (Hons) Free State,  
MSc Free State, PhD Free State

### Deputy Vice-Chancellor (International)

Professor Jim Lee, BS QU, MA Prin, PhD Prin

### Deputy Vice-Chancellor (Academic)

Professor John Simons, BA Abw, PhD Exon (from 25 August)

### Chief Operating Officer

Dr Paul Schreier, MA Cantab, MEng Cantab, PhD Cantab

### Chief Financial Officer

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

### Director, Human Resources

Timothy Sprague, BSc Syd, DipEd Syd, MCom UNSW (until 22 July)

Nicole Gower, BA/LLB (Hons) UTS (from 20 October)

### Executive Dean, Faculty of Arts

Professor John Simons, BA Abw, PhD Exon (until 24 August)

Professor Martina Möllering, BA Essen, MA Appl Ling Macq,  
PhD Macq (from 25 August)

### Executive Dean, Faculty of Business and Economics

Professor Mark Gabbott, BA Essex, MSc ICL, DTS UK, PhD Stir

### Executive Dean, Faculty of Human Sciences

Professor Janet Greeley, BSc Nfld, MA Tor, PhD Tor

### Executive Dean, Faculty of Science

Professor Clive Baldock, PhD KCL, MSc LHMC, MTEM, BSc (Hons)  
Sus, FACPSEM FAIP FIPESM FInstP (until 31 January)

### Acting Executive Dean, Faculty of Science

Professor Peter Nelson, BSc (Hons) Syd, BA Macq, PhD Syd  
(from 20 January)

### Executive Dean, Faculty of Medicine and Health Sciences

Professor Patrick McNeil, MB BS (Hons) UTas PhD UNSW FRACP  
(from 3 November)

## Macquarie University Council

(Membership as at 31 December 2014)

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

### MEMBERS OF COUNCIL

#### Chancellor

*Elected pursuant to section 8h of the Act*

The Hon Michael Rueben Egan AO, BA Syd, FAICD  
Current term to 28 February 2017

#### Vice-Chancellor

*Appointed pursuant to section 8h of the Act*

Professor S Bruce Dowton, MBBS Syd, MD Syd, FACMG FRACP  
Appointed 3 September 2012, ex officio

#### Chair of the Academic Senate

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

Professor Dominic Verity, BA Cantab, PhD Cantab

**Appointed by the Minister for Education and Training**  
*Pursuant to section 8g of the Act*

The Hon Patricia Forsythe, BA DipEd Newcastle (NSW)  
Current term to 31 December 2016

Dr Kerry Schott, BA(Hons) UNE, MA UBC, D Phil Oxford  
Current term to 31 December 2017

#### Appointed by Council

*Pursuant to section 8f of the Act*

Elizabeth Anne Crouch, BEc Macq, FAICD  
Current term to 31 December 2016

Gregory Mackenzie Jones, BA Macq, MA Macq  
Current term to 31 December 2016

The Hon Sandra Christine Nori, BEc Syd  
Current term to 31 December 2016

Gregory Ward, BEc Macq, MEd Macq, FCA, F Fin  
Current term to 31 December 2017

John Wigglesworth, BEc Macq, CA  
Current term to 31 December 2016

#### Elected by and from the academic staff

*Pursuant to section 8d of the Act*

Professor Deb Kane, BSc(Hons) Otago, PhD St Andrews  
Current term to 31 December 2015

Professor Julie Fitness, BA, MA (Hons), PhD Cant, MAPS, FAPS  
Current term to 31 December 2015

Professor Richie Howitt, BA (Hons), Dip Ed Ncle; PhD UNSW;  
PG Cert Ed Lship (2004) Macq  
Current term to 31 December 2015

#### Elected by and from the non-academic staff

*Pursuant to section 8d of the Act*

Kathy Vozella, BComms Canberra  
Current term to 31 December 2014

# Governance and management *continued*

**Elected by and from the students of the University**  
Pursuant to section 8d of the Act

Gemma Quinn  
Current term to 31 May 2015

**Appointed by Council**  
Pursuant to section 8e of the Act

Brendan Crotty LS, DQIT (T&CP), Dip BusAdmin Macq, FAPI  
FAICD FRICS  
Current term to 31 August 2017

Chum Darvall BA Macq, F Fin, FAICD  
Current term to 31 December 2016

Steven Rubic, BHealthAdmin NSW, MBA MGSM, FAICD  
Resigned 28 February 2014

## Members' attendance at meetings

Council	A	B
The Hon Michael Egan	6	6
Elizabeth Crouch	5	6
Professor S Bruce Dowton	6	6
Professor Dominic Verity	5	6
Brendan Crotty	4	6
Chum Darvall	5	6
Professor Julie Fitness	6	6
The Hon Patricia Forsythe	5	6
Professor Richie Howitt	5	6
Greg Jones	5	6
Professor Deb Kane	6	6
The Hon Sandra Nori	4	6
Gemma Quinn	6	6
Steven Rubic	0	1
Dr Kerry Schott	3	6
Kathy Vozella	6	6
Greg Ward	2	6
John Wigglesworth	5	6

A Number of meetings attended  
B Number of meetings eligible to attend

## Executive performance summary

**Vice-Chancellor and President**  
**Professor S Bruce Dowton**

\$864,959

Led the first phase of implementation of the long-range strategic framework for the University. Established a new Faculty of Medicine and Health Sciences, and recruited the Executive Dean. Restructured the Executive, including changing reporting lines for Executive Deans and the Director of Human Resources. Modernised University-wide governance structures. Led the University's 50th anniversary celebrations.

**Deputy Vice-Chancellor (Research)**  
**Isak Pretorius**

\$491,198

Developed a Strategic Research Framework setting the vision for Macquarie's research for the next 10 years. Achieved record higher degree research completions and successfully introduced the second year of Macquarie's unique Master of Research program. Produced a publication showcasing the impact of Macquarie's research from the past 50 years. Oversaw relocation of the prestigious Australian Institute of Health Innovation to Macquarie University.

**Deputy Vice-Chancellor (Provost)**  
**Professor Judyth Sachs**

\$101,820 (part year)

Was in the role until March and on study leave during the entire reporting period. Increased the scope and effectiveness of the PACE program. Continued oversight of University-wide curriculum, learning and teaching and academic standards.

**Executive Dean, Faculty of Arts and Acting Joint Provost**  
**Deputy Vice-Chancellor (Academic) Professor John Simons**

\$465,555

Was in the role of Executive Dean, Arts, and Acting Joint Provost until August. Commenced as Deputy Vice-Chancellor (Academic) from August. Increased student numbers, hit targets for on-time completions of higher degree research students and initiated new partnerships with Nepal, Sri Lanka and Bangladesh. Developed a new archaeology degree and continued to improve success rates for external grant applications. Co-edited two books as part of the University's Jubilee celebrations. Led a working party on Macquarie's online overseas offering, worked on development of domestic pathways for the new Macquarie University International College, recruited a new Director of Indigenous Strategy and began the process of developing a University Reconciliation Action Plan. The University Art Gallery won a national award and was shortlisted for another.

**Deputy Vice-Chancellor (Students and Registrar)**  
**Deidre Anderson**

\$437,191

Opened the new Student Connect facility offering student support services and a unique informal learning and teaching space. Significantly improved para-academic student experience scales within the international student barometer and other net promoter scores. Developed an integrated student retention plan. Developed performance dashboards for all offices. Developed and implemented student code of conduct, student disciplinary rules, and student complaints handling procedure. Implemented a number of key recommendations from the graduation review. Completed back-office process improvements across a number of University offices. Reviewed the student advisory board, leading to a number of key recommendations. Successful accreditation of medical centre and child care centres.

**Chief Operating Officer**  
**Dr Paul Schreier**

\$486,493

Led improvements to support processes and services and began the implementation of the Lean methodology, enlisting the expertise of the University of St Andrews. Led strategic planning and strengthened the links between strategy and resources. Recruited a new Chief Information Officer and a new Director of Human Resources, and implemented action to improve the client service focus of support services in finance, human resources, legal and information technology services. Continued to strengthen the University's focus on effective risk management.

**Deputy Vice-Chancellor (International)**  
**Professor Jim Lee**

\$432,789

Completed a review of international activities across the University. Developed and implemented a major restructure of the international office (Macquarie International) including a new senior management team. Initiated a University-wide approach to internationalisation through the establishment of the International Advisory Group. Developed models and infrastructure to launch the Macquarie University International College. Hosted Sanya Key Partner Conference in China. Secured more than \$300,000 in government funding for Macquarie University students to engage in the Indo-Pacific region under the New Colombo Plan Mobility Program.

**Deputy Vice-Chancellor (Corporate Engagement and Advancement)**  
**Professor David Wilkinson**

\$491,505

Oversaw the creation of a new brand, and Jubilee year activities. Successfully scoped and tendered for a new University website. Commissioned and completed a readiness study for a comprehensive fundraising campaign, with a feasibility study underway. Led a restructure of the Office of Advancement. Increased philanthropic income from fundraising by more than 50 per cent to over \$4 million. Increased alumni engagement by 7 per cent through improved communications and a series of Global Alumni Impact events held internationally. Expanded corporate engagement substantially with 10 new relationship agreements signed, revenue generation through workshops in Sydney and Singapore, and agreements for PACE placements and trainee programs.

**Chief Financial Officer**  
**John Gorman**

\$486,956

Improved reporting and budget processes and timelines. Sponsored a project for migration of the planning module from a third-party provider to an in-house application.

**Director, Human Resources**  
**Tim Sprague**

\$360,637 (part year)

Was in the role until July. Resolved academic staff bargaining with a new enterprise agreement for three years. Introduced data-driven decision making through the provision of quarterly reports to faculties and departments. Automated HR processes including the online provision of employee files and professional staff timesheets. Simplification of the Performance Development and Review system.

**Director, Human Resources**  
**Nicole Gower**

\$70,077 (part year)

Commenced in the role in October. Initiated process improvements in HR service delivery as well as early development of human capital initiatives across the University.

**Executive Dean, Faculty of Business and Economics**  
**Professor Mark Gabbott**

\$473,464

Improved faculty research outcomes, particularly in the four research centres. Developed and launched four new undergraduate degrees, and appointed four new professors, as well as contributing to the University's international activities. Completed projects on pricing, academic workload review, and leadership restructure, as well as overseeing a number of program external reviews. Continued to build the faculty's external engagement activity through media commentary and social media.

**Executive Dean, Faculty of Human Sciences and Acting Joint Provost**  
**Professor Janet Greeley**

\$441,973

Effectively and efficiently managed the Faculty of Human Sciences and delivered major strategic initiatives including the full accreditation of the Doctor of Physiotherapy, completion of the Simulation Hub research facilities, establishing three new degrees, improving research performance and significantly increasing higher degree research student completions and commencements. Two departments within the faculty were listed in the QS 50 Top Universities Rankings.

**Executive Dean, Faculty of Medicine and Health Sciences**  
**Professor Patrick McNeil**

\$70,135 (part year)

Commenced the role in November. Began the process of creating governance, leadership and academic departments within the new faculty. Commenced action planning for new undergraduate clinical science programs.



**Executive Dean, Faculty of Science  
Professor Clive Baldock**

\$41,419 (part year)

Was in the role until January. Initiated change processes in the departments of Mathematics, Statistics, and Environment and Geography.

**Acting Executive Dean, Faculty of Science  
Professor Peter Nelson**

\$320,591 (part year)

Was in the role from January. Effectively managed the Faculty of Science, returning a budget surplus. Delivered on major strategic initiatives including substantial growth in Engineering; new masters programs in IT and Engineering; and building projects to enhance teaching and research facilities. Oversaw the recruitment and appointment of three new heads of department, and a number of high-profile researchers. Established a successful case for the re-naming of the faculty to the Faculty of Science and Engineering.

**Acting Executive Dean, Faculty of Arts  
Professor Martina Möllering**

\$116,426 (part year)

Acted in the role from August. Exceeded targets for on-time completion of higher degree research students. Continued to improve intake of international cotutelle PhD students. Facilitated extended international research partner network and access to international research funding schemes.

Note: Remuneration data provided is total remuneration package, inclusive of superannuation.



# Infrastructure

Macquarie is investing in infrastructure projects to ensure the campus has the facilities to attract and retain the best students and staff, to support world-class research, and to form partnerships with like-minded companies that support and further the research aims of the University.

## MASTER PLAN

The University's Master Plan follows the successful approval of the University Concept Plan in 2009. In 2014, the Master Plan was approved and adopted by the University Council. The activation of this Master Plan commenced with the rerouting of University Avenue to the south of the creek. This is the first initiative to take traffic out of the core of the campus, to pedestrianise Macquarie Drive and make the campus a safer place. Planning for the main entrance at Waterloo Road is underway. A design competition has commenced to replan the central courtyard and surrounding buildings. A series of placemaking workshops were conducted in 2014 to assist informing the design brief and subsequent outcomes for the courtyard project.

## MACQUARIE UNIVERSITY SPATIAL EXPERIENCE (MUSE)

This is an experimental project that has allowed for interim use of part of Building C7A (the old library) while a major planning exercise is conducted for the future long-term redevelopment of the building.

Since the first cohort of students arrived in 2014, MUSE has been seen as a resounding success. It is constantly being used to capacity and Student Connect, which is situated off Wally's Walk entrance, has proved to be an exemplar project.

## OTHER INFRASTRUCTURE AND REFURBISHMENT PROJECTS

Other significant refurbishments undertaken in 2014 include the completion of new space for the Australian Institute of Health Innovation on Level 6 of 75 Talavera Road, which took up occupation in November. PACE relocated into Level 6 of the Australian Hearing Hub; the new Learning Circle overlooking the lake was completed and opened during winter; and the Simulation Hub was relocated into new space in Building Y3A to allow for demolition of Building C4A.

Planning has commenced for the first whole-of-building upgrades to Building E7A, which was one of the first buildings on campus. The result, to be completed in 2016, will provide world-class working space for the Department of Earth and Planetary Sciences, including the ARC Centre of Excellence for Core to Crust Fluid Systems; Environmental Sciences; Maths and Statistics; as well as the Faculty of Science Student Centre, which is situated adjacent to an informal meeting/learning space linking Buildings E7A and E7B via an atrium. The creation of new engineering laboratories in Buildings E6B and F9C was also completed and opened by the Vice-Chancellor.

There have been upgrades to a number of teaching and tutorial spaces in Buildings C5A, C5C, E8C and E7B that form a part of an ongoing program of teaching room upgrades.



# Operations

## Freedom of information

Macquarie University actively makes information available on its website and through media releases, and seeks at all times to provide information in a manner that is consistent with the *Government Information (Public Access) Act 2009* (GIPA Act).

Information held by the University is available by either searching the University's website or by contacting the University. Macquarie then assesses the request and decides whether the information requested is readily available, could be disclosed as part of a proactive release of information, could be disclosed through informal release, or whether a formal access application is required.

The fee for a formal GIPA Act application in 2014 was \$30.

In 2014, the University was involved in proceedings at the New South Wales Civil and Administrative Tribunal (NCAT) concerning a 2012 application. The applicant commenced these proceedings in 2013 and the matter was determined by the Administrative and Equal Opportunity Division of NCAT on 7 June 2014 (NCAT replaced the Administrative Decisions Tribunal (ADT) on 1 January 2014). Under review, the University's decision was supported. It was found overall that public interest considerations against disclosure, on balance, outweighed the public interest in disclosure.

One formal application from 2013 was modified by the applicant after a period of negotiation with the University and was determined on 15 January 2014.

During the period 1 January 2014 to 31 December 2014, Macquarie University received six formal access applications for information. In five applications, access to information was granted in full. One formal application for third party consultation under the GIPA Act was received from the NSW Environment Protection Authority (EPA).

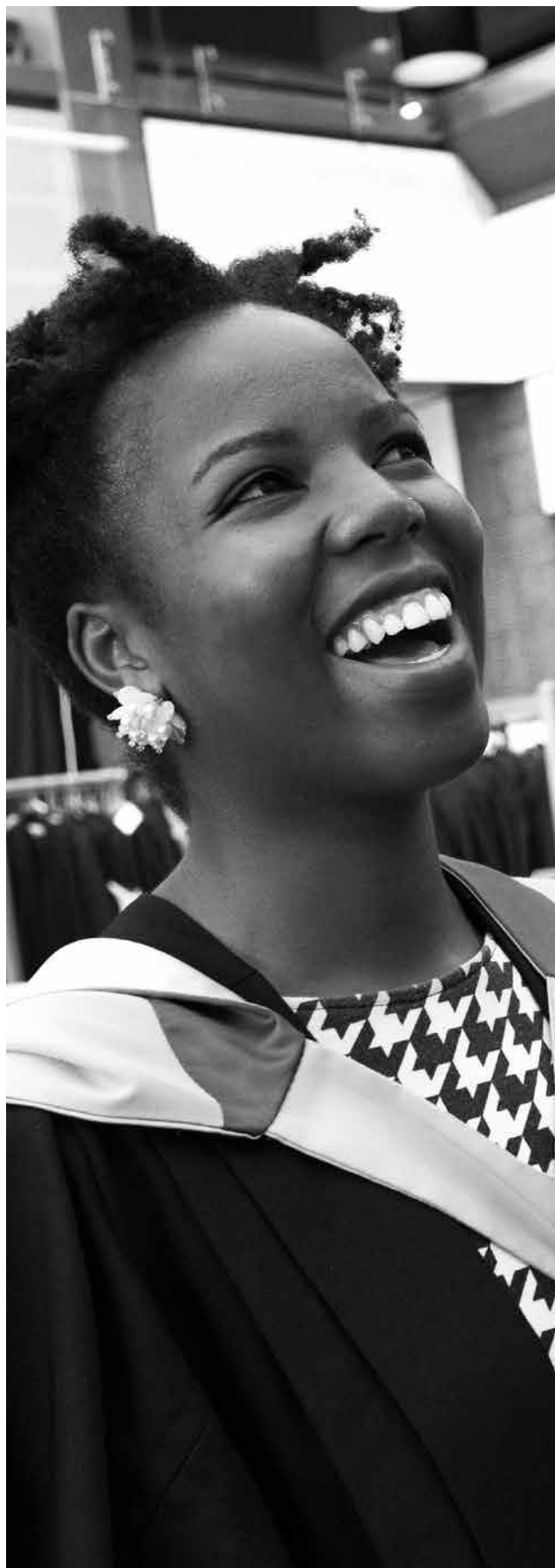
Five applications were determined within statutory timeframes, and one was modified by the applicant after a period of negotiation with the University.

An amendment to the Government Information (Public Access) Regulation was gazetted on 12 December 2014. The University is obliged to report on GIPA applications received that are then transferred to another agency, either at the University's or the applicant's initiation. During the period 1 January 2014 to 31 December 2014, no GIPA applications received by the University were subject to transfer to another agency.

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

The Right to Information Officer  
Building C5C, Room 371, Macquarie University NSW 2109  
T: +61 2 9850 1561  
E: [gipa@mq.edu.au](mailto:gipa@mq.edu.au)

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



**TABLE A: NUMBER OF APPLICATIONS BY TYPE OF APPLICANT AND OUTCOME<sup>1</sup>**

	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/deny whether information is held	Application withdrawn
Media	0	0	0	0	0	0	0	0
Members of Parliament	0	0	0	0	0	0	0	0
Private sector business	0	0	0	0	1	0	0	0
Not-for-profit organisations or community groups	0	0	0	0	0	0	0	0
Members of the public (application by legal)	0	0	0	0	0	0	0	0
Members of the public (other)	5	0	0	0	1	0	0	0

<sup>1</sup> More than one decision can be made in respect of a particular access application. If so, a recording must be made in relation to each such decision. This also applies to Table B.

**TABLE B: NUMBER OF APPLICATIONS BY TYPE OF APPLICANT AND OUTCOME**

	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/deny whether information is held	Application withdrawn
Personal information applications <sup>2</sup>	5	0	0	0	1	0	0	0
Access applications (other than personal information applications)	0	0	0	0	0	0	0	0
Access applications (partly personal and partly other information applications)	0	0	0	0	0	0	0	0

<sup>2</sup> A personal information application is an access application for personal information (as defined in Clause 4 of Schedule 4 to the Act) about the applicant (the applicant being an individual)

# Operations *continued*

**TABLE C: INVALID APPLICATIONS**

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

**TABLE D: CONCLUSIVE PRESUMPTION OF OVERRIDING PUBLIC INTEREST AGAINST DISCLOSURE: MATTERS LISTED IN SCHEDULE 1 OF ACT**

	Number of times consideration used <sup>3</sup>
Overriding secrecy laws	0
Cabinet information	0
Executive Council information	0
Contempt	0
Legal professional privilege	0
Excluded information	1
Documents affecting law enforcement and public safety	0
Transport safety	0
Adoption	0
Care and protection of children	0
Ministerial code of conduct	0
Aboriginal and environmental heritage	0

<sup>3</sup> More than one public interest consideration may apply in relation to a particular access application and, if so, each such consideration is to be recorded (but only once per application). This also applies in relation to Table E.

**TABLE E: OTHER PUBLIC INTEREST CONSIDERATIONS AGAINST DISCLOSURE: MATTERS LISTED IN TABLE TO SECTION 14 OF ACT**

	Number of occasions when application not successful
Responsible and effective government	1
Law enforcement and security	0
Individual rights, judicial processes and natural justice	1
Business interests of agencies and other persons	1
Environment, culture, economy and general matters	0
Secrecy provisions	0
Exempt documents under interstate Freedom of Information legislation	0

**TABLE F: TIMELINESS**

	Number of applications
Decided within the statutory timeframe (20 days plus any extensions)	5
Decided after 35 days (by agreement with applicant)	1
Not decided within time (deemed refusal)	0
<b>Total</b>	<b>6</b>

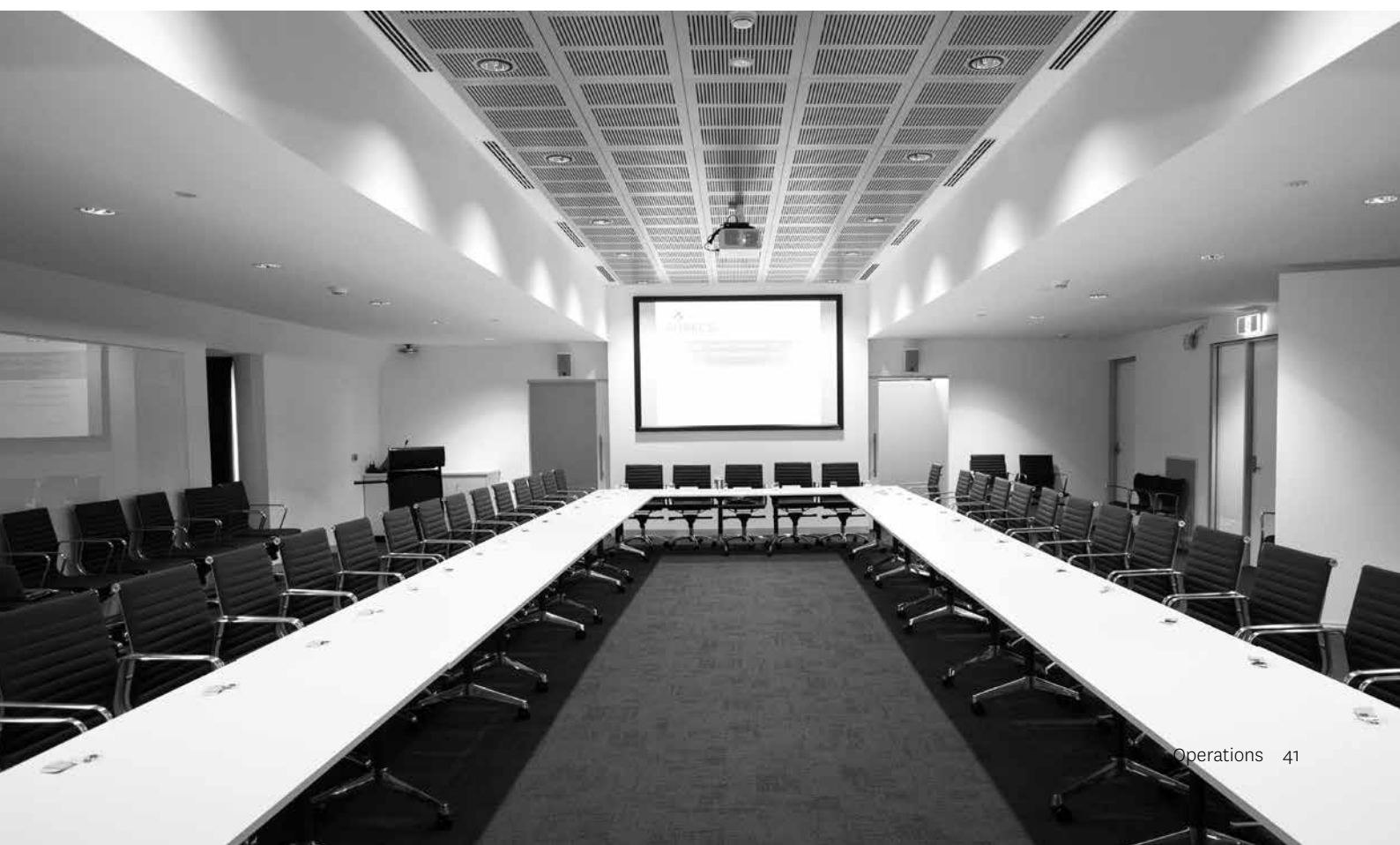
**TABLE G: NUMBER OF APPLICATIONS REVIEWED UNDER PART 5 OF THE ACT (BY TYPE OF REVIEW AND OUTCOME)**

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

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

**TABLE H: APPLICATIONS FOR REVIEW UNDER PART 5 OF THE ACT (BY TYPE OF APPLICANT)**

	Number of applications for review
Applications by access applicants	1
Applications by persons to whom information the subject of access application relates (see Section 54 of the Act)	0





## Credit card certification

During the 2014 financial year, credit card use was in accordance with both the University's credit card and purchasing policies. These policies are themselves based on the requirements of the New South Wales Treasury.

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

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

## Insurance

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

In October 2014, the insurance program was taken to market by our two brokers, which resulted in the University securing the best available terms and conditions tailored to our unique activities.

Strathearn Pty Ltd (Strathearn) provides broking services for all of the University's medical and allied health insurance risks, including University-run clinics and the Macquarie University Hospital.

All other classes of insurance are brokered through Aon Risk Services Australia Ltd (Aon).

The University Group continues to be a participant in the New South Wales WorkCover, Retro-Paid Loss Premium scheme. 2015 will be the fifth year of its participation. The scheme is driven largely by claims costs and provides incentives for employers with strong performance in workplace health and safety, injury management and return to work. The University has realised savings in premium cost due to our claims history.

## Internal audit and risk management

The University's Audit and Risk Committee oversees the Risk Management and Internal Audit and functions. However, in 2014, the conduct of risk management activities was facilitated and managed by the newly appointed Head of Risk and Compliance and the conduct of internal audit was completed by Deloitte Touche Tohmatsu (Deloitte) and managed jointly by the Chief Financial Officer and the Head of Risk and Compliance.

### RISK MANAGEMENT

The focus of the University's risk and compliance management activities was to build an integrated, coordinated and tailored approach to understanding and managing risk and compliance. To this end, in February 2014, the Audit and Risk Committee endorsed

the University's risk and compliance frameworks. The frameworks focus on understanding and analysing the uncertainty in achieving objectives and the requirements of legislation, regulations, standards and internal policies to identify practical mitigation strategies and leverage emerging opportunities. Key risk stakeholders and compliance leads have been identified across the University and its Controlled Entities and actively engaged to build capability.

In June 2014, the Audit and Risk Committee endorsed the enterprise risk profile which was discussed in light of our risk indicator dashboard. Quarterly reviews of the enterprise risk profile are conducted by both the University's Executive Group and the Audit and Risk Committee.

Due to the University's significant program of major capital developments, funded by a mix of cash reserves, debt and government contributions, progress and risks related to the delivery of capital works is reflected in the property risk profile but also reported to the Finance and Facilities Committee and included in the enterprise risk profile tabled at the Audit and Risk Committee.

### INTERNAL AUDIT

The internal audit function is primarily concerned with evaluating the effectiveness of internal controls and draws on the enterprise risk profile to target key controls that support the mitigation of threats.

Throughout 2014, Deloitte adopted and integrated the University's risk management rating methodology and built greater alignment between the risk and internal audit reporting and planning processes. The alignment was reflected in the choice of audits nominated in the three-year rolling internal audit plan approved by the Audit and Risk Committee.

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 closure of audit recommendations was monitored by the Audit and Risk Committee and clarification of any delay provided.

In light of the appointment of the Head of Risk and Compliance and the internal audit contract end date of December 2014, the University conducted a competitive tender for the internal audit role for 2015. The successful candidate for the revised internal audit service is PricewaterhouseCoopers.

## Public Interest Disclosures

The *Public Interest Disclosures Act 1994* (Cth) (PID Act), sets in place a system to encourage public officials to report serious wrongdoing. Under section 6D of the PID Act, the University is required to have policy and procedures for receiving, assessing and dealing with reports of wrongdoing. The University is a New South Wales public authority and its *Reporting Wrongdoing: Public Interest Disclosures Procedure 2013* satisfies this requirement. The University is required to report annually to Parliament on their obligations under section 31 of the PID Act.

In 2014, a series of educational seminars were held for the University's Executive Group and Management. These sessions were facilitated by the New South Wales Ombudsman, and the University's Legal and Risk and Compliance offices.

### Report to NSW Ombudsman (under section 6CA of the PID Act)

	2012	2013	2014
Number of public officials who made public interest disclosures to the University's public authority	2	3	1
Number of public interest disclosures received by the University's public authority	2	3	1

### Primary subject of public interest disclosures received

	2012	2013	2014
Corrupt conduct	0	2	0
Maladministration	2	1	1
Serious and substantial waste	0	0	0
Government information contravention	0	0	0
Local government pecuniary interest contravention	0	0	0
<b>Total</b>	<b>2</b>	<b>3</b>	<b>1</b>
Number of public interest disclosures (received since 1 January 2012) that have been finalised in this reporting period	0	5	1

## Privacy

The University's Privacy Management Plan outlines how the University complies with the *Privacy and Personal Information Protection Act 1998* (NSW) (PPIP Act) and the *Health Records Information Privacy Act 2002* (NSW). No reviews were conducted under Part 5 of the PPIP Act during the 2014 reporting period. The role of Privacy Officer is assigned to the General Counsel and the role of Right to Information Officer is assigned to the Manager, Records and Archives.

### Statement on digital information security

Macquarie University's Information Security Policy provides controls to mitigate identified risks to our information and digital information systems. However, in response to rapid, changing technological developments, a review of the robustness of our controls and appropriate future proofing strategies are under consideration.

### Statement of attitude to fraud and corruption

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

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

## Travel

The University spent \$19.1 million on travel and related staff development and training in 2014 (\$17.4 million in 2013). 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. In 2014, this also included increased travel related to PACE.

## Payment of accounts

The University's terms of credit with respect to its creditors is 30 days. In 2014, 91.9 per cent of invoices were paid in accordance with these terms. During 2014, 99 per cent of Australian dollar transactions were made by electronic funds transfer and 1 per cent were made by cheque.

# Operations *continued*

## Aged analysis at the end of each quarter

Quarter	Current (within due date) \$'000	Less than 30 days overdue \$'000	Between 30 and 60 days overdue \$'000	Between 61 and 90 days overdue \$'000	More than 90 days overdue \$'000
March	6939	4217	3238	189	48
June	5268	4458	2819	450	178
September	8319	3550	3350	220	326
December	6612	3936	3746	403	330

## Accounts due or paid within each quarter

Measure	March	June	September	December
Number of accounts due for payment	26,044	31,698	33,913	33,762
Number of accounts paid on time	23,980	29,761	30,944	30,632
Actual percentage of accounts paid on time (based on number of accounts)	92%	94%	91%	91%
Dollar amount of accounts due for payment	88,660,348	91,106,210	92,299,056	125,003,462
Dollar amount of accounts paid on time	82,042,560	83,286,070	81,336,470	113,414,734
Actual percentage of accounts paid on time (based on value)	93%	91%	88%	91%
Number of payments for interest on overdue accounts	-	-	-	-
Interest paid on overdue accounts	-	-	-	-

# Financial performance

## Statements in this chapter are unaudited.

The operating result for the year for Macquarie University and its subsidiaries was a surplus of \$35.5 million. The surplus for the consolidated University represented 3.9 per cent of income.

## State superannuation schemes

The University's liability under the State Superannuation Scheme (SSS), State Authorities Superannuation Scheme (SASS) and State Authorities Non-contributory Superannuation Scheme (SANCS) was \$515.4 million as at 31 December 2014 (\$351.4 million in 2013). This is matched by an asset based on future funding expected from the Australian and New South Wales State Governments.

## Consolidated income analysis

Income totalled \$899.2 million, an increase of 3.4 per cent. This increase has been driven by a number of factors:

- Income from Australian Government Grants increased by \$20.6 million and government Higher Education Loan programs by \$19.0 million owing to increased student load in Commonwealth Supported Places, which was partially offset by a decline of \$10.0 million in fee paying overseas students due to a slight reduction in enrolments.
- Macquarie University Hospital services revenue increased by \$9.3 million, reflecting continued growth in operations.

## Risk analysis

The following ratios are provided in respect of the financial risk assessment of the University at 31 December 2014.

Indicator	Result	Risk
Income growth	3.40%	Medium
Proportion of revenue from Australian Government grants	26.88%	Low
Growth in Australian Government funding	9.0%	High
Proportion of revenue from overseas student fees	22.0%	Medium
Consecutive deficits recorded	0	Low
Number of weeks income cash and investments is equivalent to	15.07	Low
Current ratio	1.76	Low
Adjusted current ratio <sup>1</sup>	2.05	Low
Gearing ratio <sup>2</sup>	5.65%	Low

<sup>1</sup> The current liability of long service leave entitlements is determined as all leave that was unconditional as at 31 December 2014. The University expects that \$24.1 million of this current liability will be settled after 12 months and the current ratio has been adjusted to reflect this.

<sup>2</sup> Gearing ratio = net debt/(net debt + net assets), where net debt = borrowings less cash and cash equivalents and other financial assets.

## Returns on University investments

Indicator	Actual returns 2013	Benchmark 2013	Actual returns 2014	Benchmark 2014
Cash and cash equivalent	2.64%	3.54%	2.57%	2.69%
Debt securities	6.0%	2.0%	7.40%	9.81%

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.

Debt Securities: UBSWA Composite Bond Index (all maturity).

Note 3: Australian equities performance is no longer reported as the asset portfolio is immaterial.

## Consolidated expense analysis

Expenses totalled \$863.7 million, an increase of \$56.5million (7.0 per cent). This increase has occurred over several expense categories:

- Employee-related expenses increased by \$51.8 million (11.9 per cent) due to salary increases and the appointment of additional staff.
- Other expenses have increased by \$7.1 million (3.6 per cent), driven by increases in maintenance contracts and Macquarie University Hospital-related general consumable expenditure, partially offset by savings in tuition services and utilities.

## Consolidated balance sheet

Net assets increased by \$65.3 million from 2013 to 2014 with total assets increasing by \$232.4 million and total liabilities increasing by \$167.0 million. This included a \$164.0 million increase in the provisions for deferred government benefits for superannuation.

# Financial performance *continued*

## Budgets

The following is a summary of financial performance against budget for 2014.

### Income statement

Indicator	Budget 2014 \$'000	Actual 2014 \$'000
Income from continuing operations	910,564	899,224
Expenses from continuing operations	881,330	863,769
<b>Operating result from continuing operations</b>	<b>29,234</b>	<b>35,485</b>

### Balance sheet

Indicator	Budget 2014 \$'000	Actual 2014 \$'000
Current assets	258,419	301,781
Non-current assets	2,204,335	2,354,717
<b>Total assets</b>	<b>2,462,754</b>	<b>2,656,498</b>
Current liabilities	162,616	171,569
Non-current liabilities	785,600	888,036
<b>Total liabilities</b>	<b>948,216</b>	<b>1,059,605</b>
<b>Net assets</b>	<b>1,514,538</b>	<b>1,596,893</b>

### Cash flow statement

Indicator	Budget 2014 \$'000	Actual 2014 \$'000
Net cash provided by operating activities	87,793	88,182
Net cash (used in) investing activities	(85,550)	(67,111)
Net cash (used in) financing activities	-	(1,323)
Net increase in cash and cash equivalents	2243	19,748



Macquarie University has consolidated the following 16 controlled entities:

- Access Macquarie Ltd (AccessMQ)
- Australian Proteome Analysis Facility Ltd (APAF)
- CMBF Ltd
- COH Property Trust
- Macquarie Education South Africa NPC
- Macquarie University Property Investment Company Pty Ltd
- Macquarie University Property Investment Company No 3 Pty Ltd
- Macquarie University Property Investment Trust (MUPIT)
- MGSM Ltd
- MUH Operations Pty Ltd
- MUH Operations No 2 Pty Ltd
- MUPH Clinic Pty Ltd
- MUPH Hospital Pty Ltd
- Risk Frontiers Flood (Australia) Pty Ltd
- Risk Frontiers Group Pty Ltd
- U@MQ Ltd

MU Hospital Pty Ltd was de-registered during 2014.

During 2014, the 77 per cent investment in LAMS International Pty Ltd was sold to the minority shareholder, LD Education Services Pty Ltd. As part of that divestment, the University also resigned as a member of LAMS Foundation Ltd. The University has no ongoing interest in either of these companies.

The following seven controlled entities were trading in 2014.

### **Access Macquarie Ltd**

Access Macquarie Ltd (AccessMQ) is a not-for-profit public company limited by guarantee and wholly owned by Macquarie University. AccessMQ provided English language training to students from over 40 countries and IELTS testing for over 19,000 candidates in 2014. Its quality teaching resulted in students achieving 15 per cent higher grades in their first year at Macquarie University. Its continued management of research and consulting projects serves as a vital link between academics and researchers from Macquarie University and industry. In 2014, the AccessMQ research and consulting practice attracted approximately \$15 million in research and consulting engagements.

### **Australian Proteome Analysis Facility Ltd**

Australian Proteome Analysis Facility Ltd (APAF) is a not-for-profit public company limited by guarantee and wholly owned by Macquarie University. APAF was the birthplace of the term proteomics in 1995 and was the world's first dedicated high throughput proteomics laboratory. APAF has over 19 years of experience in providing proteomic services, and combined with leading-edge infrastructure and expertise, provides total solutions for proteomic research needs.

### **CMBF Ltd**

CMBF Ltd (CMBF) is a not-for-profit public company limited by guarantee and wholly owned by Macquarie University. CMBF administers the delivery of the University's Master of Applied Finance in Sydney and other locations, domestically and internationally. The program has approximately 1000 students enrolled and is internationally recognised in the global banking and finance industry.

### **MGSM Ltd**

MGSM Ltd is a not-for-profit public company limited by guarantee and wholly owned by Macquarie University. Since 1 April 2012, the company has been the trading entity for the Macquarie Graduate School of Management. The three primary divisions of MGSM are Award Programs, Research and Executive Education, which are supported by the MGSM's conference centre on the main campus. MGSM was again ranked among the world's top 50 MBA programs (*The Economist*, Full-time MBA ranking, 2014). It also ranked number one in New South Wales, number three in Australia, and number five in the Asia-Pacific region in the same study<sup>1</sup>.

### **MUH Operations No 2 Pty Ltd**

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

### **Risk Frontiers Flood (Australia) Pty Ltd**

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

### **U@MQ Ltd**

U@MQ is a not-for-profit public company limited by guarantee and wholly owned by Macquarie University. The principal activities of U@MQ are to provide products, services and facilities to the members of the University community – including staff and students – that complement and support the academic activities of the University. Those services and facilities include sporting and recreational facilities; food, beverage and retail services; and childcare. The company's operations are measured in terms of number of transactions per outlet, average outlet transactions revenue, sports membership numbers, child care utilisation rates, customer satisfaction rates, per cent of cost of goods sold against revenue, per cent of wages, and per cent of direct expenses against revenue.

The financial statements for those controlled entities required to produce financial statements are available in the second volume to this Annual Report, which is available at [mq.edu.au/about/how\\_mq\\_works/reports](http://mq.edu.au/about/how_mq_works/reports)

<sup>1</sup> [mq.edu.au/thisweek/2014/10/12/mgsm-top-50-in-the-world/#.VOPTdS7Llmc](http://mq.edu.au/thisweek/2014/10/12/mgsm-top-50-in-the-world/#.VOPTdS7Llmc)

# Financial statements

## Contents

Independent auditor's report	50
Statement of appointed officers	52
Income statement	53
Statement of comprehensive income	54
Statement of financial position	55
Statement of changes in equity	56
Statement of cash flows	57
Notes to the financial statements	58



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## INDEPENDENT AUDITOR'S REPORT

### Macquarie University

To Members of the New South Wales Parliament

I have audited the accompanying financial statements of Macquarie University (the University), which comprise the statement of financial position as at 31 December 2014, the income statement, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information of the University and the consolidated entity. The consolidated entity comprises the University and the entities it controlled at the year's end or from time to time during the financial year.

### Opinion

In my opinion, the financial statements:

- give a true and fair view of the financial position of the University and the consolidated entity, as at 31 December 2014, and of their financial performance and cash flows for the year then ended in accordance with Australian Accounting Standards
- are in accordance with section 41B of the *Public Finance and Audit Act 1983* (PF&A Act) and the Public Finance and Audit Regulation 2010
- comply with the 'Financial Statement Guidelines for Australian Higher Education Providers for the year 2014' (the Guidelines), issued by the Australian Government Department of Education, pursuant to the *Higher Education Support Act 2003*, the *Higher Education Funding Act 1988* and the *Australian Research Council Act 2001*
- have been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* including complying with Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2013.

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

### University Council's Responsibility for the Financial Statements

The Council of the University is responsible for preparing financial statements that give a true and fair view in accordance with Australian Accounting Standards, the PF&A Act and the Guidelines, and *Australian Charities and Not-for-profits Commission Act 2012*, and for such internal control as the Council determines is necessary to enable the preparation of financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

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

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

I believe 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 carried out their activities effectively, efficiently and economically
- about the effectiveness of the internal control
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information which may have been hyperlinked to/from the financial statements.

## **Independence**

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

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



Grant Hehir  
Auditor-General

13 April 2015  
SYDNEY

# Statement of appointed officers

Macquarie University  
Statement of Appointed Officers  
For the Year Ended 31 December 2014

## Statement of Appointed Officers

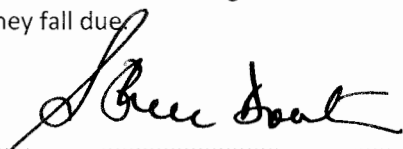
In accordance with a resolution of the Council of Macquarie University, pursuant to Section 41C (1B) and (1C) of the Public Finance and Audit Act 1983, we state that to the best of our knowledge and belief:

1. The financial statements present a true and fair view of the financial position of the University at 31 December 2014 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 *Public Finance and Audit Act 1983*, the *Public Finance and Audit Regulation 2010* and the Financial Statement Guidelines for Australian Higher Education Providers for the 2014 Reporting Period issued by the Australian Government (Department of Education).
3. The financial statements have been prepared in accordance with Australian Accounting Standards, which include Australian Accounting Interpretations.
4. The financial statements have been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including complying with Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

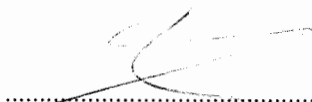
We are not aware of any circumstances which would render any particulars included in the financial statements to be misleading or inaccurate.

In accordance with the *Higher Education Support Act 2003*, 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 B Dowton  
Vice-Chancellor



J Wigglesworth  
Chair Audit and Risk Committee



E A Crouch  
Chair Finance and Facilities Committee

Sydney, 9 April 2015



# Income statement

**Macquarie University**  
**Income Statement**  
**For the Year Ended 31 December 2014**

	Note	Consolidated		Parent	
		2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
<b>Income from continuing operations</b>					
Australian Government financial assistance					
Australian Government grants	2	241,721	221,088	235,018	221,034
HELP - Australian Government Payment	2(b)	168,482	149,461	168,482	149,461
State and local Government financial assistance	3	2,255	2,273	2,255	2,273
HECS-HELP - Student Payments		19,809	21,252	19,809	21,252
Fees and charges	4	264,058	272,975	253,751	263,693
Investment revenue	5	8,213	8,742	9,549	12,221
Royalties, Trademarks and Licences	6	618	903	397	699
Consultancy and contracts	7	22,952	26,062	16,539	12,474
Other revenue	8	171,072	159,560	58,826	54,892
<b>Total revenue from continuing operations</b>		<b>899,180</b>	<b>862,316</b>	<b>764,626</b>	<b>737,999</b>
Gains on disposal of assets	9	44	7,313	44	7,313
<b>Total income from continuing operations</b>		<b>899,224</b>	<b>869,629</b>	<b>764,670</b>	<b>745,312</b>
<b>Expenses from continuing operations</b>					
Employee related expenses	10	485,838	434,035	392,742	345,867
Depreciation and amortisation	11	59,919	58,151	58,543	56,814
Repairs and maintenance	12	11,647	10,704	7,593	6,795
Borrowing Costs	13	19,552	21,375	19,552	21,375
Impairment of assets	14	957	2,065	9,446	14,613
Losses on disposal of assets	15	1,666	349	1,597	284
Deferred superannuation (gain)/ expense	10/42	(2,732)	792	(2,732)	792
Consultants and contractors		35,307	38,907	62,114	64,763
Scholarships and grants		47,291	43,808	46,635	43,223
Other expenses	16	204,294	197,102	124,446	123,394
<b>Total expenses from continuing operations</b>		<b>863,739</b>	<b>807,288</b>	<b>719,936</b>	<b>677,920</b>
<b>Net result before income tax</b>		<b>35,485</b>	<b>62,341</b>	<b>44,734</b>	<b>67,392</b>
Income tax expense		-	-	-	-
<b>Net result from continuing operations</b>		<b>35,485</b>	<b>62,341</b>	<b>44,734</b>	<b>67,392</b>
<b>Net result after income tax for the period</b>		<b>35,485</b>	<b>62,341</b>	<b>44,734</b>	<b>67,392</b>
<b>Net result attributable to members of Macquarie University</b>	29	<b>35,485</b>	<b>62,341</b>	<b>44,734</b>	<b>67,392</b>

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

# Statement of comprehensive income

**Macquarie University**  
**Statement of Comprehensive Income**  
**For the Year Ended 31 December 2014**

	Note	Consolidated		Parent	
		2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
<b>Net result after income tax for the period</b>		<b>35,485</b>	62,341	<b>44,734</b>	67,392
<b>Items that have been reclassified to profit or loss</b>					
Realised gains on available-for-sale financial assets	29(a)	-	(5,502)	(71)	(5,502)
<b>Total items that have been reclassified to profit or loss</b>		<b>-</b>	(5,502)	<b>(71)</b>	(5,502)
<b>Items that may be reclassified to profit or loss</b>					
Unrealised gain on value of available-for-sale financial assets	29(a)	778	500	778	571
<b>Total items that may be reclassified to profit or loss</b>		<b>778</b>	500	<b>778</b>	571
<b>Items that will not be reclassified to profit or loss</b>					
Unrealised gain on revaluation of property, plant and equipment	23/ 29(a)	31,500	27,158	31,500	27,158
Net Actuarial (losses)/ gains recognised in respect of Defined Benefits Plans	29(b)	(1,981)	2,999	(1,981)	2,999
Disposal of net assets of subsidiary	29(b)	(433)	-	-	-
<b>Total items that will not be reclassified to income statement</b>		<b>29,086</b>	30,157	<b>29,519</b>	30,157
<b>Total other comprehensive income</b>		<b>29,864</b>	25,155	<b>30,226</b>	25,226
<b>Total comprehensive income attributable to members of Macquarie University</b>		<b>65,349</b>	87,496	<b>74,960</b>	92,618

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

# Statement of financial position

Macquarie University  
Statement of Financial Position  
As at 31 December 2014

	Note	Consolidated		Parent	
		2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
<b>ASSETS</b>					
<b>Current assets</b>					
Cash and cash equivalents	17	222,545	202,818	193,466	174,561
Receivables	18	32,650	31,533	20,982	18,698
Inventories	19	5,023	5,037	167	180
Other financial assets	20	28,705	27,890	4,673	4,658
Other non-financial assets	21	12,858	12,468	11,228	11,057
<b>Total current assets</b>		<b>301,781</b>	<b>279,746</b>	<b>230,516</b>	<b>209,154</b>
<b>Non-current assets</b>					
Receivables	18	545,388	377,647	544,878	377,255
Other financial assets	20	9,322	8,482	57,292	46,395
Investments in subsidiaries	22	-	-	21,289	20,582
Property, plant and equipment	23	1,774,544	1,734,096	1,770,406	1,730,052
Intangible assets	24	1,207	879	1,207	879
Other non-financial assets	21	24,256	23,253	25,951	25,076
<b>Total non-current assets</b>		<b>2,354,717</b>	<b>2,144,357</b>	<b>2,421,023</b>	<b>2,200,239</b>
<b>Total assets</b>		<b>2,656,498</b>	<b>2,424,103</b>	<b>2,651,539</b>	<b>2,409,393</b>
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Trade and other payables	25	63,897	61,485	46,832	43,739
Borrowings	26	1,200	1,352	1,200	1,118
Provisions	27	67,747	62,283	59,402	54,452
Other liabilities	28	38,725	38,217	37,464	36,994
<b>Total current liabilities</b>		<b>171,569</b>	<b>163,337</b>	<b>144,898</b>	<b>136,303</b>
<b>Non-current liabilities</b>					
Borrowings	26	354,968	355,910	354,797	355,739
Provisions	27	532,072	366,288	530,184	364,623
Other liabilities	28	996	7,024	996	7,024
<b>Total non-current liabilities</b>		<b>888,036</b>	<b>729,222</b>	<b>885,977</b>	<b>727,386</b>
<b>Total liabilities</b>		<b>1,059,605</b>	<b>892,559</b>	<b>1,030,875</b>	<b>863,689</b>
<b>Net assets</b>		<b>1,596,893</b>	<b>1,531,544</b>	<b>1,620,664</b>	<b>1,545,704</b>
<b>EQUITY</b>					
Parent entity interest					
Reserves	29(a)	508,034	475,756	507,774	475,567
Retained earnings	29(b)	1,088,859	1,055,788	1,112,890	1,070,137
Parent interest		1,596,893	1,531,544	1,620,664	1,545,704
<b>Total equity</b>		<b>1,596,893</b>	<b>1,531,544</b>	<b>1,620,664</b>	<b>1,545,704</b>

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

# Statement of changes in equity

Macquarie University  
Statement of Changes in Equity  
For the Year Ended 31 December 2014

	Consolidated				Parent	
	Reserves	Retained earnings of the parent	Total	Reserves		Retained earnings
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Balance as at 1 January 2013</b>						
Net operating result	453,600	990,448	1,444,048	453,340	999,746	1,453,086
Revaluation of property, plant and equipment	-	62,341	62,341	-	67,392	67,392
Realised (gains) on available-for-sale financial assets	27,158	-	27,158	27,158	-	27,158
Unrealised gain on available-for-sale financial assets	(5,502)	-	(5,502)	(5,502)	-	(5,502)
Net gain on Defined Benefit	500	-	500	571	-	571
<b>Total comprehensive income</b>	-	2,999	2,999	-	2,999	2,999
	22,156	65,340	87,496	22,227	70,391	92,618
<b>Balance at 31 December 2013</b>	475,756	1,055,788	1,531,544	475,567	1,070,137	1,545,704
<b>Balance at 1 January 2014</b>	475,756	1,055,788	1,531,544	475,567	1,070,137	1,545,704
Net operating result	-	35,485	35,485	-	44,734	44,734
Revaluation of property, plant and equipment	31,500	-	31,500	31,500	-	31,500
Realised (gains) on available-for-sale financial assets	-	-	-	(71)	-	(71)
Unrealised gain on available-for-sale financial assets	778	-	778	778	-	778
Net (loss) on Defined Benefit	-	(1,981)	(1,981)	-	(1,981)	(1,981)
Disposal of net assets of subsidiary	-	(433)	(433)	-	-	-
<b>Total comprehensive income</b>	32,278	33,071	65,349	32,207	42,753	74,960
<b>Balance at 31 December 2014</b>	508,034	1,088,859	1,596,893	507,774	1,112,890	1,620,664

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

# Statement of cash flows

**Macquarie University**  
**Statement of Cash Flows**  
For the Year Ended 31 December 2014

		Consolidated		Parent	
	Note	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
<b>Cash flows from operating activities</b>					
Australian Government Grants	2(g)	406,723	380,663	400,020	380,663
OS-HELP (net)	2(g)	1,275	(184)	1,275	(184)
State Government Grants		2,255	2,233	2,255	2,233
Local Government Grants received		-	40	-	40
HECS-HELP - Student payments		19,809	21,252	19,809	21,252
Receipts from student fees and other customers		465,688	463,653	310,257	315,384
Dividends received		1,799	2,002	1,799	2,002
Interest received		6,504	6,867	4,615	4,958
Payments to suppliers and employees (inclusive of GST)		(816,720)	(761,904)	(643,149)	(602,621)
Interest and other cost of finance		(22,693)	(25,047)	(22,670)	(25,060)
GST recovered		23,542	22,364	12,075	14,665
<b>Net cash provided by operating activities</b>	38	<b>88,182</b>	<b>111,939</b>	<b>86,286</b>	<b>113,332</b>
<b>Cash flows from investing activities</b>					
Proceeds from sale of property, plant and equipment		140	204	136	180
Payments for property, plant and equipment		(66,386)	(53,345)	(64,842)	(51,885)
Proceeds from sale of financial assets		42,375	57,871	-	23,962
Payments for financial assets		(43,240)	(36,688)	(65)	(82)
Loans to related parties	34(e)	-	-	(1,500)	(3,000)
<b>Net cash (used in) investing activities</b>		<b>(67,111)</b>	<b>(31,958)</b>	<b>(66,271)</b>	<b>(30,825)</b>
<b>Cash flows from financing activities</b>					
Proceeds from borrowings		100,000	100,000	100,000	100,000
Repayment of borrowings		(101,110)	(141,034)	(101,110)	(141,034)
Repayment of finance leases		(213)	(197)	-	-
<b>Net cash (used in) financing activities</b>		<b>(1,323)</b>	<b>(41,231)</b>	<b>(1,110)</b>	<b>(41,034)</b>
<b>Net increase in cash and cash equivalents held</b>		<b>19,748</b>	<b>38,750</b>	<b>18,905</b>	<b>41,473</b>
Cash and cash equivalents at beginning of the financial year		202,797	164,047	174,561	133,088
<b>Cash and cash equivalents at end of financial year</b>		<b>222,545</b>	<b>202,797</b>	<b>193,466</b>	<b>174,561</b>
Financing arrangements	17(a) 26				

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

# Notes to the financial statements

Macquarie University  
Notes to the financial statements  
31 December 2014

Note	Contents of the notes to the financial statements	Page
1	Summary of significant accounting policies	59
	<b>Revenue</b>	
2	Australian Government financial assistance including Australian Government loan programs (HELP)	69
3	State and Local Government financial assistance	71
4	Fees and charges	72
5	Investment revenue	72
6	Royalties, trademarks and licences	72
7	Consultancy and contract research	73
8	Other revenue	73
9	Gains on disposal of assets	73
	<b>Expenses</b>	
10	Employee related expenses	74
11	Depreciation and amortisation	75
12	Repairs and maintenance	75
13	Borrowing costs	75
14	Impairment of assets	76
15	Losses on disposal of assets	76
16	Other expenses	76
	<b>Assets</b>	
17	Cash and cash equivalents	77
18	Receivables	78
19	Inventories	80
20	Other financial assets	80
21	Other non-financial assets	82
22	Investment in subsidiaries	82
23	Property, plant and equipment	83
24	Intangible assets	87
	<b>Liabilities</b>	
25	Trade and other payables	88
26	Borrowings	89
27	Provisions	90
28	Other liabilities	91
	<b>Equity</b>	
29	Reserves and retained earnings	91
	<b>Disclosure Notes</b>	
30	Key management personnel disclosures	93
31	Remuneration of auditors	95
32	Contingencies	95
33	Commitments	96
34	Related parties	98
35	Subsidiaries	99
36	Joint ventures, associates and minority interests	103
37	Events occurring after the end of the reporting period	103
38	Reconciliation of operating result after income tax to net cash flows from operating activities	103
39	Financial risk management	104
40	Fair Value Measurement	108
41	Employee Benefits - Unfunded Defined Benefit Superannuation Liabilities	118
42	Defined Benefit Plans	118
43	Acquittal of Australian Government financial assistance	124
44	Disaggregated information	131



## 1 Summary of Significant Accounting Policies

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

### (a) Basis of Preparation

The financial statements are general purpose financial statements which have been prepared on an accrual basis in accordance with Australian Accounting Standards, AASB Interpretations, the *Public Finance and Audit Act 1983*, the *Public Finance and Audit Regulations 2010*, the *Higher Education Support Act 2003*, Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013* and the Financial Statement Guidelines for Australian Higher Education Providers, as issued by the Australian Government (Department of Education).

Macquarie University is a not-for-profit entity and these statements have been prepared on that basis. Some of the Australian Accounting Standards requirements for not-for-profit entities are inconsistent with the IFRS requirements.

#### *Date of authorisation for issue*

The financial statements for the year ended 31 December 2014 have been authorised for issue by the Macquarie University Council on 9 April 2015.

#### *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 the income statement, certain classes of property, plant and equipment and investment property.

#### *Critical accounting estimates*

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

### (b) Basis of consolidation

#### *(i) Subsidiaries*

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Macquarie University ("parent entity") as at 31 December 2014 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 ability 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 control ceases.

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

Intercompany transactions, balances and unrealised gains on transactions between Group entities 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 35.

#### *(ii) Common control transactions*

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

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

## **1 Summary of Significant Accounting Policies (continued)**

### **(b) Basis of consolidation (continued)**

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

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

#### *(iii) Joint ventures, associates and minority interests*

The proportionate interests in the assets, liabilities and expenses of joint venture operations were not considered material and have not been incorporated in the financial statements. Details of joint ventures and associates are set out in note 36.

### **(c) Foreign currency translation**

#### *(i) Functional and presentation currency*

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

#### *(ii) Transactions and balances*

Foreign currency transactions during the period have been converted to Australian currency at the rate applicable at the dates of transactions, with exchange rate fluctuations being recorded in the income statement. The balances of foreign currency accounts at balance sheet date are included with cash and cash equivalents in the statement of financial position, converted at the rates applicable at year end. The balances of payables denominated in foreign currency at the balance sheet date are included in payables in the statement of financial position, converted at the rates applicable at year end.

### **(d) Comparative Amounts**

Where necessary, comparative information is reclassified to enhance comparability in respect of changes in presentation adopted in the current year. There are no material reclassifications in 2014.

### **(e) Revenue Recognition**

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

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

Revenue is recognised for the major business activities as follows:

#### *(i) Government Grants*

The University treats operating grants received from Australian Government entities as revenue in the year of receipt.

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

#### *(ii) HELP payments*

Revenue from HELP is categorised into those received from the Australian Government and those received directly from students. Revenue is recognised and measured in accordance with the above disclosure.

#### *(iii) 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 receipts (or portion thereof) are 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.

## **1 Summary of Significant Accounting Policies (continued)**

### **(e) Revenue Recognition (continued)**

#### *(iv) Royalties, trademarks and licences*

Revenue from royalties, trademarks and licences is recognised as income when earned.

#### *(v) Consultancy and Contracts / Fee for Service*

Contract and consultancy revenue is recognised when the service is provided. Where appropriate, stage of completion is measured by reference to labour hours incurred to date as a percentage of estimated total labour hours for each contract.

#### *(vi) Lease income*

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

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

#### *(vii) Investment revenue*

Interest revenue is recognised on an accruals basis using the effective interest method. Dividend revenue is recognised as received.

### **(f) Income Tax Exemption**

Macquarie University and its controlled entities have received an endorsement by the Australian Taxation Office to access the income tax exemption from 1st July 2000 under the Income Tax Assessment Act 1997, with the exception of Risk Frontiers Flood (Australia) Pty Ltd and Macquarie University Property Investment Company. Macquarie University Property Investment Company has no income tax liability as at 31 December 2014.

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

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

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

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

### **(h) Impairment of assets**

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

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows which are largely independent of the cash inflows from other assets or groups of assets (cash generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

## 1 Summary of Significant Accounting Policies (continued)

### (i) Cash and cash equivalents

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

### (j) Trade receivables

Trade receivables are initially recognised and subsequently measured at invoiced amount. There is no material difference between invoiced amount and amortised cost due to their short term nature. Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for impairment of receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables.

Significant financial difficulties, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the trade receivable is impaired. Consideration is also given to history of late but successful payment relations with the debtors and the quality of correspondence between the Group and the debtor. The amount of the provision is the difference between the asset's carrying amount and the value of estimated future cash flows. The amount of the provision is recognised in the income statement.

A provision for impairment of receivables has been created based on a review of all outstanding amounts at 31 December 2014. Bad debts are written off in the period in which they are identified.

### (k) Inventories

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

### (l) Investments and other financial assets

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

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

Available-for-sale financial assets (Note 20)

Held-to-maturity investments (Note 20)

Other financial assets (Note 20)

Reserves and retained earnings (Note 29)

#### *(i) Classification*

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

#### *(ii) Financial assets at fair value through income statement*

Financial assets at fair value through income statement include financial assets held for trading. No such assets were held in 2014 and 2013.

#### *(iii) 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 reporting date which are classified as non-current assets. Loans and receivables are included in receivables in the statement of financial position.

## 1 Summary of Significant Accounting Policies (continued)

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

#### *(iv) 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.

#### *(v) 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 reporting date.

Purchases and sales of financial assets are recognised on trade-date - the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transactions costs for all financial assets not carried at fair value through income statement. Financial assets are de-recognised 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.

When available-for-sale financial assets are sold, the accumulated fair value adjustments recognised in other comprehensive income are included in the income statement as gains and losses from investment securities.

#### **Subsequent measurement**

Available-for-sale financial assets are subsequently carried at fair value where this can be reliably measured or at historical cost where no reliable fair value measurement is available. Loans and receivables and held-to-maturity investments are carried at historical cost, which approximates to fair value calculated using the effective interest method.

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 surplus. Changes in the fair value of other monetary and non-monetary securities classified as available-for-sale are recognised in equity.

#### **Fair value**

The fair values of quoted investments are based on quoted prices in an active market. If the market for a financial asset is not active, the Group establishes fair value by using valuation techniques that maximise the use of relevant data. These include reference to the estimated price in an orderly transaction that would take place between market participants at the measurement date. Other valuation techniques used are the cost approach and the income approach based on the characteristics of the asset and the assumptions made by market participants. If fair value cannot be determined, the investment is measured at cost.

#### **Impairment**

The Group assesses at each balance date whether there is objective evidence that a financial asset or group of financial assets is impaired. In the case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair value of a security below its cost is considered in determining whether the security is impaired.

In the case of unlisted securities measured at cost, reference to the percentage stake in the net assets of the investment 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.

### (m) Derivatives

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

#### *(i) Fair value hedge*

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the

## 1 Summary of Significant Accounting Policies (continued)

### (m) Derivatives (continued)

income statement, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

#### (ii) Cash flow hedge

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

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

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

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

#### (iii) Derivatives that do not qualify for hedge accounting

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

### (n) Fair value measurement

The fair value of assets and liabilities must be measured for recognition and disclosure purposes.

Macquarie University classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements.

The fair value of assets or liabilities traded in active markets (such as publicly traded derivatives, and trading and available-for-sale securities) is based on quoted market prices for identical assets or liabilities at the reporting date (Level 1). The quoted market price used for assets held by Macquarie University is the most representative of fair value in the circumstances within the bid-ask spread.

The fair value of assets or liabilities that are not traded in an active market (for example, over-the-counter-derivatives) is determined using valuation techniques. Macquarie University uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date. Quoted market prices or dealer quotes for similar instruments (Level 2) are used for long-term debt instruments held. Other techniques that are not based on observable market data (Level 3) such as estimated discounted cash flows, are used to determine fair value for the remaining assets and liabilities. The fair value of interest-rate swaps is calculated as the present value of the estimated future cash flows. The fair value of forward exchange contracts is determined using forward exchange market rates at the reporting date. The level in the fair value hierarchy shall be determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety.

Fair value measurement of non-financial assets is based on the *highest and best use* of the asset. Macquarie University considers market participants use of, or purchase of the asset, to use it in a manner that would be highest and best use.

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values due to their short-term nature. 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 Macquarie University for similar financial instruments.



## 1 Summary of Significant Accounting Policies (continued)

### (o) Property, Plant and Equipment

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

Land, buildings and infrastructure assets are measured at fair value. Fair value is determined using independent valuations prepared by external experts in accordance with AASB 13.

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

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. All other property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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

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

Gains and losses on disposals are disclosed separately in the income statement, in accordance with the Department of Education requirements.

Land, Building and Infrastructure is revalued annually, with dates of inspection between 31 July 2014 to 30 November 2014 and valuation date as at 1 December 2014. The valuation was provided by Mr B Hill AAPI, Registered Valuer No. 024135 of Global Valuations Services Pty Ltd.

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

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

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

The following asset collections are measured at fair value and are revalued every three years:

- Works of Art were revalued as at 31 December 2013 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 Special Collection was revalued as at 3 November 2013. The valuation was provided by Mr S Taaffe, an approved valuer under the Australian Government Cultural Gifts Program.
- Artefacts contained in the Lachlan Macquarie Room located at Macquarie University were revalued on 1 December 2013. The valuation was provided by Mr S 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 in November 2013. The valuation was provided by Mr R Loosley, an approved valuer under the Australian Government Cultural Gifts Program.
- The collections of papyri held by the Museum of Ancient Cultures were revalued in November 2013.

## 1 Summary of Significant Accounting Policies (continued)

### (o) Property, Plant and Equipment (continued)

The valuation was provided by Mr R Loosley, 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 15 December 2013. The valuation was provided by Mr W Holt ANA, ANS, ASAN.

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

<b>Asset</b>	<b>2014</b>	<b>2013</b>
Land	<b>Nil</b>	Nil
Buildings	<b>40 years</b>	40 years
Infrastructure	<b>21 years</b>	21 years
Assets under construction	<b>Nil</b>	Nil
- Computer equipment	<b>3.33 years</b>	3.33 years
- Other equipment	<b>10 years</b>	10 years
- Science equipment	<b>5 years</b>	5 years
- Motor vehicles	<b>6.7 years</b>	6.7 years
- Medical equipment	<b>5-10 years</b>	5-10 years
- IT capital projects	<b>3-10 years</b>	3-10 years
Leasehold improvements	<b>Term of lease</b>	Term of lease
Library Collections: General	<b>5 years</b>	5 years
Library Collections: Special	<b>Nil</b>	Nil
Works of Art	<b>Nil</b>	Nil
Patents	<b>20 years</b>	20 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

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) Intangible Assets

#### (i) Research

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.

#### (ii) Development

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.

#### (iii) Patents

Patents were revalued on 1 December 2008. The valuation was provided Mr Steven Allan from Moore Stephens, Associate of the Institute of Chartered Accountants Australia and New Zealand, Member of CPA Australia and Fellow of the Taxation Institute of Australia.

### (q) Unfunded Superannuation

Refer to notes 41 and 42 for details of amounts owing by Commonwealth / State Governments for unfunded deferred liabilities for superannuation schemes.

## 1 Summary of Significant Accounting Policies (continued)

### (r) Trade and other payables

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

### (s) 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 borrowings 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 date of the statement of financial position and does not expect to settle the liability for at least 12 months after the date of statement of financial position.

### (t) Borrowing costs

Borrowing costs are recognised as expenses in the period in which they are incurred (except where they are included in the costs of qualifying assets during the period of time that is required to complete and prepare the asset for its intended use or sale). Interest is expensed as it accrues, unless it relates to qualifying assets, in which case the borrowing cost is capitalised.

### (u) 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 can be 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 date of statement of financial position. 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.

### (v) Employee benefits

#### (i) Short-term obligations

Liabilities for short-term employee benefits including wages and salaries are measured at the amount expected to be paid when the liability is settled, if it is expected to be settled wholly before twelve months after the end of the reporting period, and is recognised in payables.

#### (ii) Other long-term obligations

The liability for other long-term benefits such as annual leave and long service leave is recognised in current provisions for employee benefits if it is expected to be settled wholly before twelve months after the end of the reporting period. The liability is measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. 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.

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 twelve months after the reporting date, in which case it would be classified as a non-current liability.

The long service leave liability has been recognised according to an actuarial assessment performed in accordance with AASB 119 Employee Benefits.

## **1 Summary of Significant Accounting Policies (continued)**

### **(v) Employee benefits (continued)**

#### *(iii) Retirement benefit obligations*

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

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 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 the Group and the Group's legal or constructive obligation is limited to these contributions.

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

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

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in the retained earnings in the statement of changes in equity and in the statement of financial position.

Past service costs are recognised in income immediately.

Contribution to the defined contribution fund are recognised as an expense as they become payable.

#### *(iv) Termination Benefits*

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts an offer of benefits in exchange for the termination of employment. The Group recognises termination benefits either when it can no longer withdraw the offer of those benefits or when it has recognised costs for restructuring within the scope of AASB 137 that involves the payment of termination benefits. Benefits not expected to be settled wholly before 12 months after the end of the reporting period are discounted to present value.

### **(w) Goods and Services Tax (GST)**

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

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

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

### **(x) Rounding of amounts**

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

### **(y) New Accounting Standards and Interpretations**

Certain new Accounting Standards and Interpretations became mandatory for 31 December 2014 reporting period. These new requirements have not had a material impact on either the results or disclosure of the University.

Certain new Accounting Standards and Interpretations have been published that are not mandatory for 31 December 2014 reporting period. The University has elected not to early adopt any of these standards. The University has assessed the impact of these future Standards and Interpretations and considers the impact to be insignificant for the year ending December 2014.

**2 Australian Government financial assistance including HECS-HELP and other Australian Government loan**

**(a) Commonwealth Grants Scheme and Other Grants**

	Consolidated		Parent	
	2014	2013	2014	2013
Note	\$'000	\$'000	\$'000	\$'000
Commonwealth Grants Scheme#1	149,860	142,014	149,860	142,014
Indigenous Support Program	614	710	614	710
Partnership & Participation Program#2	2,394	2,434	2,394	2,434
Disability Support Program	758	916	758	916
Promotion of Excellence in Learning and Teaching	453	345	453	345
Reward Funding	-	667	-	667
Improving the Quality of Maths & Science Teaching Programs	450	-	450	-
<b>Total Commonwealth Grants Scheme and Other Grants</b>	<b>154,529</b>	<b>147,086</b>	<b>154,529</b>	<b>147,086</b>
43(a)				
<b>(b) Higher Education Loan Programs</b>				
HECS-HELP	128,920	114,896	128,920	114,896
FEE-HELP#3	37,847	32,936	37,847	32,936
SA-HELP	1,715	1,629	1,715	1,629
<b>Total Higher Education Loan Programs</b>	<b>168,482</b>	<b>149,461</b>	<b>168,482</b>	<b>149,461</b>
43(b)				
<b>(c) Scholarships</b>				
Australian Postgraduate Awards	6,387	5,837	6,387	5,837
International Postgraduate Research Scholarships	489	465	489	465
Commonwealth Education Costs Scholarship#4	57	(103)	57	(103)
Commonwealth Accommodation Scholarships#4	47	(58)	47	(58)
Indigenous Access Scholarships	49	9	49	9
Indigenous Staff Scholarships	-	43	-	43
<b>Total Scholarships</b>	<b>7,029</b>	<b>6,193</b>	<b>7,029</b>	<b>6,193</b>
43(c)				
<b>(d) EDUCATION Research</b>				
Joint Research Engagement Program	5,815	5,812	5,815	5,812
JRE Engineering Cadetships	71	49	71	49
Research Training Scheme	14,648	13,772	14,648	13,772
Research Infrastructure Block Grants	3,967	3,146	3,967	3,146
Sustainable Research Excellence in Universities	2,656	2,252	2,656	2,252
<b>Total EDUCATION Research Grants</b>	<b>27,157</b>	<b>25,031</b>	<b>27,157</b>	<b>25,031</b>
43(d)				

**2 Australian Government financial assistance including HECS-HELP and other Australian Government loan (continued)**  
**(e) Australian Research Council**

	Consolidated		Parent	
	2014	2013	2014	2013
Note	\$'000	\$'000	\$'000	\$'000
<b>(i) Discovery</b>				
Projects	8,169	9,316	8,169	9,316
Fellowships <sup>#5</sup>	11,006	7,493	11,006	7,493
Indigenous Researchers Development	229	43	229	43
<b>Total Discovery</b>	<b>19,404</b>	<b>16,852</b>	<b>19,404</b>	<b>16,852</b>
43(e)(i)				
<b>(ii) Linkages</b>				
Infrastructure	-	390	-	390
Projects	2,702	2,431	2,702	2,431
<b>Total Linkages</b>	<b>2,702</b>	<b>2,821</b>	<b>2,702</b>	<b>2,821</b>
43(e)(ii)				
<b>(iii) Networks and Centres</b>				
Centres	5,417	5,258	5,417	5,258
<b>Total Networks and Centres</b>	<b>5,417</b>	<b>5,258</b>	<b>5,417</b>	<b>5,258</b>
43(e)(iii)				
<b>Total ARC</b>	<b>27,523</b>	<b>24,931</b>	<b>27,523</b>	<b>24,931</b>
43(e)				
<p>#1 Includes the basic CGS grant amount, CGS - Regional Loading, CGS - Enabling Loading, Maths and Science Transition Loading and Full Fee Places Transition Loading.  #2 Includes Equity Support Program.  #3 Program is in respect of FEE-HELP for Higher Education only and excludes funds received in respect of VET FEE-HELP.  #4 Includes Grandfathered Scholarships, National Priority and National Accommodation Priority Scholarships respectively.  #5 Includes Early Career Researcher Award.</p>				
<b>(f) Other Australian Government financial assistance</b>				
<b>Non-capital</b>				
Agriculture, Fisheries and Forestry	67	56	67	56
Attorney-General	100	-	100	-
Education, Employment and Workplace Relations	2,764	1,863	1,112	1,809
Foreign Affairs and Trade	-	(3)	-	(3)
Health and Ageing	9,289	4,263	4,239	4,263
Innovation, Industry, Science and Research	4,271	5,185	4,271	5,185
Other	7,713	5,775	7,712	5,775
<b>Total: non-capital</b>	<b>24,204</b>	<b>17,139</b>	<b>17,501</b>	<b>17,085</b>
<b>Capital</b>				
Health and Ageing	29	32	29	32
Innovation, Industry, Science and Research	1,250	670	1,250	670
Other	-	6	-	6
<b>Total: capital</b>	<b>1,279</b>	<b>708</b>	<b>1,279</b>	<b>708</b>
<b>Total Other Australian Government financial assistance</b>	<b>25,483</b>	<b>17,847</b>	<b>18,780</b>	<b>17,793</b>
<b>Total Australian Government financial assistance</b>	<b>410,203</b>	<b>370,549</b>	<b>403,500</b>	<b>370,495</b>



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

**Reconciliation**

	Consolidated		Parent	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
Australian Government Grants	241,721	221,088	235,018	221,034
HECS-HELP payments	128,920	114,896	128,920	114,896
FEE-HELP payments	37,847	32,936	37,847	32,936
SA-HELP payments	1,715	1,629	1,715	1,629
<b>Total Australian Government financial assistance</b>	<b>410,203</b>	<b>370,549</b>	<b>403,500</b>	<b>370,495</b>

**(g) Australian Government Grants received - cash basis**

	Note	Consolidated		Parent	
		2014	2013	2014	2013
		\$'000	\$'000	\$'000	\$'000
CGS and Other EDUCATION Grants	43(a)	152,525	151,209	152,525	151,209
Higher Education Loan Programs	43(b)	167,032	155,780	167,032	155,780
Scholarships	43(c)	7,059	6,193	7,059	6,193
EDUCATION Research	43(d)	27,157	25,031	27,157	25,031
ARC grants - Discovery	43(e)(i)	19,348	16,622	19,348	16,622
ARC grants - Linkages	43(e)(ii)	2,702	2,779	2,702	2,779
ARC grants - Networks and Centres	43(e)(iii)	5,417	5,258	5,417	5,258
Other Australian Government Grants		25,483	17,790	18,780	17,790
<b>Total Australian Government Grants received - cash basis</b>		<b>406,723</b>	<b>380,662</b>	<b>400,020</b>	<b>380,662</b>
OS-HELP (Net)	43(f)	1,275	(184)	1,275	(184)
<b>Total Australian Government funding received - cash basis</b>		<b>407,998</b>	<b>380,478</b>	<b>401,295</b>	<b>380,478</b>

**3 State and local government financial assistance**

	Consolidated		Parent	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
<b>Non-capital</b>				
State and Local Government Research	1,657	1,786	1,657	1,786
Other State and Local Government financial assistance	598	487	598	487
<b>Total Non-capital</b>	<b>2,255</b>	<b>2,273</b>	<b>2,255</b>	<b>2,273</b>
<b>Capital</b>				
<b>Total capital</b>	-	-	-	-
<b>Total State and Local Government Financial Assistance</b>	<b>2,255</b>	<b>2,273</b>	<b>2,255</b>	<b>2,273</b>

**Macquarie University**  
**Notes to the Financial Statements**  
**For the Year Ended 31 December 2014**

**4 Fees and charges**

	Note	Consolidated		Parent	
		2014	2013	2014	2013
		\$'000	\$'000	\$'000	\$'000
<b>Course Fees and Charges</b>					
Fee-paying onshore overseas students		195,906	207,692	189,799	201,988
Fee-paying offshore overseas students		2,705	956	1,564	956
Continuing education		943	752	943	752
Fee-paying domestic postgraduate students		12,944	16,115	13,320	12,751
Fee-paying domestic undergraduate students		5,244	7,050	5,244	7,050
Fee-paying domestic non-award students		5,006	2,048	1,643	2,048
English language programs		3,974	3,402	3,974	3,402
Income from Sydney Institute of Business and Technology (SIBT)		18,861	18,058	18,584	17,783
<b>Total Course Fees and Charges</b>		<b>245,583</b>	<b>256,073</b>	<b>235,071</b>	<b>246,730</b>
<b>Other Non-Course Fees and Charges</b>					
Other service fees		6,410	5,204	6,615	5,233
Parking fees		6,016	4,671	6,016	4,703
Student accommodation		1,605	2,520	1,605	2,520
Student Services and Amenities Fees from students	43(g)	3,379	2,997	3,379	2,997
Miscellaneous non-course fees and charges		1,065	1,510	1,065	1,510
<b>Total Other Fees and Charges</b>		<b>18,475</b>	<b>16,902</b>	<b>18,680</b>	<b>16,963</b>
<b>Total Fees and Charges</b>		<b>264,058</b>	<b>272,975</b>	<b>253,751</b>	<b>263,693</b>

**5 Investment revenue**

	Consolidated		Parent	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
<b>Interest income:</b>				
Bank deposits	3,973	4,050	3,750	3,837
Interest on loans to controlled entities	-	-	3,136	5,477
Finance lease interest	592	607	592	607
Held to maturity investments - term deposits	1,749	1,985	172	200
Available-for-sale: listed investments	73	314	73	314
Other loans and receivables	28	-	28	-
<b>Total interest income</b>	<b>6,415</b>	<b>6,956</b>	<b>7,751</b>	<b>10,435</b>
Dividends	1,798	1,786	1,798	1,786
<b>Total investment revenue</b>	<b>8,213</b>	<b>8,742</b>	<b>9,549</b>	<b>12,221</b>

**6 Royalties, trademarks and licences**

	Consolidated		Parent	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
Royalties	618	903	397	699
<b>Total royalties, trademarks and licences</b>	<b>618</b>	<b>903</b>	<b>397</b>	<b>699</b>

**7 Consultancy and contracts**

	Consolidated		Parent	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
Consultancy	7,978	15,021	1,565	1,432
Contract research	14,974	11,041	14,974	11,042
<b>Total consultancy and contracts</b>	<b>22,952</b>	<b>26,062</b>	<b>16,539</b>	<b>12,474</b>

**8 Other revenue and income**

	Consolidated		Parent	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
Donations and bequests	3,136	1,444	3,136	1,443
Scholarships and prizes	748	486	748	486
Publication sales	574	522	574	573
Recoveries	4,199	1,824	32,251	29,731
Rental charges	25,309	27,227	16,884	18,556
Child care fees	4,269	4,137	-	-
Food sales, hotel and retail	11,992	11,098	-	-
Hospital services revenue	99,306	89,969	-	-
Management fees	873	1,233	-	-
Members' fees	7,758	7,581	-	-
Project research	997	1,139	-	-
Room, academic dress hire	829	927	-	-
Sports and recreation income	515	569	-	-
Other revenue and income	10,567	11,404	5,233	4,103
<b>Total other revenue</b>	<b>171,072</b>	<b>159,560</b>	<b>58,826</b>	<b>54,892</b>

**9 Gains on disposal of assets**

	Consolidated		Parent	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
<b>(a) Sale of shares, managed funds and fixed income securities</b>				
Gains on disposal of assets	-	7,254	-	7,254
<b>(b) Disposal of property, plant and equipment</b>				
Gains on disposal of assets	44	59	44	59
<b>Total net gain on disposal of assets</b>	<b>44</b>	<b>7,313</b>	<b>44</b>	<b>7,313</b>

**Macquarie University**  
**Notes to the Financial Statements**  
**For the Year Ended 31 December 2014**

**10 Employee related expenses**

	Note	Consolidated		Parent	
		2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
<b>Academic</b>					
Salaries		177,351	156,285	171,449	153,661
Contributions to superannuation and pension schemes					
Contribution to unfunded schemes <sup>1</sup>		844	833	844	833
Contribution to funded schemes <sup>2</sup>		23,536	21,349	22,891	20,798
Payroll tax		11,964	10,480	11,558	10,119
Worker's compensation		337	825	337	492
Long service leave expense		4,763	(649)	4,751	(651)
Annual leave		1,204	531	1,212	524
<b>Total academic</b>		<b>219,999</b>	<b>189,654</b>	<b>213,042</b>	<b>185,776</b>
<b>Non-academic</b>					
Salaries		216,526	208,425	144,845	133,479
Contributions to superannuation and pension schemes					
Contribution to unfunded schemes <sup>1</sup>		812	888	812	888
Contribution to funded schemes <sup>2</sup>		27,916	24,275	20,566	17,545
Payroll tax		10,323	9,535	8,675	7,618
Worker's compensation		892	624	130	416
Long service leave expense		3,346	(507)	3,147	(313)
Annual leave		6,024	1,141	1,525	458
<b>Total non-academic</b>		<b>265,839</b>	<b>244,381</b>	<b>179,700</b>	<b>160,091</b>
<b>Total employee related expenses</b>		<b>485,838</b>	<b>434,035</b>	<b>392,742</b>	<b>345,867</b>
Deferred superannuation (gain)/ expense <sup>3</sup>	42	(2,732)	792	(2,732)	792
<b>Total employee related expenses, including deferred Government Employee Benefits for Superannuation</b>		<b>483,106</b>	<b>434,827</b>	<b>390,010</b>	<b>346,659</b>

<sup>1</sup> Unfunded schemes include SASS, SSS and SANCS.

<sup>2</sup> Funded schemes include UniSuper and Self-Managed Super Funds.

<sup>3</sup> Comprises a charge of \$510k (2013: \$442k) for Professorial Superannuation Scheme and a credit of \$3,242k (2013: charge of \$350k) for State Authorities Non-Contributory Scheme. See notes 41 and 42 for further details.

**11 Depreciation and amortisation**

	<b>Consolidated</b>		<b>Parent</b>	
	<b>2014</b>	2013	<b>2014</b>	2013
	<b>\$'000</b>	\$'000	<b>\$'000</b>	\$'000
<b>Depreciation</b>				
Buildings	<b>28,896</b>	25,522	<b>28,896</b>	25,522
Plant and equipment <sup>1</sup>	<b>18,413</b>	20,562	<b>17,037</b>	19,225
Infrastructure	<b>4,472</b>	4,407	<b>4,472</b>	4,407
Library Collection - General	<b>7,654</b>	7,200	<b>7,654</b>	7,200
Leasehold improvements	<b>456</b>	436	<b>456</b>	436
<b>Total depreciation</b>	<b>59,891</b>	58,127	<b>58,515</b>	56,790
<b>Amortisation</b>				
Patents and trademarks	<b>28</b>	24	<b>28</b>	24
<b>Total amortisation</b>	<b>28</b>	24	<b>28</b>	24
<b>Total depreciation and amortisation</b>	<b>59,919</b>	58,151	<b>58,543</b>	56,814

<sup>1</sup> Includes motor vehicles.

**12 Repairs and maintenance**

	<b>Consolidated</b>		<b>Parent</b>	
	<b>2014</b>	2013	<b>2014</b>	2013
	<b>\$'000</b>	\$'000	<b>\$'000</b>	\$'000
Buildings and infrastructure	<b>11,647</b>	10,704	<b>7,593</b>	6,795
<b>Total repairs and maintenance</b>	<b>11,647</b>	10,704	<b>7,593</b>	6,795

**13 Borrowing costs**

	<b>Consolidated</b>		<b>Parent</b>	
	<b>2014</b>	2013	<b>2014</b>	2013
	<b>\$'000</b>	\$'000	<b>\$'000</b>	\$'000
Bank loans	<b>1,884</b>	3,906	<b>1,884</b>	3,906
Bond interest	<b>17,125</b>	17,125	<b>17,125</b>	17,125
Interest rate swap and financing costs	<b>543</b>	344	<b>543</b>	344
<b>Total borrowing costs expensed</b>	<b>19,552</b>	21,375	<b>19,552</b>	21,375

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

No interest relating to qualifying assets was capitalised during 2014 (2013: nil).

**Macquarie University**  
**Notes to the Financial Statements**  
**For the Year Ended 31 December 2014**

**14 Impairment of assets**

	Consolidated		Parent	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
Third party receivables	352	336	187	192
Available-for-sale financial assets	5	384	5	384
Controlled entity loan investment	-	-	10,270	(35,869)
Controlled entity equity investment	-	-	(1,038)	49,749
Associate investment and receivables	578	1,188	-	-
Intangible assets	22	157	22	157
<b>Total impairment of assets</b>	<b>957</b>	<b>2,065</b>	<b>9,446</b>	<b>14,613</b>

Refer to notes 20 and 22 for details of the impairment charges and reversals for the debt and equity investments in MUH Operations No. 2 Pty Ltd, a controlled entity.

During 2014 the Group made an impairment provision of \$578k (2013: \$1.2m) against the investment and receivables of an associate, Macquarie Medical Imaging Pty Ltd. Refer to note 20 for further details.

**15 Losses on disposal of assets**

	Consolidated		Parent	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
<b>Disposal of property, plant and equipment</b>				
Losses on disposal of assets	1,407	349	1,338	284
Loss on disposal of controlled entity interest	259	-	259	-
<b>Total net loss on disposal of assets</b>	<b>1,666</b>	<b>349</b>	<b>1,597</b>	<b>284</b>

**16 Other expenses**

	Consolidated		Parent	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
Advertising, marketing and promotions	8,810	7,968	5,637	4,976
Agents commission	12,008	11,756	7,252	7,595
Audit fees, bank charges, legal costs and insurance	9,761	9,413	7,892	7,246
Cleaning	4,750	4,429	4,750	4,432
Copyright charges	1,326	1,181	1,326	1,181
General consumables and materials	74,951	68,959	17,629	16,692
Maintenance contracts	10,668	9,202	10,660	9,202
Non-capitalised equipment	8,270	7,346	6,905	6,000
Printing, postage and stationery	2,468	2,344	1,486	1,500
Rental, hire and other leasing fees	10,531	10,193	9,738	8,743
Security	4,239	3,781	3,678	3,138
Subscriptions	2,529	2,645	2,302	2,387
Telecommunications	1,693	1,475	1,355	1,240
Travel and related staff development and training	19,136	17,325	18,419	17,054
Tuition services	14,996	18,903	14,996	18,903
Utilities	9,632	11,646	7,619	9,122
Miscellaneous expenses	8,526	8,536	2,802	3,983
<b>Total other expenses</b>	<b>204,294</b>	<b>197,102</b>	<b>124,446</b>	<b>123,394</b>

**17 Cash and cash equivalents**

	<b>Consolidated</b>		<b>Parent</b>	
	<b>2014</b>	2013	<b>2014</b>	2013
	<b>\$'000</b>	\$'000	<b>\$'000</b>	\$'000
Cash at bank and on hand	<b>21,962</b>	33,978	<b>14,832</b>	28,628
Deposits at call	<b>21,949</b>	22,907	-	-
NSW TCorp Hour Glass Investment Facility	<b>178,634</b>	145,933	<b>178,634</b>	145,933
<b>Total cash and cash equivalent</b>	<b>222,545</b>	202,818	<b>193,466</b>	174,561

**(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 statement of cash flows as follows:

	<b>Consolidated</b>		<b>Parent</b>	
	<b>2014</b>	2013	<b>2014</b>	2013
	<b>\$'000</b>	\$'000	<b>\$'000</b>	\$'000
Balances as above	<b>222,545</b>	202,818	<b>193,466</b>	174,561
Less: Overdraft (see note 26)	-	(21)	-	-
Balance as per cash flow statement	<b>222,545</b>	202,797	<b>193,466</b>	174,561

**(b) Cash at bank and on hand and NSW TCorp Hour Glass Investment Facility**

Group cash at bank and on hand comprises \$10.3m in AUD with an average rate at 31 December 2014 of 2.2% (2013: \$16.7m at 2.1%).

Group cash at bank and on hand comprises \$11.7m of foreign currency with an average rate at 31 December 2014 of 0% (2013: \$17.3m at 0%).

NSW TCorp Hour Glass Investment Facility had a rate at 31 December 2014 of 2.75% (2013: 2.72%).

**(c) Deposits at call**

Group deposits at call have a term of 90 days or less and bear interest with a weighted average of 3.40% (2013: 3.90%).

**(d) Restricted Funds**

Included in the cash at bank and on hand is an amount of \$135k as at 31 December 2014 (2013: \$157k) for the purpose of meeting the objectives of the estate of the late F.J. Walsh bequest.

Included in the cash at bank and on hand is an amount of \$121k as at 31 December 2014 (2013: \$146k) for the purpose of meeting the objectives of the Nippon Fellowship Fund.

Refer to note 39 for details regarding credit risk, liquidity risk and market risk arising from financial instruments.



**18 Receivables**

	Note	Consolidated		Parent	
		2014	2013	2014	2013
		\$'000	\$'000	\$'000	\$'000
<b>Current</b>					
Related parties		-	-	5,208	4,707
Other debtors		17,878	19,039	7,552	6,529
Student debtors		5,315	2,604	5,315	2,604
Less: Provision for impaired receivables		(982)	(992)	(760)	(777)
<b>Total net receivables</b>		<b>22,211</b>	<b>20,651</b>	<b>17,315</b>	<b>13,063</b>
Accrued income		9,982	10,454	3,210	5,207
Finance lease receivables		457	428	457	428
<b>Total current receivables</b>		<b>32,650</b>	<b>31,533</b>	<b>20,982</b>	<b>18,698</b>
<b>Non-current</b>					
Finance lease receivables		28,652	29,109	28,652	29,109
Deferred government contribution for superannuation <sup>1</sup>	41/42	515,351	348,146	515,351	348,146
Other receivables		875	-	875	-
Associates		3,300	2,603	-	-
Less: Provision for impaired receivables - associates		(2,790)	(2,211)	-	-
<b>Total non-current receivables</b>		<b>545,388</b>	<b>377,647</b>	<b>544,878</b>	<b>377,255</b>
<b>Total receivables</b>		<b>578,038</b>	<b>409,180</b>	<b>565,860</b>	<b>395,953</b>

<sup>1</sup> State Authorities Superannuation Scheme (SASS) and State Superannuation Scheme (SSS) and State Authorities Non-contributory Superannuation Scheme (SANCS).

Refer to note 39 for details regarding credit risk, liquidity risk and market risk arising from financial instruments.

**Finance Leases - Macquarie University Village**

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

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

**Finance Leases - Macquarie University Research Park**

During 2011, the University reclassified several long term land leases within the Macquarie University Research Park issued to commercial organisations from operating leases to finance leases.

**Public Private Partnerships (PPP)**

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

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

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

**18 Receivables (continued)**  
**(a) Impaired receivables**

As at 31 December 2014 receivables of the University with a nominal value of \$0.8 million (2013: \$0.8 million) were impaired. Consolidated receivables of \$3.8 million (2013: \$3.2 million) were impaired.

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

The ageing of these impaired receivables is as follows:

	Consolidated		Parent	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
< 3 months	53	1,229	-	9
3 to 6 months	253	56	36	74
Over 6 months	3,466	1,918	724	694
<b>Total current impaired receivables</b>	<b>3,772</b>	<b>3,203</b>	<b>760</b>	<b>777</b>

As at 31 December 2014, University receivables of \$6.16 million (2013: \$2.97 million million) were past due but not impaired. Consolidated receivables of \$8.79 million (\$4.79 million) were past due but not impaired.

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

The ageing analysis of these receivables past due but not impaired is as follows:

	Consolidated		Parent	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
< 3 months	3,624	1,769	1,914	996
3 to 6 months	4,070	2,088	3,148	1,047
Over 6 months	1,096	929	1,096	929
<b>Total past due but not impaired trade receivables</b>	<b>8,790</b>	<b>4,786</b>	<b>6,158</b>	<b>2,972</b>

Movements in the provision for impaired receivables are as follows:

	Consolidated		Parent	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
At 1 January	3,203	1,994	777	812
Provision for impairment recognised during the year	948	1,530	187	191
Receivables written off during the year as uncollectible	(356)	(338)	(209)	(246)
Unused amount reversed	(23)	17	5	20
<b>At 31 December</b>	<b>3,772</b>	<b>3,203</b>	<b>760</b>	<b>777</b>

The creation and release of the provision for impaired receivables has been included in note 14 of the income statement. Amounts charged to the provision account are generally written off when there is no expectation of recovering additional cash.

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

19 Inventories

	Consolidated		Parent	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
<b>Current</b>				
<i>At cost:</i>				
Medical supplies	3,215	3,684	-	-
Other inventories	938	546	105	158
Services store	223	44	-	-
Printery	93	43	62	22
Food and beverages	67	96	-	-
<b>Total inventories at cost</b>	<b>4,536</b>	<b>4,413</b>	<b>167</b>	<b>180</b>
<i>At net realisable value:</i>				
Services store	487	624	-	-
<b>Total inventories at net realisable value</b>	<b>487</b>	<b>624</b>	<b>-</b>	<b>-</b>
<b>Total current inventories</b>	<b>5,023</b>	<b>5,037</b>	<b>167</b>	<b>180</b>

20 Other financial assets

	Consolidated		Parent	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
<b>Current</b>				
Held to maturity - term deposits	24,032	23,232	-	-
Restricted assets - Held to maturity - term deposits	4,673	4,658	4,673	4,658
<b>Total current other financial assets</b>	<b>28,705</b>	<b>27,890</b>	<b>4,673</b>	<b>4,658</b>
<b>Non-current</b>				
<i>Available-for-sale: listed investments</i>				
- investment	9,495	9,625	9,495	9,625
- impairment	(6,142)	(6,108)	(6,142)	(6,108)
	3,353	3,517	3,353	3,517
<i>Available-for-sale: unlisted investments</i>				
- investment	6,690	5,780	6,690	5,780
- impairment	(1,096)	(1,190)	(1,096)	(1,190)
	5,594	4,590	5,594	4,590
<i>Investment in associate</i>				
- investment	1,000	1,000	-	-
- impairment	(1,000)	(1,000)	-	-
	-	-	-	-
<i>Investment in controlled entities</i>				
- loan	-	-	72,964	52,637
- impairment	-	-	(24,619)	(14,349)
	-	-	48,345	38,288
Held to maturity - term deposits	375	375	-	-
<b>Total non-current other financial assets</b>	<b>9,322</b>	<b>8,482</b>	<b>57,292</b>	<b>46,395</b>
<b>Total other financial assets</b>	<b>38,027</b>	<b>36,372</b>	<b>61,965</b>	<b>51,053</b>

**20 Other financial assets (continued)**

**Investment in controlled entities**

Since 2010 the University has offered a loan facility to a controlled entity, MUH Operations No. 2 Pty Limited, for the purposes of providing capital and working capital start-up funds to the greenfield hospital site in pursuance of the Hospital's goal to provide the highest quality of patient care and to provide world class facilities and research environments for the Hospital and the University to meet its research and teaching agenda.

During 2013, \$70m of debt issued by the University to MUH Operations No. 2 Pty Limited was converted to an equity investment in MUH Operations No. 2 Pty Limited by issue of \$70m of Class B Funding shares in consideration for \$70m of debt. This equity investment is shown in note 22.

At 31 December 2014 the loan balance was \$73.0m. At 31 December 2014 the 10 year evergreen facility was \$120m, with \$47.0m undrawn. On 4 December 2014, Macquarie University Council resolved that funds would continue to be lent to MUH Operations No. 2 Pty Limited to enable MUH Operations No. 2 Pty Limited to meet its obligations.

At 31 December 2014 management identified indicators that the loan may be impaired. The loan investment of \$73.0m was therefore assessed for impairment in accordance with AASB 139 *Financial Instruments: Recognition and Measurement*.

The impairment test modelled the discounted cash flows expected to be received from MUH Operations No. 2 Pty Ltd relating to the loan balance at 31 December 2014, over the expected remaining life of the loan. Inputs into the modelling included a 10 year plan reviewed by the Board of MUH Operations No. 2 Pty Ltd in December 2014, to which management applied a number of judgements based on actual history of performance against plan by MUH Operations No. 2 Pty Ltd. The discount rate applicable to the loan as at 31 December 2014, of 4.74% (2013: 4.58%), was used to discount the cash flows.

An impairment of \$24.6m was determined as at 31 December 2014 (2013: \$14.3m). The movement in the provision is reflected in the income statement in note 14.

**Investment in Associate**

The Group holds \$1.0m of Series A Preference Shares in an associate, Macquarie Medical Imaging Pty Ltd (MMI).

This investment, and \$3.3m of receivables owing from MMI was assessed for impairment in accordance with AASB 139 and an impairment charge of \$0.6m was made in 2014 (2013: \$1.2m) bringing the closing provision at 31 December 2014 to \$3.8m (2013: \$3.2m). The impairment provision is applied fully against the \$1.0m of Preference Shares, with the remaining provision applied against the receivable (see note 18 for details).

**Restricted Assets**

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

Included in held to maturity term deposits is an amount of \$2.7 million (2013: \$2.7 million) held by the University solely for the purposes of meeting the objectives of the Nippon Foundation and \$2.0 million (2013: \$2.0 million) for the Numismatic Fund.

**Macquarie University**  
**Notes to the Financial Statements**  
**For the Year Ended 31 December 2014**

**21 Other non-financial assets**

	Consolidated		Parent	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
<b>Current</b>				
Prepayments - Library subscriptions	3,001	4,170	3,001	4,170
Prepayments - Other	8,299	6,803	6,571	5,257
Lease Asset	1,558	1,495	1,656	1,630
<b>Total current other non-financial assets</b>	<b>12,858</b>	<b>12,468</b>	<b>11,228</b>	<b>11,057</b>
<b>Non-current</b>				
Lease Asset	24,256	23,253	25,951	25,076
<b>Total non-current other non-financial assets</b>	<b>24,256</b>	<b>23,253</b>	<b>25,951</b>	<b>25,076</b>
<b>Total other non-financial assets</b>	<b>37,114</b>	<b>35,721</b>	<b>37,179</b>	<b>36,133</b>

**22 Investments in subsidiaries**

	Consolidated		Parent	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
<i>Investment in MUH Operations No. 2 Pty Ltd</i>				
- investment: Class B Funding Shares	-	-	70,000	70,000
- impairment	-	-	(48,711)	(49,749)
	-	-	<b>21,289</b>	<b>20,251</b>
<i>Investment in LAMS International Pty Ltd</i>				
- investment: Ordinary Shares	-	-	-	912
- impairment	-	-	-	(581)
	-	-	-	<b>331</b>
<b>Total non-current investment in subsidiaries</b>	<b>-</b>	<b>-</b>	<b>21,289</b>	<b>20,582</b>

On 28 December 2013 MUH Operations No. 2 Ltd changed to a proprietary company limited by shares and changed the name of the company to MUH Operations No. 2 Pty Ltd. On the same day MUH Operations No. 2 Pty Ltd issued to Macquarie University 70 million Class B funding shares at the cost of \$1 per share in consideration for \$70 million of debt owed by MUH Operations No. 2 Pty Ltd to Macquarie University (see note 20).

Class B Funding shares have a right, on winding up, after satisfaction of all the Company's debts and liabilities, to payment of the amount then paid up on the share.

Class B shareholders do not have a right to participate in a dividend nor a right to repayment of capital in a reduction of the Company's share capital nor a right to participate in a buy back of the Company's shares, nor a right to participate in the distribution of the surplus property of the Company on winding up, except, as noted above, to payment of the amount then paid up on the share after satisfaction of all the Company's debts and liabilities.

At 31 December 2014 management identified indicators that the equity investment may be impaired. The University's investment in the Class B Funding shares was therefore assessed for impairment under AASB 136 *Impairment of Assets*. The impairment test modelled the discounted cash flows expected to be available to equity holders from the operations of MUH Operations No. 2 Pty Ltd, and included a terminal value. Inputs into the modelling included a 10 year plan reviewed by the Board of MUH Operations No. 2 Pty Ltd in December 2014, to which management applied a number of judgements based on actual history of performance against plan by MUH Operations No. 2 Pty Ltd. A discount rate was selected based on the weighted average cost of capital of a listed entity within the Australian private health-care sector.

The model indicated that the equity was impaired by \$48.7m (2013: \$49.7m). The reduction in impairment provision of \$1.0m is reflected in the income statement in note 14.

Macquarie University  
Notes to the Financial Statements  
For the Year Ended 31 December 2014

23 Property, plant and equipment

	Construction in progress <sup>1</sup>	Land	Buildings	Plant and equipment <sup>2</sup>	Leasehold improvements	Library General	Library Special	Works of Arts	Infrastructure	Total
Parent	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>At 1 January 2013</b>										
- Cost	20,969	-	-	165,567	2,151	35,446	-	-	-	224,133
- Valuation	-	474,550	1,004,308	-	-	-	5,619	18,952	73,012	1,576,441
Accumulated depreciation	-	-	(2,194)	(73,240)	(407)	(17,749)	-	-	(349)	(93,939)
<b>Net book amount</b>	<b>20,969</b>	<b>474,550</b>	<b>1,002,114</b>	<b>92,327</b>	<b>1,744</b>	<b>17,697</b>	<b>5,619</b>	<b>18,952</b>	<b>72,663</b>	<b>1,706,635</b>
<b>Year ended 31 December 2013</b>										
Opening net book amount	20,969	474,550	1,002,114	92,327	1,744	17,697	5,619	18,952	72,663	1,706,635
Additions	11,798	-	15,963	10,770	39	8,180	-	373	6,330	53,453
Revaluation increase	-	50	21,910	-	-	-	419	920	3,859	27,158
Assets classified as held for sale and other disposals	-	-	-	(404)	-	-	-	-	-	(404)
Depreciation charge	(15,322)	-	(25,522)	(19,225)	(436)	(7,200)	-	-	(4,407)	(56,790)
Transfer between asset classes	-	-	5,115	6,973	-	-	-	-	3,234	-
<b>Closing net book amount</b>	<b>17,445</b>	<b>474,600</b>	<b>1,019,580</b>	<b>90,441</b>	<b>1,347</b>	<b>18,677</b>	<b>6,038</b>	<b>20,245</b>	<b>81,679</b>	<b>1,730,052</b>
<b>At 31 December 2013</b>										
- Cost	17,445	-	-	179,332	2,190	37,584	-	-	-	236,551
- Valuation	-	474,600	1,021,854	-	-	-	6,038	20,245	82,040	1,604,777
Accumulated depreciation	-	-	(2,274)	(88,891)	(843)	(18,907)	-	-	(361)	(111,276)
<b>Net book amount</b>	<b>17,445</b>	<b>474,600</b>	<b>1,019,580</b>	<b>90,441</b>	<b>1,347</b>	<b>18,677</b>	<b>6,038</b>	<b>20,245</b>	<b>81,679</b>	<b>1,730,052</b>

**23 Property, plant and equipment (continued)**

	Construction in progress <sup>1</sup>	Land	Buildings	Plant and equipment <sup>2</sup>	Leasehold improvements	Library General	Library Special	Works of Arts	Infrastructure	Total
Parent	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Year ended 31 December 2014</b>										
Opening net book amount	17,445	474,600	1,019,580	90,441	1,347	18,677	6,038	20,245	81,679	1,730,052
Additions	24,173	-	18,620	13,718	483	9,225	41	820	1,719	68,799
Revaluation increase/ (decrease)	-	22,795	8,514	-	-	-	193	-	(2)	31,500
Assets classified as held for sale and other disposals	(764)	-	-	(401)	-	(265)	-	-	-	(1,430)
Depreciation charge	(12,253)	-	(28,896)	(17,037)	(456)	(7,654)	-	-	(4,472)	(58,515)
Transfer between asset classes	-	-	4,827	5,317	-	-	-	36	2,073	-
<b>Closing net book amount</b>	<b>28,601</b>	<b>497,395</b>	<b>1,022,645</b>	<b>92,038</b>	<b>1,374</b>	<b>19,983</b>	<b>6,272</b>	<b>21,101</b>	<b>80,997</b>	<b>1,770,406</b>
<b>At 31 December 2014</b>										
- Cost	28,601	-	17,205	191,948	2,673	38,734	-	-	608	279,769
- Valuation	-	497,395	1,010,963	-	-	-	6,272	21,101	80,766	1,616,497
Accumulated depreciation	-	-	(5,523)	(99,910)	(1,299)	(18,751)	-	-	(377)	(125,860)
<b>Net book amount</b>	<b>28,601</b>	<b>497,395</b>	<b>1,022,645</b>	<b>92,038</b>	<b>1,374</b>	<b>19,983</b>	<b>6,272</b>	<b>21,101</b>	<b>80,997</b>	<b>1,770,406</b>

<sup>1</sup> Construction in progress includes WIP for patents and other expenses for property, plant and equipment.

<sup>2</sup> Plant and equipment include motor vehicles.



**Macquarie University**  
**Notes to the Financial Statements**  
**For the Year Ended 31 December 2014**

**23 Property, plant and equipment (continued)**

	Construction in progress <sup>1</sup>	Land	Buildings	Plant and equipment <sup>2</sup>	Leasehold improvements	Library General	Library Special	Works of Arts	Infrastructure	Total
Consolidated	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>At 1 January 2013</b>										
- Cost	20,969	-	-	8,287	2,355	35,446	-	-	-	67,057
- Valuation	-	474,550	1,004,308	165,567	-	-	5,619	18,952	73,012	1,742,008
Accumulated depreciation	-	-	(2,194)	(77,488)	(610)	(17,749)	-	-	(349)	(98,390)
<b>Net book amount</b>	<b>20,969</b>	<b>474,550</b>	<b>1,002,114</b>	<b>96,366</b>	<b>1,745</b>	<b>17,697</b>	<b>5,619</b>	<b>18,952</b>	<b>72,663</b>	<b>1,710,675</b>
<b>Year ended 31 December 2013</b>										
Opening net book amount	20,969	474,550	1,002,114	96,366	1,745	17,697	5,619	18,952	72,663	1,710,675
Additions	12,492	-	15,963	11,535	38	8,180	-	373	6,330	54,911
Revaluation increase	-	50	21,910	-	-	-	419	920	3,859	27,158
Assets classified as held for sale and other disposals	-	-	-	(521)	-	-	-	-	-	(521)
Depreciation charge	-	-	(25,522)	(20,562)	(436)	(7,200)	-	-	(4,407)	(58,127)
Transfer between asset classes	(15,934)	-	5,115	7,585	-	-	-	-	3,234	-
<b>Closing net book amount</b>	<b>17,527</b>	<b>474,600</b>	<b>1,019,580</b>	<b>94,403</b>	<b>1,347</b>	<b>18,677</b>	<b>6,038</b>	<b>20,245</b>	<b>81,679</b>	<b>1,734,096</b>
<b>At 31 December 2013</b>										
- Cost	17,527	-	-	187,045	2,190	37,584	-	-	-	244,346
- Valuation	-	474,600	1,021,854	-	-	-	6,038	20,245	82,040	1,604,777
Accumulated depreciation	-	-	(2,274)	(92,642)	(843)	(18,907)	-	-	(361)	(115,027)
<b>Net book amount</b>	<b>17,527</b>	<b>474,600</b>	<b>1,019,580</b>	<b>94,403</b>	<b>1,347</b>	<b>18,677</b>	<b>6,038</b>	<b>20,245</b>	<b>81,679</b>	<b>1,734,096</b>

23 Property, plant and equipment (continued)

	Construction in progress <sup>1</sup>	Land	Buildings	Plant and equipment <sup>2</sup>	Leasehold improvements	Library General	Library Special	Works of Arts	Infrastructure	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Consolidated</b>										
<b>Year ended 31 December 2014</b>										
Opening net book amount	17,527	474,600	1,019,560	94,403	1,347	18,677	6,038	20,245	81,679	1,734,096
Additions	24,723	-	18,620	14,704	483	9,225	41	820	1,719	70,335
Revaluation increase/ (decrease)	-	22,795	8,514	-	-	-	193	-	(2)	31,500
Assets classified as held for sale and other disposals	(764)	-	-	(467)	-	(265)	-	-	-	(1,496)
Depreciation charge	-	-	(28,896)	(18,413)	(456)	(7,654)	-	-	(4,472)	(59,891)
Transfer between asset classes	(12,762)	-	4,827	5,826	-	-	-	36	2,073	-
<b>Closing net book amount</b>	<b>28,724</b>	<b>497,395</b>	<b>1,022,645</b>	<b>96,053</b>	<b>1,374</b>	<b>19,983</b>	<b>6,272</b>	<b>21,101</b>	<b>80,997</b>	<b>1,774,544</b>
<b>At 31 December 2014</b>										
- Cost	28,724	-	17,205	198,941	2,673	38,734	-	-	608	286,885
- Valuation	-	497,395	1,010,963	1,893	-	-	6,272	21,101	80,766	1,618,390
Accumulated depreciation	-	-	(5,523)	(104,781)	(1,299)	(18,751)	-	-	(377)	(130,731)
<b>Net book amount</b>	<b>28,724</b>	<b>497,395</b>	<b>1,022,645</b>	<b>96,053</b>	<b>1,374</b>	<b>19,983</b>	<b>6,272</b>	<b>21,101</b>	<b>80,997</b>	<b>1,774,544</b>

<sup>1</sup> Construction in progress includes WIP for patents and other expenses for property, plant and equipment.

<sup>2</sup> Plant and equipment include motor vehicles.

**23 Property, plant and equipment (continued)**  
**(a) Land and buildings**

As at 31 December 2014, the University is not aware of any land or native title claims against University owned land.

**(b) Leased non-current assets**

The University has issued several long term land leases to third party organisations. Whilst legal ownership rests with the University, as lessor, control has been transferred to the lessee, and finance leases have been recognised for these leases (see note 18).

It is the University's expectation that the buildings situated on this leased land will have reached the end of their useful life when control reverts to the University.

**24 Intangible Assets**

	<b>Patents, trademarks and other rights</b>	<b>Total</b>
<b>Consolidated and Parent</b>	<b>\$'000</b>	<b>\$'000</b>
<b>At 1 January 2013</b>		
- Cost	818	818
- Accumulated amortisation and impairment	(52)	(52)
<b>Net book amount</b>	<b>766</b>	<b>766</b>
<b>Year ended 31 December 2013</b>		
Opening net book value	766	766
Additions - Internal development	294	294
Impairment losses	(157)	(157)
Amortisation charge	(24)	(24)
<b>Closing net book amount</b>	<b>879</b>	<b>879</b>
<b>At 31 December 2013</b>		
- Cost	955	955
- Accumulated amortisation and impairment	(76)	(76)
<b>Net book amount</b>	<b>879</b>	<b>879</b>
<b>Year ended 31 December 2014</b>		
Opening net book amount	879	879
Additions - Internal development	378	378
Impairment losses	(22)	(22)
Amortisation charge	(28)	(28)
<b>Closing net book amount</b>	<b>1,207</b>	<b>1,207</b>
<b>At 31 December 2014</b>		
- Cost	1,310	1,310
- Accumulated amortisation and impairment	(103)	(103)
<b>Net book amount</b>	<b>1,207</b>	<b>1,207</b>

**25 Trade and other payables**

	<b>Consolidated</b>		<b>Parent</b>	
	<b>2014</b>	2013	<b>2014</b>	2013
	<b>\$'000</b>	\$'000	<b>\$'000</b>	\$'000
<b>Current</b>				
Related parties	-	-	<b>1,389</b>	849
Third parties	<b>24,344</b>	23,853	<b>13,176</b>	12,488
Accrued expenses	<b>38,320</b>	37,632	<b>31,034</b>	30,402
OS-HELP Liability to Australian Government	<b>1,233</b>	-	<b>1,233</b>	-
<b>Total current trade and other payables</b>	<b>63,897</b>	61,485	<b>46,832</b>	43,739
<b>Total trade and other payables</b>	<b>63,897</b>	61,485	<b>46,832</b>	43,739

Refer to note 39 for details regarding credit risk, liquidity risk and market risk arising from financial instruments.

**(a) Foreign currency risk**

The carrying amounts of the Group's and parent entity's trade and other payables are denominated in the following currencies:

	<b>Consolidated</b>		<b>Parent</b>	
	<b>2014</b>	2013	<b>2014</b>	2013
	<b>\$'000</b>	\$'000	<b>\$'000</b>	\$'000
Australian Dollar (AUD)	<b>63,348</b>	60,743	<b>46,283</b>	42,997
US Dollar (USD)	<b>352</b>	545	<b>352</b>	545
Euro (EUR)	<b>140</b>	68	<b>140</b>	68
UK Pound (GBP)	<b>22</b>	109	<b>22</b>	109
Indian Rupee (INR)	<b>18</b>	-	<b>18</b>	-
Singapore Dollar (SGD)	-	6	-	6
Chinese Yuan (CNY)	<b>6</b>	-	<b>6</b>	-
Canadian Dollar (CAD)	<b>5</b>	2	<b>5</b>	2
New Zealand Dollar (NZD)	<b>3</b>	12	<b>3</b>	12
Swedish Kroner (SEK)	<b>3</b>	-	<b>3</b>	-
	<b>63,897</b>	61,485	<b>46,832</b>	43,739

For an analysis of the sensitivity of trade and other payables to foreign currency risk refer to note 39.

**26 Borrowings**

	Consolidated		Parent	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
<b>Current</b>				
Secured lease liabilities	-	213	-	-
Unsecured bank loans	1,200	1,118	1,200	1,118
Unsecured overdraft	-	21	-	-
<b>Total current borrowings</b>	<b>1,200</b>	<b>1,352</b>	<b>1,200</b>	<b>1,118</b>
<b>Non-current</b>				
Secured lease liabilities	171	171	-	-
Unsecured bank loans (student accommodation)	6,219	7,411	6,219	7,411
Unsecured bonds	248,578	248,328	248,578	248,328
Unsecured bank loans (ANZ / CBA)	100,000	100,000	100,000	100,000
<b>Total non-current borrowings</b>	<b>354,968</b>	<b>355,910</b>	<b>354,797</b>	<b>355,739</b>
<b>Total borrowings</b>	<b>356,168</b>	<b>357,262</b>	<b>355,997</b>	<b>356,857</b>

The interest bearing borrowings include bonds and bank loans. Refer to note 13 for costs on interest bearing borrowings.

**(a) 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 \$17.8 million. The loan is unsecured and is denominated in AUD.

The balance of the loan outstanding as at 31 December 2014 was \$7.4 million (2013: \$8.5 million).

Refer to note 39 for details regarding credit risk, liquidity risk and market risk arising from financial instruments.

**(b) Assets pledged as security**

The Group and parent entity had no assets pledged as security in 2014 and 2013.

**(c) Financing arrangements**

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

The University has entered into bank facilities of \$100 million each with Australia and New Zealand Banking Group (ANZ) and the Commonwealth Bank of Australia (CBA). The interest rates on both facilities are variable. At 31 December 2014 \$100 million was drawn down and \$100 million remained available to be drawn. The loans are denominated in AUD.

**(d) Fair value**

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

**(e) Risk exposures**

Information about the Group and the parent entity's exposure to interest changes and contractual repricing dates is provided in note 39.

27 Provisions

	Consolidated		Parent	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
<b>Current provisions expected to be settled wholly within 12 months</b>				
Employee benefits				
Annual leave	29,021	26,444	24,152	22,100
Long service leave	10,227	8,848	9,670	8,406
Other employee related costs	736	1,459	474	1,204
Other provisions	1,312	1,400	-	-
Subtotal	<b>41,296</b>	38,151	<b>34,296</b>	31,710
<b>Current provisions expected to be settled wholly after more than 12 months</b>				
Employee benefits				
Annual leave	2,309	1,901	1,976	1,291
Long service leave	24,142	22,231	23,130	21,451
Subtotal	<b>26,451</b>	24,132	<b>25,106</b>	22,742
<b>Total current provisions</b>	<b>67,747</b>	62,283	<b>59,402</b>	54,452
<b>Non-current provisions</b>				
Employee benefits				
Long service leave	12,385	11,901	10,758	10,410
Deferred non-government benefits for superannuation <sup>1</sup>	3,841	2,591	3,841	2,591
Deferred government benefits for superannuation <sup>2</sup>	515,351	351,388	515,351	351,388
Make Good	495	408	234	234
<b>Total non-current provisions</b>	<b>532,072</b>	366,288	<b>530,184</b>	364,623
<b>Total provisions</b>	<b>599,819</b>	428,571	<b>589,586</b>	419,075

<sup>1</sup> Professorial Superannuation Fund

<sup>2</sup> State Authorities Superannuation Scheme (SASS), State Authorities Non-contributory Superannuation Scheme (SANCS) and State Superannuation Scheme (SSS).

See note 41 for an explanation of the deferred government benefits for superannuation. Note 42 provides details of the deferred government benefits by plan.

28 Other liabilities

	Consolidated		Parent	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
<b>Current</b>				
Advances - other	512	454	350	369
Prepaid Income - student fees	28,785	28,626	28,785	28,626
Prepaid Income - other	5,530	8,762	4,431	7,624
Interest rate swap liability	3,461	-	3,461	-
Lease incentive	437	375	437	375
<b>Total current other liabilities</b>	<b>38,725</b>	<b>38,217</b>	<b>37,464</b>	<b>36,994</b>
<b>Non-current</b>				
Interest rate swap liability	-	6,874	-	6,874
Lease incentive	996	150	996	150
<b>Total non-current other liabilities</b>	<b>996</b>	<b>7,024</b>	<b>996</b>	<b>7,024</b>
<b>Total other liabilities</b>	<b>39,721</b>	<b>45,241</b>	<b>38,460</b>	<b>44,018</b>

Refer to note 39 for details of the interest rate swap liability.

29 Reserves and retained earnings

(a) Reserves

	Consolidated		Parent	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Property, plant and equipment revaluation surplus	502,763	471,263	502,503	471,003
Available-for-sale investments revaluation surplus	5,271	4,493	5,271	4,564
<b>Total Reserves</b>	<b>508,034</b>	<b>475,756</b>	<b>507,774</b>	<b>475,567</b>

**Movements**

	Consolidated		Parent	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
<i>Property, plant and equipment revaluation surplus</i>				
Balance 1 January	471,263	444,105	471,003	443,845
Revaluation - gross	31,500	27,158	31,500	27,158
Balance 31 December	<b>502,763</b>	<b>471,263</b>	<b>502,503</b>	<b>471,003</b>
<i>Available-for-sale investments revaluation surplus</i>				
Balance 1 January	4,493	9,495	4,564	9,495
Realised (gains) transferred from reserves to income statement	-	(5,502)	(71)	(5,502)
Unrealised gains on revaluation	778	500	778	571
Balance 31 December	<b>5,271</b>	<b>4,493</b>	<b>5,271</b>	<b>4,564</b>



**29 Reserves and retained earnings (continued)**

**(b) Movements in retained earnings**

	<b>Consolidated</b>		<b>Parent</b>	
	<b>2014</b>	2013	<b>2014</b>	2013
	<b>\$'000</b>	\$'000	<b>\$'000</b>	\$'000
Retained earnings at 1 January	<b>1,055,788</b>	990,448	<b>1,070,137</b>	999,746
Net result for the period	<b>35,485</b>	62,341	<b>44,734</b>	67,392
Disposal of net assets of subsidiary	<b>(433)</b>	-	-	-
Actuarial gain / (loss) on defined benefit plans recognised directly in retained earnings	<b>(1,981)</b>	2,999	<b>(1,981)</b>	2,999
<b>Retained earnings at 31 December</b>	<b>1,088,859</b>	1,055,788	<b>1,112,890</b>	1,070,137

**(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(o) 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, relevant fund managers advise the University as to the market value of its investments.

**30 Key Management Personnel Disclosures**

**(a) Other key management personnel transactions**

For details of other transactions with key management personnel, refer to note 34: Related Party Transactions.

**(b) Names of responsible persons and executive officers**

The following persons were responsible persons and executive officers of Macquarie University 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.

**(i) Executive officers**

Anderson, D  
Baldock, C (until January 2014)  
Dowton, S B  
Gabbott, M  
Gorman, P J  
Gower, N (from October 2014)  
Greeley, J  
Lee, J  
McNeil, P (from November 2014)  
Mollering, M (from August 2014)  
Nelson, P (from January 2014)  
Pretorious, S  
Sachs, J (until March 2014)  
Schreier, P  
Simons, J  
Sprague, T (until July 2014)  
Wilkinson, D

**(ii) University Council Members**

Crotty, B  
Crouch, E  
Darvall, C  
Dowton, S B  
Egan, M  
Fitness, J  
Forsythe, P  
Howitt, R  
Jones, G  
Kane, D  
Nori, S  
Quinn, G  
Schott, K  
Verity, D  
Vozella, K (until December 2014)  
Ward, G  
Wigglesworth, J

**(c) Remuneration of Council Members and Executives**

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

**30 Key Management Personnel Disclosures (continued)**

**(c) Remuneration of Council Members and Executives (continued)**

	<b>Parent</b>	
	<b>2014</b>	2013
	<b>\$'000</b>	\$'000
<b>Remuneration of executive officers</b>		
\$20,000 to \$29,999	-	1
\$60,000 to \$69,999	-	1
\$70,000 to \$79,999	2	-
\$110,000 to \$119,999	1	-
\$260,000 to \$269,999	1	-
\$270,000 to \$279,999	-	1
\$310,000 to \$319,999	-	1
\$320,000 to \$329,999	1	-
\$370,000 to \$379,999	-	1
\$420,000 to \$429,999	-	1
\$430,000 to \$439,999	2	-
\$440,000 to \$449,999	1	-
\$460,000 to \$469,999	1	-
\$470,000 to \$479,999	1	2
\$480,000 to \$489,999	2	1
\$490,000 to \$499,999	2	-
\$540,000 to \$549,999	-	1
\$570,000 to \$579,999	-	1
\$580,000 to \$589,999	-	1
\$610,000 to \$619,999	-	1
\$840,000 to \$849,999	-	1
\$860,000 to \$869,999	1	1
\$940,000 to \$949,999 <sup>1</sup>	1	-
\$970,000 to \$979,999 <sup>1</sup>	1	-
	<b>17</b>	<b>15</b>

<sup>1</sup> Includes termination payments.

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

**(d) Key management personnel compensation**

	<b>Parent</b>	
	<b>2014</b>	2013
	<b>\$'000</b>	\$'000
Short-term employee benefits	<b>6,034</b>	6,340
Other long-term benefits	<b>119</b>	603
Termination benefits	<b>1,680</b>	-
	<b>7,833</b>	<b>6,943</b>

Short-term employee benefits include salary, superannuation and short term bonus payments.

**(e) Loans to key management personnel**

During 2013 a Loan Agreement was signed between Macquarie University and Professor S B Dowton for the purpose of acquiring a residence in Sydney. The loan has a facility limit of \$875,000 and was drawn down in full in 2014 (see note 18). Interest of \$28k was payable for the year. No write downs or allowances for doubtful receivables have been recognised in relation to this loan.

Pursuant to the Loan Agreement, the University uses this property for a fee assessed at a fair value using

**30 Key Management Personnel Disclosures (continued)**

**(e) Loans to key management personnel (continued)**

comparable market rental for similar properties. The expense on the use of this property by the University for the year ended 31 December 2014 was \$40,000 (31 December 2013: Nil).

There are no other loans to key management personnel.

**(f) Key management personnel of controlled entities**

Key management personnel of individual controlled entities within the Group are detailed in Volume 2 of the Annual Report.

**31 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:

	<b>Consolidated</b>		<b>Parent</b>	
	<b>2014</b>	2013	<b>2014</b>	2013
	<b>\$'000</b>	\$'000	<b>\$'000</b>	\$'000
<b>Audit and review of the Financial Statements</b>				
Fees paid to Audit Office of NSW				
Audit fees for parent entity/ group entity	<b>595</b>	573	<b>317</b>	285
Audit fees for Restricted Funds	<b>3</b>	6	<b>3</b>	6
<b>Total paid for audit and review</b>	<b>598</b>	579	<b>320</b>	291
<b>Other audit and assurance services</b>				
Fees paid to Audit Office of NSW				
Audit of regulatory returns	<b>13</b>	11	<b>13</b>	11
<b>Total paid for audit and assurance</b>	<b>13</b>	11	<b>13</b>	11
<b>Total remuneration for audit and assurance related services</b>	<b>611</b>	590	<b>333</b>	302

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.

**32 Contingencies**

**Bank Guarantees**

The University has been accepted into the Retro Paid Loss Premium Model Workers' Compensation Insurance Scheme. The following bank guarantees have been issued to WorkCover by the University as at December 2014:

	<b>2014</b>	2013
	<b>\$'000</b>	\$'000
<b>Insurance Period - commencement date</b>		
2011	<b>5,977</b>	5,977
2012	<b>6,153</b>	6,153
2013	<b>7,087</b>	7,087
2014	<b>196</b>	-
<b>Total</b>	<b>19,413</b>	19,217

Other bank guarantees of \$0.69 million (2013: \$0.76 million) have also been issued.

As at 31 December 2014 there is an unused bank guarantee facility of \$4.9 million.

The Group does not have any other contingent liabilities (2013: nil).

**33 Commitments**

**(a) Capital commitments**

Capital expenditure contracted for various building capital projects at the reporting date but not recognised as liabilities as at 31 December 2014 are as follows (Commitments are shown with GST included):

	Consolidated		Parent	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Property, plant and equipment				
Within one year	47,012	11,699	46,832	11,318
Between one year and five years	-	-	-	-
<b>Total PPE commitments</b>	<b>47,012</b>	<b>11,699</b>	<b>46,832</b>	<b>11,318</b>

**(b) Lease commitments**

*(i) Operating Leases - as lessee*

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

Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:

	Consolidated		Parent	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Within one year	7,582	7,270	6,320	7,127
Between one year and five years	13,082	8,712	9,909	10,747
Later than five years	4,780	3,323	915	2,672
<b>Total future minimum lease payments</b>	<b>25,444</b>	<b>19,305</b>	<b>17,144</b>	<b>20,546</b>

*(ii) Finance Leases - as lessee*

Commitments in relation to finance leases are payable as follows:

	Consolidated		Parent	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Within one year	177	236	-	-
Between one year and five years	-	177	-	-
<b>Total future minimum lease payments</b>	<b>177</b>	<b>413</b>	<b>-</b>	<b>-</b>
Future finance charges	(6)	(29)	-	-
<b>Finance lease liabilities</b>	<b>171</b>	<b>384</b>	<b>-</b>	<b>-</b>
Lease incentives on non-cancellable operating leases included in lease liabilities	-	-	-	-
<b>Total lease liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Representing lease liabilities				
Current	171	213	-	-
Non-current	-	171	-	-
<b>Total finance lease liabilities</b>	<b>171</b>	<b>384</b>	<b>-</b>	<b>-</b>

The weighted average interest rate implicit in the finance leases is 8.03% (2013: 8.03%).

**33 Commitments (continued)**

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

*(i) Operating leases - as lessor*

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

Future minimum lease payments to the University under non-cancellable operating leases:

	Consolidated		Parent	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Within one year	28,975	25,676	39,794	35,713
Between one year and five years	96,395	83,472	121,655	117,372
Later than five years	95,919	99,976	162,012	169,145
	<b>221,289</b>	209,124	<b>323,461</b>	322,230

Rental income is shown undiscounted, and inclusive of GST liability.

The University leases out various strategically held properties, including the Hearing Hub, the Cochlear building, the Hospital and Clinic buildings and several properties within the Macquarie University Research Park.

*(ii) Finance leases - as lessor*

Future minimum lease payments to the University under non-cancellable finance leases:

	Consolidated		Parent	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Within one year	2,401	2,527	2,401	2,527
Between one year and five years	9,602	10,106	9,602	10,106
Later than five years	71,200	82,083	71,200	82,083
Less: Future finance charge	(53,585)	(56,568)	(53,585)	(56,568)
	<b>29,618</b>	38,148	<b>29,618</b>	38,148

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. See note 18 for further details.

Additionally, the University has issued several long term land leases to third party organisations. During 2011 these leases were recognised as finance leases. See note 23 for further details.

**(d) Other commitments**

Other operational expenditure contracted at the reporting date but not recognised as liabilities as at 31 December 2014 is as follows:

	Consolidated		Parent	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Within one year	22,033	17,493	21,698	17,493
Between one and five years	-	-	-	-
Later than five years	-	-	-	-
<b>Total future minimum lease payments</b>	<b>22,033</b>	17,493	<b>21,698</b>	17,493

**Macquarie University**  
**Notes to the Financial Statements**  
**For the Year Ended 31 December 2014**

**34 Related Parties**

**(a) Parent entities**

The ultimate parent entity within the Group is Macquarie University, an entity established under NSW state legislation.

**(b) Subsidiaries**

Interests in subsidiaries are set out in note 35.

**(c) Key management personnel**

Disclosures relating to responsible persons and executive officers of the University are disclosed in note 30.

Disclosures relating to key management personnel of each controlled entity within the University group are included in Volume 2 of the Annual Report.

**(d) Transactions with related parties**

The following transactions occurred with related parties in 2014:

	Revenue \$'000	Expenses \$'000	Receivables/ Investments \$'000	Payables \$'000
Access Macquarie Ltd	3,122	6,426	2,882	460
APAF Ltd	900	156	184	-
CMBF Ltd	19	2,894	-	-
MGSM Ltd	8,716	19,054	1,420	377
MUH Operations No.2 Pty Ltd	19,665	1,354	146,153	59
U@MQ Ltd	1,452	6,715	264	493
	<b>33,874</b>	<b>36,599</b>	<b>150,903</b>	<b>1,389</b>

The receivables / investment value of \$146.1m with MUH Operations No. 2 Pty Ltd includes equity with a face value of \$70m (see note 22) and a loan with a face value of \$73m (see note 20). Both of these investments are partially impaired. Refer to notes 20 and 22.

The following material transactions occurred with related parties in 2013:

	Revenue \$'000	Expenses \$'000	Receivables/ Investments \$'000	Payables \$'000
Access Macquarie Ltd	2,360	6,559	1,971	147
APAF Ltd	1,217	270	402	8
CMBF Ltd	31	2,805	12	2
MGSM Ltd	9,810	20,605	1,825	194
MUH Operations No.2 Pty Ltd	20,928	710	125,828	320
U@MQ Ltd	1,370	5,955	289	176
	<b>35,716</b>	<b>36,904</b>	<b>130,327</b>	<b>847</b>

**34 Related Parties (continued)**  
**(e) Loans to related parties**

	Note	2014 \$'000	2013 \$'000
<b>Loan to MUH Operations No. 2 Pty Ltd</b>			
Beginning of the year	20	52,637	99,387
Capitalisation of rental charges		15,691	14,773
Loans advanced		1,500	3,000
Interest charged	5	3,136	5,477
Issue of Class B Funding Shares in consideration of debt	22	-	(70,000)
End of year	20	<u>72,964</u>	<u>52,637</u>

An impairment provision of \$24.6m (2013: \$14.3m) has been raised against the loan to MUH Operations No. 2 Pty Ltd. See note 20 for further details.

**35 Subsidiaries**

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

Name of Entity	Country of Incorporation	Class of Shares	Equity Holding	
			2014 %	2013 %
Access Macquarie Ltd	Australia	Limited by Guarantee	100	100
Australian Proteome Analysis Facility Ltd	Australia	Limited by Guarantee	100	100
CMBF Ltd	Australia	Limited by Guarantee	100	100
COH Property Trust	Australia	Units	100	100
LAMS Foundation Ltd	Australia	Limited by Guarantee	-	100
LAMS International Pty Ltd	Australia	Ordinary	-	77
Macquarie Education South Africa NPC	South Africa	Ordinary	100	100
MGSM Limited	Australia	Limited by Guarantee	100	100
Macquarie University Property Investment Company No. 3 Pty Ltd	Australia	Ordinary	100	100
Macquarie University Property Investment Company Pty Ltd	Australia	Ordinary	100	100
Macquarie University Property Investment Trust	Australia	Units	100	100
MU Hospital Pty Ltd	Australia	Ordinary	-	100
MUH Operations No.2 Pty Ltd (formerly MUH Operations No.2 Ltd)	Australia	Class B Funding	100	100
MUH Operations Pty Ltd	Australia	Ordinary	100	100
MUPH Clinic Pty Ltd	Australia	Ordinary	100	100
MUPH Hospital Pty Ltd	Australia	Ordinary	100	100
Risk Frontiers Flood (Australia) Pty Ltd	Australia	Ordinary	100	100
Risk Frontiers Group Pty Ltd	Australia	Ordinary	100	100
U@MQ Ltd	Australia	Limited by Guarantee	100	100

MU Hospital Pty Ltd was de-registered during 2014.

During 2014, the 77% investment in LAMS International Pty Ltd was sold to the minority shareholder, LD Education Services Pty Ltd. As part of that divestment, the University also resigned as the member of LAMS Foundation Ltd. The University has no ongoing interest in either of these companies.



35 Subsidiaries (continued)

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

	Access Macquarie Ltd	Australian Proteome Analysis Facility Ltd	CMBF Ltd	LAMS International Pty Ltd	MGSM Ltd	MUH Operations No.2 Pty Ltd	Risk Frontiers Flood (Australia) Pty Ltd	U@MQ Ltd	Total*
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>For the year ended 31 December 2013</b>									
Operating income	33,416	1,514	3,229	412	26,152	96,435	1,139	30,140	192,437
Operating expense	(32,140)	(1,520)	(2,864)	(318)	(24,312)	(119,701)	(1,164)	(29,524)	(211,543)
<b>Operating result</b>	<b>1,276</b>	<b>(6)</b>	<b>365</b>	<b>94</b>	<b>1,840</b>	<b>(23,266)</b>	<b>(25)</b>	<b>616</b>	<b>(19,106)</b>

	Access Macquarie Ltd	Australian Proteome Analysis Facility Ltd	CMBF Ltd	LAMS International Pty Ltd	MGSM Ltd	MUH Operations No.2 Pty Ltd	Risk Frontiers Flood (Australia) Pty Ltd	U@MQ Ltd	Total*
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>For the year ended 31 December 2014</b>									
Operating income	33,571	1,129	3,180	-	26,891	105,976	997	31,665	203,409
Operating expense	(34,268)	(1,139)	(3,024)	-	(25,313)	(125,520)	(970)	(31,752)	(221,986)
<b>Operating result</b>	<b>(697)</b>	<b>(10)</b>	<b>156</b>	<b>-</b>	<b>1,578</b>	<b>(19,544)</b>	<b>27</b>	<b>(87)</b>	<b>(18,577)</b>

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

**Macquarie University**  
**Notes to the Financial Statements**  
**For the Year Ended 31 December 2014**

**35 Subsidiaries (continued)**

**(b) The statements of financial position of the controlled entities**

**As at 31 December 2013**

	Access Macquarie Ltd \$'000	Australian Proteome Analysis Facility Ltd \$'000	CMBF Ltd \$'000	LAMS International Pty Ltd \$'000	MGSM Ltd \$'000	Operations No.2 Pty Ltd \$'000	MUH Operations (Australia) Pty Ltd \$'000	Risk Frontiers Flood Australia) Pty Ltd \$'000	U@MQ Ltd \$'000	Total \$'000
Current assets	15,338	1,014	2,749	512	25,100	21,294	300	9,894	76,201	
Non-current assets	771	-	28	2	899	1,300	3	2,717	5,720	
<b>Total assets</b>	<b>16,109</b>	<b>1,014</b>	<b>2,777</b>	<b>514</b>	<b>25,999</b>	<b>22,594</b>	<b>303</b>	<b>12,611</b>	<b>81,921</b>	
Current liabilities	(9,033)	(739)	(361)	(81)	(4,046)	(15,083)	(154)	(3,060)	(32,557)	
Non-current liabilities	(529)	-	-	-	(370)	(55,686)	-	(777)	(57,362)	
<b>Total liabilities</b>	<b>(9,562)</b>	<b>(739)</b>	<b>(361)</b>	<b>(81)</b>	<b>(4,416)</b>	<b>(70,769)</b>	<b>(154)</b>	<b>(3,837)</b>	<b>(89,919)</b>	
<b>Net assets / liabilities</b>	<b>6,547</b>	<b>275</b>	<b>2,416</b>	<b>433</b>	<b>21,583</b>	<b>(48,175)</b>	<b>149</b>	<b>8,774</b>	<b>(7,998)</b>	
<b>Represented by:</b>										
Reserves	-	-	-	-	-	-	-	260	260	
Share Capital	-	-	-	-	-	70,000	-	-	70,000	
Retained profit/ (losses)	6,547	275	2,416	433	21,583	(118,175)	149	8,514	(78,258)	
<b>Net equity</b>	<b>6,547</b>	<b>275</b>	<b>2,416</b>	<b>433</b>	<b>21,583</b>	<b>(48,175)</b>	<b>149</b>	<b>8,774</b>	<b>(7,998)</b>	

35 Subsidiaries (continued)

	Access Macquarie Ltd	Australian Proteome Analysis Facility Ltd	CMBF Ltd	LAMS International Pty Ltd	MGSMLtd No.2 Pty Ltd	MUH Operations Pty Ltd	Risk Frontiers Flood (Australia) Pty Ltd	U@MQ Ltd	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>As at 31 December 2014</b>									
Current assets	15,320	797	2,896	-	26,994	21,919	194	9,978	78,098
Non-current assets	1,324	-	29	-	888	1,331	1	2,271	5,844
<b>Total assets</b>	<b>16,644</b>	<b>797</b>	<b>2,925</b>	<b>-</b>	<b>27,882</b>	<b>23,250</b>	<b>195</b>	<b>12,249</b>	<b>83,942</b>
Current liabilities	(10,217)	(531)	(353)	-	(4,237)	(14,943)	(37)	(3,195)	(33,513)
Non-current liabilities	(577)	-	-	-	(484)	(76,025)	-	(452)	(77,538)
<b>Total liabilities</b>	<b>(10,794)</b>	<b>(531)</b>	<b>(353)</b>	<b>-</b>	<b>(4,721)</b>	<b>(90,968)</b>	<b>(37)</b>	<b>(3,647)</b>	<b>(111,051)</b>
<b>Net assets / liabilities</b>	<b>5,850</b>	<b>266</b>	<b>2,572</b>	<b>-</b>	<b>23,161</b>	<b>(67,718)</b>	<b>158</b>	<b>8,602</b>	<b>(27,109)</b>
<b>Represented by:</b>									
Reserves	-	-	-	-	-	-	-	260	260
Share Capital	-	-	-	-	-	70,000	-	-	70,000
Retained profit/ (losses)	5,850	266	2,572	-	23,161	(137,718)	158	8,342	(97,369)
<b>Net equity</b>	<b>5,850</b>	<b>266</b>	<b>2,572</b>	<b>-</b>	<b>23,161</b>	<b>(67,718)</b>	<b>158</b>	<b>8,602</b>	<b>(27,109)</b>

**36 Joint ventures, associates and minority interests**

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

**(a) Sydney Educational Broadcasting Limited**

The University has a 50% joint venture interest in the F.M. radio station, 2SER FM. The University of Technology, Sydney (UTS) holds the remaining 50% interest in the station. The University's contribution to the operations of the company in 2014 was \$0.33 million (2013: \$0.27 million). The company is independently audited by the Auditor - General of New South Wales and its Financial Statements are not included in the Consolidated Financial Statements of the University.

**(b) Sydney Institute Marine Science Limited**

Sydney Institute Marine Science Limited (SIMS) is a partnership between Macquarie University, University of New South Wales (UNSW), the University of Sydney and the University of Technology, Sydney (UTS). The company's research facility is based on Sydney Harbour's North Shore at Chowder Bay. It brings together key researchers to form cross disciplinary teams of leading scientists working on issues that are critical for the sustainable management of our coastal and oceanic environments. The University holds a 25% interest in the company and this is classified as an associate.

**(c) Macquarie Medical Imaging (MMI) Pty Ltd**

Macquarie Medical Imaging (MMI) Pty Ltd provides radiology services to Macquarie University Hospital and external patients. The Group holds a 30% stake in the ordinary share capital of MMI, and also holds 1,000,000 of Series A Preference Shares, which carry a right to receive, out of funds legally available for dividends, cumulative dividends at an annual rate of 9% of the share price. The Preference Shares are fully impaired; refer to note 20.

**37 Events Occurring After the Reporting Date**

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

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

	Consolidated		Parent	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Net result for the period	35,485	62,341	44,734	67,392
Depreciation and amortisation	59,920	57,803	58,544	56,814
Net (gain) / loss on sale of non-current assets	1,622	(6,965)	1,553	(7,029)
Net loss on impairment of non-current assets	605	734	9,259	14,613
Macquarie University Hospital rent and interest	-	-	(18,827)	(20,250)
Change in operating assets and liabilities:				
(Increase) / decrease in trade debtors	(1,112)	6,194	(2,283)	5,707
(Increase) / decrease in inventories	14	(414)	13	21
(Increase) in other operating assets	(1,810)	(5,554)	(1,463)	(5,797)
Increase / (decrease) in trade creditors	(3,333)	3,139	(1,261)	7,696
Increase / (decrease) in other operating liabilities	(5,272)	43	(5,308)	198
Increase / (decrease) in provision for employee entitlements	2,064	(6,033)	1,325	(6,033)
Increase / (decrease) in other provisions	(1)	651	-	-
<b>Net cash provided by operating activities</b>	<b>88,182</b>	<b>111,939</b>	<b>86,286</b>	<b>113,332</b>

### 39 Financial Risk Management

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group uses derivative financial instruments such as foreign exchange contracts and interest rate swaps to hedge certain risk exposures. The Group uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and other price risks, ageing analysis for credit risk and beta analysis in respect of investment portfolios to determine market risk.

The Group's Finance and Facilities Committee reviews the University's financial risk at each of its bi-monthly meetings. The Group's investment policy and strategy has been determined by the Finance and Facilities Committee and is also reviewed against performance by senior University management.

#### (a) Market risk

##### (i) Foreign exchange risk

The Group is exposed to fluctuations in foreign currencies arising from the purchase of goods and services in currencies other than the Group's functional currency. The University reduces this exposure by holding appropriate volumes of the most commonly used foreign currencies within the cash portfolio.

##### (ii) Price risk

The University is exposed to equity securities price risk. This arises from investments held by the University and classified on the statement of financial position as available-for-sale. The University has no direct exposure to commodity price risk. The risk is not material to the Group, given the limited holdings in these assets.

##### (iii) Cash flow and fair value interest rate risk

Although the University carries debt, the majority of debt is at a fixed rate of interest. Interest rate risk relates to investments. All other financial assets and liabilities are non-interest bearing.

##### (iv) Summarised sensitivity analysis

The following table summarises the sensitivity of the Group's financial assets and financial liabilities to interest rate risk, foreign exchange risk and other price risk.

#### Consolidated

31 December 2014

	Carrying amount	Interest rate risk				Foreign exchange risk				Other price risk			
		Result	Equity	Result	Equity	Result	Equity	Result	Equity	Result	Equity	Result	Equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial assets</b>													
Cash and cash equivalents	222,545	(2,225)	-	2,225	-	(1,175)	-	1,175	-	-	-	-	-
Term deposits	29,080	(290)	-	290	-	-	-	-	-	-	-	-	-
Receivables	30,207	-	-	-	-	-	-	-	-	-	-	-	-
Finance lease receivables	29,109	-	-	-	-	-	-	-	-	-	-	-	-
Listed investments	3,353	-	-	-	-	-	-	-	-	-	(335)	-	335
Unquoted investments	5,594	-	-	-	-	-	-	-	-	-	(559)	-	559
<b>Financial liabilities</b>													
Trade and other payables	(63,897)	-	-	-	-	55	-	(55)	-	-	-	-	-
Bonds	(248,578)	2,486	-	(2,486)	-	-	-	-	-	-	-	-	-
Bank borrowings	(107,419)	1,074	-	(1,074)	-	-	-	-	-	-	-	-	-
Interest rate swap	(3,461)	35	-	(35)	-	-	-	-	-	-	-	-	-
Lease liabilities	(171)	-	-	-	-	-	-	-	-	-	-	-	-
Total increase/(decrease)		<b>1,080</b>	<b>-</b>	<b>(1,080)</b>	<b>-</b>	<b>(1,120)</b>	<b>-</b>	<b>1,120</b>	<b>-</b>	<b>-</b>	<b>(894)</b>	<b>-</b>	<b>894</b>

**39 Financial Risk Management (continued)**

**(a) Market risk (continued)**

Consolidated

31 December 2013

	Carrying amount	Interest rate risk				Foreign exchange risk				Other price risk			
		Result	-1%		+1%		Result	-10%		+10%			
			Equity	Result	Equity	Result		Equity	Result	Equity			
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000		
<b>Financial assets</b>													
Cash and cash equivalents	202,818	(2,028)	-	2,028	-	(1,727)	-	1,727	-	-	-	-	
Term deposits	28,265	(283)	-	283	-	-	-	-	-	-	-	-	
Receivables	28,066	-	-	-	-	-	-	-	-	-	-	-	
Finance lease receivables	29,537	-	-	-	-	-	-	-	-	-	-	-	
Listed investments	3,517	-	-	-	-	-	-	-	-	(352)	-	352	
Unquoted investments	4,590	-	-	-	-	-	-	-	-	(459)	-	459	
<b>Financial liabilities</b>													
Trade and other payables	(61,485)	-	-	-	-	74	-	(74)	-	-	-	-	
Bonds	(248,328)	2,483	-	(2,483)	-	-	-	-	-	-	-	-	
Bank borrowings	(108,529)	1,085	-	(1,085)	-	-	-	-	-	-	-	-	
Interest rate swap	(6,874)	69	-	(69)	-	-	-	-	-	-	-	-	
Finance lease	(384)	-	-	-	-	-	-	-	-	-	-	-	
Overdraft	(21)	-	-	-	-	-	-	-	-	-	-	-	
Total increase/(decrease)		1,326	-	(1,326)	-	(1,653)	-	1,653	-	-	(811)	-	811

Parent

31 December 2014

	Carrying amount	Interest rate risk				Foreign exchange risk				Other price risk			
		Result	-1%		+1%		Result	-10%		+10%			
			Equity	Result	Equity	Result		Equity	Result	Equity			
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000		
<b>Financial assets</b>													
Cash and cash equivalents	193,466	(1,935)	-	1,935	-	(1,175)	-	1,175	-	-	-	-	
Term deposits	4,673	(47)	-	47	-	-	-	-	-	-	-	-	
Receivables	18,587	-	-	-	-	-	-	-	-	-	-	-	
Finance lease receivables	29,109	-	-	-	-	-	-	-	-	-	-	-	
Investments in associates and C/Es	48,345	-	(483)	-	483	-	-	-	-	-	-	-	
Listed investments	3,353	-	-	-	-	-	-	-	-	(335)	-	335	
Unquoted investments	5,594	-	-	-	-	-	-	-	-	(559)	-	559	
<b>Financial liabilities</b>													
Trade and other payables	(46,832)	-	-	-	-	55	-	(55)	-	-	-	-	
Bonds	(248,578)	2,486	-	(2,486)	-	-	-	-	-	-	-	-	
Bank borrowings	(107,419)	1,074	-	(1,074)	-	-	-	-	-	-	-	-	
Interest rate swap	(3,461)	35	-	(35)	-	-	-	-	-	-	-	-	
Total increase/(decrease)		1,613	(483)	(1,613)	483	(1,120)	-	1,120	-	-	(894)	-	894

Parent

31 December 2013

	Carrying amount	Interest rate risk				Foreign exchange risk				Other price risk			
		Result	-1%		+1%		Result	-10%		+10%			
			Equity	Result	Equity	Result		Equity	Result	Equity			
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000		
<b>Financial assets</b>													
Cash and cash equivalents	174,561	(1,746)	-	1,746	-	(1,727)	-	1,727	-	-	-	-	
Term deposits	4,658	(47)	-	47	-	-	-	-	-	-	-	-	
Receivables	15,632	-	-	-	-	-	-	-	-	-	-	-	
Finance lease receivables	29,537	-	-	-	-	-	-	-	-	-	-	-	
Investments in associates and C/Es	38,288	-	(383)	-	383	-	-	-	-	-	-	-	
Listed investments	3,517	-	-	-	-	-	-	-	-	(352)	-	352	
Unquoted investments	4,590	-	-	-	-	-	-	-	-	(459)	-	459	
<b>Financial liabilities</b>													
Trade and other payables	(43,739)	-	-	-	-	74	-	(74)	-	-	-	-	
Bonds	(248,328)	2,483	-	(2,483)	-	-	-	-	-	-	-	-	
Bank borrowings	(108,529)	1,085	-	(1,085)	-	-	-	-	-	-	-	-	
Interest rate swap	(6,874)	69	-	(69)	-	-	-	-	-	-	-	-	
Total increase/(decrease)		1,844	(383)	(1,844)	383	(1,653)	-	1,653	-	-	(811)	-	811

**39 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 statement of financial position and notes to the financial statements. The University has no credit risk for derivative financial instruments.

**Financing facilities**

There was no formal overdraft facility in place as at 31 December 2014. There were unused credit card facilities with ANZ with total of \$5.34 million (2013: \$4.49 million) at the year end.

In January 1999 the University received approval from the Treasurer of New South Wales to borrow funds to the maximum of \$18 million towards the construction of student accommodation. Such approval was 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 2014 was \$7.42 million (2013: \$8.53 million).

In July 2010, the University received approval from the Treasurer of New South Wales to borrow a maximum of \$450 million, either by way of bank facilities and/or bond issue in the capital market, with a maximum term of 10 years. In September 2010 the University issued Medium term notes (MTN) to the value of \$250 million. The bond coupon rate is 6.75% fixed for 10 years. The University has entered into bank facilities of \$100 million each with Australia and New Zealand Banking Group and the Commonwealth Bank of Australia. The interest rates on both facilities are variable. At 31 December 2014 \$100 million was drawn down and \$100 million remained available to be drawn. The loans are denominated in AUD.

The carrying amount of financial assets (as contained in the table in sub note below) represents the Group's maximum exposure to credit risk.

**(c) Liquidity risk**

The University manages liquidity risk by monitoring forecast cash flows and maintains sufficient cash to maintain short term flexibility and enable the University to meet financial commitments in a timely manner.

**Interest Rate Risk Exposures**

The consolidated entity's exposure to interest rate risk and the effective weighted average interest rate by maturity periods is set out in the following table. For interest rates applicable to each class of asset or liability refer to individual notes to the financial statements.

Exposures arise predominantly from assets and liabilities bearing variable interest rates as the University intends to hold fixed rate assets and liabilities to maturity.

The following tables summarise the maturity of the Group's financial assets and financial liabilities:

**Consolidated 31 December 2014**

	Average Interest rate	Variable interest rate	Less than 1 year	1 - 5 years	5+ years	Non-Interest	Total
	2014 %	2014 \$'000	2014 \$'000	2014 \$'000	2014 \$'000	2014 \$'000	2014 \$'000
<b>Financial Assets:</b>							
Cash and cash equivalents	2.60	220,685	-	-	-	1,860	222,545
Term deposits	3.50	-	28,705	375	-	-	29,080
Receivables	-	-	-	-	-	30,207	30,207
Finance lease receivable	-	-	457	2,786	25,866	-	29,109
Listed investments	-	-	-	-	-	3,353	3,353
Unquoted investments	-	-	-	-	-	5,594	5,594
<b>Total Financial Assets</b>		<b>220,685</b>	<b>29,162</b>	<b>3,161</b>	<b>25,866</b>	<b>41,014</b>	<b>319,888</b>
<b>Financial Liabilities:</b>							
Trade and other payables	-	-	-	-	-	(63,897)	(63,897)
Bonds	6.75	-	-	-	(248,578)	-	(248,578)
Bank borrowings*	-	-	(1,200)	(5,735)	(100,484)	-	(107,419)
Interest rate swap	6.60	-	(3,461)	-	-	-	(3,461)
Lease liabilities	-	-	(171)	-	-	-	(171)
<b>Total Financial Liabilities</b>		<b>-</b>	<b>(4,832)</b>	<b>(5,735)</b>	<b>(349,062)</b>	<b>(63,897)</b>	<b>(423,526)</b>

\*Interest rates for Bank borrowings are not disclosed due to confidentiality.

**Macquarie University**  
**Notes to the Financial Statements**  
**For the Year Ended 31 December 2014**

**39 Financial Risk Management (continued)**

Consolidated 31 December 2013

	Average Interest rate	Variable interest rate	Less than 1 year	1 - 5 years	5+ years	Non-Interest	Total
	2013	2013	2013	2013	2013	2013	2013
	%	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial Assets:</b>							
Cash and cash equivalents	3.10	196,988	-	-	-	5,830	202,818
Term deposits	3.90	-	27,891	374	-	-	28,265
Receivables	-	-	-	-	-	28,066	28,066
Finance lease receivables	-	-	428	1,713	27,396	-	29,537
Listed investments	-	-	-	-	-	3,517	3,517
Unquoted investments	-	-	-	-	-	4,590	4,590
<b>Total Financial Assets</b>		<b>196,988</b>	<b>28,319</b>	<b>2,087</b>	<b>27,396</b>	<b>42,003</b>	<b>296,793</b>
<b>Financial Liabilities:</b>							
Trade and other payables	-	-	-	-	-	(61,485)	(61,485)
Bonds	6.75	-	-	-	(248,328)	-	(248,328)
Bank borrowings	-	-	-	-	(108,529)	-	(108,529)
Interest rate swap	6.60	-	-	(6,874)	-	-	(6,874)
Finance lease	-	-	(213)	(171)	-	-	(384)
Overdraft	-	(21)	-	-	-	-	(21)
<b>Total Financial Liabilities</b>		<b>(21)</b>	<b>(213)</b>	<b>(7,045)</b>	<b>(356,857)</b>	<b>(61,485)</b>	<b>(425,621)</b>

Parent 31 December 2014

	Average Interest rate	Variable interest rate	Less than 1 year	1 - 5 years	5+ years	Non-Interest	Total
	2014	2014	2014	2014	2014	2014	2014
	%	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial Assets:</b>							
Cash and cash equivalents	2.60	191,940	-	-	-	1,526	193,466
Term deposits	3.60	-	4,673	-	-	-	4,673
Receivables	-	-	-	-	-	18,587	18,587
Finance lease receivables	-	-	457	2,786	25,866	-	29,109
Investments in associates and C/Es	-	-	-	-	48,345	-	48,345
Listed investments	-	-	-	-	-	3,353	3,353
Unquoted investments	-	-	-	-	-	5,594	5,594
<b>Total Financial Assets</b>		<b>191,940</b>	<b>5,130</b>	<b>2,786</b>	<b>74,211</b>	<b>29,060</b>	<b>303,127</b>
<b>Financial Liabilities:</b>							
Trade and other payables	-	-	-	-	-	(46,832)	(46,832)
Bonds	6.75	-	-	-	(248,578)	-	(248,578)
Bank borrowings	-	-	(1,200)	(5,735)	(100,484)	-	(107,419)
Interest rate swap	6.60	-	(3,461)	-	-	-	(3,461)
<b>Total Financial Liabilities</b>		<b>-</b>	<b>(4,661)</b>	<b>(5,735)</b>	<b>(349,062)</b>	<b>(46,832)</b>	<b>(406,290)</b>

Parent 31 December 2013

	Average Interest rate	Variable interest rate	Less than 1 year	1 - 5 years	5+ years	Non-Interest	Total
	2013	2013	2013	2013	2013	2013	2013
	%	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial Assets:</b>							
Cash and cash equivalents	2.40	167,623	-	-	-	6,938	174,561
Term deposits	3.90	-	4,658	-	-	-	4,658
Receivables	-	-	-	-	-	15,632	15,632
Finance lease receivables	-	-	428	2,020	27,089	-	29,537
Investments in associates and C/Es	-	-	-	-	72,419	-	72,419
Listed investments	-	-	-	-	-	3,517	3,517
Unquoted investments	-	-	-	-	-	4,590	4,590
<b>Total Financial Assets</b>		<b>167,623</b>	<b>5,086</b>	<b>2,020</b>	<b>99,508</b>	<b>30,677</b>	<b>304,914</b>
<b>Financial Liabilities:</b>							
Trade and other payables	-	-	-	-	-	(43,739)	(43,739)
Bonds	6.75	-	-	-	(248,328)	-	(248,328)
Bank borrowings	-	-	-	-	(108,529)	-	(108,529)
Interest rate swap	6.60	-	-	(6,874)	-	-	(6,874)
<b>Total Financial Liabilities</b>		<b>-</b>	<b>-</b>	<b>(6,874)</b>	<b>(356,857)</b>	<b>(43,739)</b>	<b>(407,470)</b>



**39 Financial Risk Management (continued)**

**Interest rate swap contracts - cash flow hedges**

It is policy to protect part of the loans from exposure to increasing interest rates. Accordingly, the Group has entered into interest rate swap contracts under which it is obliged to receive interest at variable rates and to pay interest at fixed rates.

The Group has entered into an interest rate swap starting on 20 October 2010, for a term of 5 years. This amounts to \$98.25 million at an average interest rate of 6.6%. The contracts require settlement of net interest receivable or payable each 30 days. At 31 December 2014 the interest rate swap liability had a market value of \$3.46 million (2013: \$6.87 million). This liability is recorded in other liabilities (note 28).

Any gain or loss from remeasuring the hedging instruments at fair value is deferred in equity in the hedging reserve, to the extent that the hedge is effective, and reclassified to income statement when the hedged interest expense is recognised. The ineffective portion is recognised in the income statement immediately. The swap noted above is not effective for hedge accounting, and remeasurements to fair value are therefore recognised in the income statement (note 13).

**40 Fair Value Measurement**

**(a) Fair value measurements**

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

Due to the short-term nature of the current receivable their carrying value approximates their fair value and based on credit history it is expected that the receivable that are neither past due nor impaired will be received when due.

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

	Note	Carrying Amount		Fair Value	
		2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
<b>Consolidated</b>					
<b>Financial assets</b>					
Cash and cash equivalents	17	222,545	202,818	222,545	202,818
Receivables		33,571	31,497	33,571	31,497
Term deposits - held-to-maturity	20	29,080	28,265	29,080	28,265
Listed investments	20	3,353	3,517	3,353	3,517
Unquoted investments - fair value	20	5,490	4,486	5,490	4,486
Unquoted investments - historical cost	20	104	104	104	104
<b>Total financial assets</b>		<b>294,143</b>	<b>270,687</b>	<b>294,143</b>	<b>270,687</b>
<b>Non-financial assets</b>					
PPE					
Construction in progress	23	28,724	17,527	28,724	17,527
Land	23	497,395	474,600	497,395	474,600
Buildings	23	1,022,645	1,019,580	1,022,645	1,019,580
Plant and equipment	23	96,053	94,403	96,053	94,403
Leasehold improvements	23	1,374	1,347	1,374	1,347
Library general	23	19,983	18,677	19,983	18,677
Library special	23	6,272	6,038	6,272	6,038
Works of art	23	21,101	20,245	21,101	20,245
Infrastructure	23	80,997	81,679	80,997	81,679
Intangibles	24	1,207	879	1,207	879
<b>Total non-financial assets</b>		<b>1,775,751</b>	<b>1,734,975</b>	<b>1,775,751</b>	<b>1,734,975</b>
<b>Financial Liabilities</b>					
Payables	25	(63,897)	(61,485)	(63,897)	(61,485)
Borrowings	26	(356,168)	(357,262)	(356,168)	(357,262)
Interest rate swap	28	(3,461)	(6,874)	(3,461)	(6,874)
<b>Total financial liabilities</b>		<b>(423,526)</b>	<b>(425,621)</b>	<b>(423,526)</b>	<b>(425,621)</b>

40 Fair Value Measurement (continued)

(a) Fair value measurements (continued)

	Note	Carrying Amount		Fair Value	
		2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
<b>Parent</b>					
<b>Financial assets</b>					
Cash and cash equivalents	17	193,466	174,561	193,466	174,561
Receivables		21,400	18,270	21,400	18,270
Term deposits - held-to-maturity	20	4,673	4,658	4,673	4,658
Investment in subsidiary - equity	22	21,289	20,582	21,289	20,582
Investment in subsidiary - loan	20	48,345	38,288	48,345	38,288
Listed investments	20	3,353	3,517	3,353	3,517
Unquoted investments - fair value	20	5,490	4,486	5,490	4,486
Unquoted investments - historical cost	20	104	104	104	104
<b>Total financial assets</b>		<b>298,120</b>	<b>264,466</b>	<b>298,120</b>	<b>264,466</b>
<b>Non-financial assets</b>					
PPE					
Construction in progress	23	28,601	17,445	28,601	17,445
Land	23	497,395	474,600	497,395	474,600
Buildings	23	1,022,645	1,019,580	1,022,645	1,019,580
Plant and equipment	23	92,038	90,441	92,038	90,441
Leasehold improvements	23	1,374	1,347	1,374	1,347
Library general	23	19,983	18,677	19,983	18,677
Library special	23	6,272	6,038	6,272	6,038
Works of art	23	21,101	20,245	21,101	20,245
Infrastructure	23	80,997	81,679	80,997	81,679
Intangibles	24	1,207	879	1,207	879
<b>Total non-financial assets</b>		<b>1,771,613</b>	<b>1,730,931</b>	<b>1,771,613</b>	<b>1,730,931</b>
<b>Financial Liabilities</b>					
Payables	25	(46,832)	(43,739)	(46,832)	(43,739)
Borrowings	26	(355,997)	(356,857)	(355,997)	(356,857)
Interest rate swap	28	(3,461)	(6,874)	(3,461)	(6,874)
<b>Total financial liabilities</b>		<b>(406,290)</b>	<b>(407,470)</b>	<b>(406,290)</b>	<b>(407,470)</b>

The Group measures and recognises the following assets and liabilities at fair value on a recurring basis:

- Financial assets at fair value through profit or loss
- Derivative financial instruments
- Available-for-sale financial assets
- Land and buildings
- Investments properties
- Library General and Special
- Works of Art

The Group has also measured assets and liabilities as fair value for non-recurring basis as a result of the reclassification of assets as held for sale.

**40 Fair Value Measurement (continued)**

**(b) Fair value hierarchy**

Macquarie University categorises assets and liabilities measured at fair value into a hierarchy based on the level of inputs used in measurements.

**Other**

Level 1	quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2	inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3	inputs for the asset or liability that are not based on observable market data (unobservable inputs)

*(i) Recognised fair value measurements*

Fair value measurements recognised in the statement of financial position are categorised into the following levels at 31 December 2014.

**Fair value measurements at 31 December 2014**

Consolidated	Note	2014 \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
<b>Recurring fair value measurements</b>					
<b>Financial assets</b>					
Term deposits - held-to-maturity	20	29,080	29,080	-	-
Listed investments	20	3,353	3,353	-	-
Unquoted investments - fair value	20	5,490	-	5,490	-
Unquoted investments - historical cost	20	104	-	-	104
<b>Total financial assets</b>		<b>38,027</b>	<b>32,433</b>	<b>5,490</b>	<b>104</b>
<b>Non-financial assets</b>					
PPE					
Construction in progress	23	28,724	-	-	28,724
Land	23	497,395	-	-	497,395
Buildings	23	1,022,645	-	84,971	937,674
Plant and equipment	23	96,053	-	-	96,053
Leasehold improvements	23	1,374	-	-	1,374
Library general	23	19,983	-	-	19,983
Library special	23	6,272	-	-	6,272
Works of Art	23	21,101	-	-	21,101
Infrastructure	23	80,997	-	-	80,997
Intangibles	24	1,207	-	-	1,207
<b>Total non-financial assets</b>		<b>1,775,751</b>	<b>-</b>	<b>84,971</b>	<b>1,690,780</b>
<b>Financial liabilities</b>					
Interest rate swap	28	(3,461)	-	(3,461)	-
<b>Total liabilities</b>		<b>(3,461)</b>	<b>-</b>	<b>(3,461)</b>	<b>-</b>

40 Fair Value Measurement (continued)

(b) Fair value hierarchy (continued)

Parent	Note	2014 \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
<b>Recurring fair value measurements</b>					
<b>Financial assets</b>					
Term deposits - held-to-maturity	20	4,673	4,673	-	-
Listed investments	20	3,353	3,353	-	-
Unquoted investments - fair value	20	5,490	-	5,490	-
Unquoted investments - historical cost	20	104	-	-	104
Investment in subsidiary - equity	22	21,289	-	21,289	-
Investment in subsidiary - loan	20	48,345	-	48,345	-
<b>Total financial assets</b>		<b>83,254</b>	<b>8,026</b>	<b>75,124</b>	<b>104</b>
<b>Non-financial assets</b>					
PPE					
Construction in progress	23	28,601	-	-	28,601
Land	23	497,395	-	-	497,395
Buildings	23	1,022,645	-	84,971	937,674
Plant and equipment	23	92,038	-	-	92,038
Leasehold improvements	23	1,374	-	-	1,374
Library general	23	19,983	-	-	19,983
Library special	23	6,272	-	-	6,272
Works of Art	23	21,101	-	-	21,101
Infrastructure	23	80,997	-	-	80,997
Intangibles	24	1,207	-	-	1,207
<b>Total non-financial assets</b>		<b>1,771,613</b>	<b>-</b>	<b>84,971</b>	<b>1,686,642</b>
<b>Financial liabilities</b>					
Interest rate swap	28	(3,461)	-	(3,461)	-
<b>Total liabilities</b>		<b>(3,461)</b>	<b>-</b>	<b>(3,461)</b>	<b>-</b>

40 Fair Value Measurement (continued)

(b) Fair value hierarchy (continued)

Fair value measurements at 31 December 2013

Consolidated	Note	2013 \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
<b>Recurring fair value measurements</b>					
<b>Financial assets</b>					
Term deposits - held-to-maturity	20	28,265	28,265	-	-
Listed investments	20	3,517	3,517	-	-
Unquoted investments - fair value	20	4,486	-	4,486	-
Unquoted investments - historical cost	20	104	-	-	104
<b>Total financial assets</b>		<b>36,372</b>	<b>31,782</b>	<b>4,486</b>	<b>104</b>
<b>Non-financial assets</b>					
PPE					
Construction in progress	23	17,527	-	-	17,527
Land	23	474,600	-	-	474,600
Buildings	23	1,019,580	-	87,580	932,000
Plant and equipment	23	94,403	-	-	94,403
Leasehold improvements	23	1,347	-	-	1,347
Library general	23	18,677	-	-	18,677
Library special	23	6,038	-	-	6,038
Works of art	23	20,245	-	-	20,245
Infrastructure	23	81,679	-	-	81,679
Intangibles	24	879	-	-	879
<b>Total non-financial assets</b>		<b>1,734,975</b>	<b>-</b>	<b>87,580</b>	<b>1,647,395</b>
<b>Financial liabilities</b>					
Interest rate swap	28	(6,874)	-	(6,874)	-
<b>Total liabilities</b>		<b>(6,874)</b>	<b>-</b>	<b>(6,874)</b>	<b>-</b>

40 Fair Value Measurement (continued)

(b) Fair value hierarchy (continued)

Parent	Note	2013 \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
<b>Recurring fair value measurements</b>					
<b>Financial assets</b>					
Term deposits - held-to-maturity	20	4,658	4,658	-	-
Listed investments	20	3,517	3,517	-	-
Unquoted investments - fair value	20	4,486	-	4,486	-
Unquoted investments - historical cost	20	104	-	-	104
Investment in subsidiary - equity	22	20,582	-	20,582	-
Investment in subsidiary - loan	20	38,288	-	38,288	-
<b>Total financial assets</b>		<b>71,635</b>	<b>8,175</b>	<b>63,356</b>	<b>104</b>
<b>Non-financial assets</b>					
<b>PPE</b>					
Construction in progress	23	17,445	-	-	17,445
Land	23	474,600	-	-	474,600
Buildings	23	1,019,580	-	87,580	932,000
Plant and equipment	23	90,441	-	-	90,441
Leasehold improvements	23	1,347	-	-	1,347
Library general	23	18,677	-	-	18,677
Library special	23	6,038	-	-	6,038
Works of art	23	20,245	-	-	20,245
Infrastructure	23	81,679	-	-	81,679
Intangibles	24	879	-	-	879
<b>Total non-financial assets</b>		<b>1,730,931</b>	<b>-</b>	<b>87,580</b>	<b>1,643,351</b>
<b>Financial liabilities</b>					
Interest rate swap	28	(6,874)	-	(6,874)	-
<b>Total liabilities</b>		<b>(6,874)</b>	<b>-</b>	<b>(6,874)</b>	<b>-</b>

There were no transfers between levels 1 and 2 for recurring fair value measurements during the year. For transfers in and out of level 3 measurements, see (d) below.

Macquarie University's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

**40 Fair Value Measurement (continued)**

**(c) Valuation techniques used to derive level 2 and level 3 fair values**

(i) Assets or liabilities traded in active markets

The fair value of assets or liabilities traded in active markets (such as publicly traded derivatives, and trading and available-for-sale securities) is based on quoted market prices for identical assets or liabilities at the reporting date (Level 1). This is the most representative of fair value in the circumstances.

(ii) Held-to-maturity investments

The fair values of held-to-maturity investments were determined by reference to published price quotations in an active market (Level 1).

(iii) Trade receivables and payables

The carrying value less impairment provision of trade receivables and payables is a reasonable approximation of their fair values due to the short-term nature of trade receivables. Not reported in 40(b).

(iv) Borrowings

The value of both current and non-current borrowings approximates the carrying amount, as the impact of discounting is not significant (Level 2).

(v) Derivatives

Derivative contracts classified as held for trading are fair valued by comparing the contracted rate to the current market rate for a contract with the same remaining period to maturity. No such derivatives were held in 2014 or 2013.

(vi) Assets or liabilities not traded in active markets

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

(vii) Property, Plant and Equipment – off-campus buildings

Off-campus buildings are assessed annually by an independent expert valuer. Observable market transactions or market information is used when available (Sales Comparison Approach and Income Capitalisation Approach). These assets are located in established and relatively liquid markets and are classified as Level 2.

(viii) Property Plant and Equipment – on-campus land

On-campus land is assessed annually by an independent expert valuer, based on direct comparison with land sales, taking into account its existing use as a university as the highest and best use (Level 3).

(ix) Property Plant and Equipment – on-campus buildings and infrastructure

On-campus buildings are assessed annually by an independent expert valuer. Market information is not observable, and other valuation techniques (including discounted replacement value) are used that maximise the use of relevant observable inputs and minimises the use of unobservable inputs. These assets are classified as Level 3.

(x) Intangible assets – patents

Patents are revalued every five years by an independent external valuer. In addition, an annual internal review is conducted to gain assurance that the product or service continues to be technically and commercially feasible. Patents are classified as Level 3 due to the limited number of external observable inputs.

(xi) Library General and Special

The Library General Collection is recorded at fair value on the basis of depreciated replacement value. The Library Special Collection is revalued every three years by an independent expert valuer. Both collections are classified as Level 3 due to the limited number of external observable inputs.

(xii) Works of Art

Works of Art are revalued every five years by an independent external valuer, on the basis of market value for existing use. The collection is classified as Level 3 due to the limited number of external observable inputs.

**40 (d) Fair Value Measurement (continued)  
Fair value measurements using significant unobservable inputs (level 3)**

The following table is a reconciliation of level 3 items for the periods ended 31 December 2014 and 2013.

<b>Consolidated</b>												
<b>Level 3 Fair Value Measurement 2014</b>	Unquoted investments	Construction in progress	Land	Buildings	Plant and equipment	Leasehold improvements	Library General	Library Special	Works of Art	Infrastructure	Intangibles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance	104	17,527	474,600	932,000	94,403	1,347	18,677	6,038	20,245	81,679	879	1,647,499
Acquisitions	-	24,723	-	13,492	14,704	483	9,225	41	820	1,719	378	65,585
Transfers	-	(12,762)	-	4,827	5,826	-	-	-	36	2,073	-	-
Sales	-	(764)	-	-	(467)	-	(265)	-	-	-	-	(1,496)
Recognised in profit or loss	-	-	-	(26,486)	(18,413)	(456)	(7,654)	-	-	(4,472)	(50)	(57,531)
Recognised in other comprehensive income	-	-	-	13,841	-	-	-	193	-	(2)	-	36,827
Closing balance	104	28,724	497,395	937,674	96,053	1,374	19,983	6,272	21,101	80,997	1,207	1,690,884
<b>Level 3 Fair Value Measurement 2013</b>												
Opening balance	104	20,969	474,550	916,622	96,366	1,745	17,697	5,619	18,952	72,663	766	1,626,053
Acquisitions	-	12,492	-	15,963	11,535	38	8,180	-	373	6,330	294	55,205
Transfers	-	(15,934)	-	5,115	7,585	-	-	-	-	3,234	-	-
Sales	-	-	-	-	(521)	-	-	-	-	-	-	(521)
Recognised in profit or loss	-	-	-	(27,610)	(20,562)	(436)	(7,200)	-	-	(4,407)	(181)	(60,396)
Recognised in other comprehensive income	-	-	50	21,910	-	-	-	419	920	3,859	-	27,158
Closing balance	104	17,527	474,600	932,000	94,403	1,347	18,677	6,038	20,245	81,679	879	1,647,499



40 Fair Value Measurement (continued)

(d) Fair value measurements using significant unobservable inputs (level 3) (continued)

Parent	Unquoted investments \$'000	Construction in progress \$'000	Land \$'000	Buildings \$'000	Plant and equipment \$'000	Leasehold improvements \$'000	Library General \$'000	Library Special \$'000	Works of Art \$'000	Infrastructure \$'000	Intangibles \$'000	Total \$'000
Opening balance	104	17,445	474,600	932,000	90,441	1,347	18,677	6,038	20,245	81,679	879	1,643,455
Acquisitions	-	24,173	-	13,492	13,718	483	9,225	41	820	1,719	378	64,049
Transfers	-	(12,253)	-	4,827	5,317	-	-	-	36	2,073	-	-
Sales	-	(764)	-	-	(401)	-	(265)	-	-	-	-	(1,430)
Recognised in profit or loss	-	-	-	(26,486)	(17,037)	(456)	(7,654)	-	-	(4,472)	(50)	(56,155)
Recognised in other comprehensive income	-	-	-	22,795	13,841	-	-	193	-	(2)	-	36,827
Closing balance	104	28,601	497,395	937,674	92,038	1,374	19,983	6,272	21,101	80,997	1,207	1,686,746
Level 3 Fair Value Measurement 2013												
Opening balance	104	20,969	474,550	916,622	92,327	1,744	17,697	5,619	18,952	72,663	766	1,622,013
Acquisitions	-	11,798	-	15,963	10,770	39	8,180	-	373	6,330	294	53,747
Transfers	-	(15,322)	-	5,115	6,973	-	-	-	-	3,234	-	-
Sales	-	-	-	-	(404)	-	-	-	-	-	-	(404)
Recognised in profit or loss	-	-	-	(27,610)	(19,225)	(436)	(7,200)	-	-	(4,407)	(181)	(59,059)
Recognised in other comprehensive income	-	-	-	21,910	-	-	-	419	920	3,859	-	27,158
Closing balance	104	17,445	474,600	932,000	90,441	1,347	18,677	6,038	20,245	81,679	879	1,643,455

**40 Fair Value Measurement (continued)**

**(d) Fair value measurements using significant unobservable inputs (level 3) (continued)**

(i) Transfers between levels 2 and 3 and changes in valuation techniques

There were no transfers of assets / liabilities between levels 2 and 3.

(ii) Valuation inputs and relationships to fair value

Buildings and Land represent the majority of the assets classified within level 3. Key inputs for these assets, with a range of changes in fair value given a 5% increase or decrease in these assumptions, are shown below:

**Consolidated and Parent**

Description	Fair value at 31 December 2014 \$'000	Unobservable inputs*	Range of inputs (probability weighted average)	Relationship of unobservable inputs to fair value
PPE - Buildings	937,674	Remaining useful life of assets	+ / 5%	Increased term of useful life by 5% would increase fair value by \$46.3m  Decrease term of useful life by 5% would decrease fair value by \$46.3m
Land	497,395	\$ per square metre for campus land	+ / 5%	Increase in \$ per square metre by 5% would increase fair value by \$23.5m  Decrease in \$ per square metre by 5% would decrease fair value by \$23.5m

\*There were no significant inter-relationship between unobservable inputs that materially affects fair value

(iii) Valuation processes

Valuation methodology has been disclosed as part of (c) in this note.

**41 Employee Benefits - Unfunded Defined Benefit Superannuation Liabilities**

Certain University employees are entitled to pension benefits under three closed pension schemes, being the State Authorities Superannuation Scheme (SASS), the State Authorities Non-contributory Superannuation Scheme (SANCS) and the State Superannuation Scheme (SSS). These schemes are managed by the State Authorities Superannuation Trustee Corporation (STC).

In accordance with the 1998 instructions issued by the Department of Education, Training and Youth Affairs (DETYA) now known as the Department of Education (Education), the effects of the unfunded defined benefit superannuation liabilities have been recognised in the Statement of Financial Position under Provisions with a corresponding asset recognised under Receivables.

This arrangement is supported by Division 41 of the Commonwealth Higher Education Support Act 2003 and section 20 of the Higher Education Funding Act 1988.

Correspondence from the Commonwealth Government in 2010 indicated that the reimbursement right in respect of the SANCS fund had become uncertain, and, as a result, the relevant receivable was reduced from \$3.4m to nil in the 2009 accounts. During 2014, the Commonwealth and State Governments signed a memorandum of understanding to pay the unfunded superannuation liabilities on a Pay As You Go basis under an agreed cost share arrangement for the three funds (SASS, SANCS and SSS). Amendments to the Higher Education Support Act 2003 (the Act) were necessary to enact the provision of the memorandum of understanding. The Minister for Education signed the Amendment on 20 November 2014, and it was registered on the Federal Register of Legislative Instruments (FRIL) on 4 December 2014, from which date it had the effect of law.

#### 41 Employee Benefits - Unfunded Defined Benefit Superannuation Liabilities (continued)

As a consequence of this change of law, a prospective adjustment creating a debtor for the reimbursement right for SANCS has been recorded as at the reporting date, with an adjustment of \$3.2m recognised through the Income Statement in Note 10. The accounting treatment for the SASS and SSS schemes is unchanged by the amendment to the Act. The unfunded defined benefit superannuation liabilities for the SASS, SSS and SANCS plans, as determined by the actuary at 31 December 2014 was \$515.4m (2013: \$348.1m). This amount has been reflected as a debtor in note 18 and as a liability in Note 27. Refer to note 42 for details by pension plan.

The recognition of both the asset and liability does not affect the year end net position of the University and its controlled entities.

#### 42 Defined Benefits Plans

##### (a) Fund specific disclosure

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

- State Authorities Superannuation Scheme (SASS)
- State Authorities Non-contributory Superannuation Scheme (SANCS)
- State Superannuation Scheme (SSS)

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

The Professorial Superannuation Scheme was an alternative superannuation arrangement to the State Superannuation Scheme that was available to professors of the University, until its closure to new entrants in 1988. The scheme provides active members with a combination of accumulation benefits and defined benefits. Pensioner members receive pension payments from the scheme. The University commenced its funding of the previously unfunded "non-contributory pension" during the 2006 year.

The above schemes are all defined benefit schemes - at least a component of the final benefit is derived from a multiple of member salary and years of membership. Members receive lump sum or pension benefits on retirement, death, disablement and withdrawal. All schemes are closed to new members.

The University does not expect to make contributions to any Pooled Fund Schemes in 2014 (2013: nil) aside from normal payments made under the Superannuation Guarantee Levy for those employees who are members of these funds. The University expects to make a contribution of \$1.3m in 2015 (2014: \$1.2m) to the Professorial Superannuation Scheme.

##### **Pooled Funds - maturity analysis**

The expected maturity analysis of undiscounted benefit payments is as follows:

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Defined benefit obligations - 31 December 2014	31,828	32,172	97,123	573,769	734,892
Defined benefit obligations - 31 December 2013	30,640	31,302	95,067	591,605	748,614

##### **Professorial Superannuation Fund - maturity analysis**

The expected maturity analysis of undiscounted benefit payments is as follows:

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Defined benefit obligations - 31 December 2014	1,517	1,472	4,118	10,745	17,852
Defined benefit obligations - 31 December 2013	1,563	1,516	4,238	9,192	16,509

**12 Defined Benefits Plans (continued)**  
**b) Categories of plan assets**

***Pooled Funds - key assumptions***

The analysis of the plan assets at the end of the reporting period is as follows:

	2014 (%)		2013 (%)	
	Active Market	No Active Market	Active Market	No Active Market
Cash and Cash Equivalents	-	7.00	5.00	3.00
Equity instruments	49.00	8.00	55.00	8.00
Debt instruments	-	9.00	-	6.00
Property	3.00	6.00	2.00	6.00
Other	2.00	16.00	1.00	14.00
<b>Total</b>	<b>54.00</b>	<b>46.00</b>	<b>63.00</b>	<b>37.00</b>

The principal assumptions used for the purposes of the actuarial valuations were as follows (expressed as weighted averages):

	2014	2013
	%	%
Discount rate(s)	2.83	4.27
Expected return on plan assets	8.30	8.30
Expected rate(s) of salary increase	2.25 - 3.50	2.25 - 3.50
Expected rate of CPI increase	2.50	2.50

***Professorial Superannuation Fund - key assumptions***

The analysis of the plan assets at the end of the reporting period is as follows:

	2014 (%)		2013 (%)	
	Active Market	No Active Market	Active Market	No Active Market
Cash and Cash Equivalents	-	16.20	-	18.00
Equity instruments	51.70	-	56.00	-
Debt instruments	-	22.40	-	17.00
Other	-	9.70	-	9.00
<b>Total</b>	<b>51.70</b>	<b>48.30</b>	<b>56.00</b>	<b>44.00</b>

The principal assumptions used for the purposes of the actuarial valuations were as follows (expressed as weighted averages):

	2014	2013
	%	%
Discount rate(s)	2.60	4.00
Expected rate(s) of salary increase	4.00	4.00
Pension growth rate	4.00	4.00

**42 Defined Benefits Plans (continued)**  
**(c) Actuarial assumptions and sensitivity**

The sensitivity of the Pooled Funds defined benefit obligation to change in the significant assumptions is:

	Change in assumption	Impact on defined obligation	
		Increase in assumption	Decrease in assumption
Discount rate	1.00 %	Decrease by 10.04%	Increase by 12.04%
Rate of CPI increase	0.50 %	Increase by 5.4%	Decrease by 5.0%
Rate of salary increase	0.50 %	Increase by 0.23%	Decrease by 0.22%
Rate of pensioner mortality	0.50 %	Decrease by 1.34%	Increase by 1.42%

The sensitivity of the Professorial Superannuation Fund defined benefit obligation to change in the significant assumptions is:

	Change in assumption	Impact on defined obligation	
		Increase in assumption	Decrease in assumption
Discount rate	0.50 %	Decrease by 4.6%	Increase by 4.9%
Salary/ pension growth rate	0.50 %	Increase by 4.9%	Decrease by 4.6%

The above sensitivity analyses are based on a change in an assumption while holding all the other assumptions constant. In practice this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method has been applied as when calculating the defined benefit liability recognised in the statement of financial position.

The methods and types of assumptions used in the preparation of the sensitivity analysis did not change compared to the prior period.

**(d) Statement of financial position amounts**

		\$'000	\$'000	\$'000	\$'000	\$'000
		SASS	SANCS	SSS	PSF	Total
<b>Net liability reconciliation - 2014</b>	<b>Note</b>					
Defined benefit obligation		39,906	7,142	550,596	17,852	615,496
Fair value of plan assets		(30,468)	(2,362)	(49,463)	(14,011)	(96,304)
<b>Net liability</b>	27	<b>9,438</b>	<b>4,780</b>	<b>501,133</b>	<b>3,841</b>	<b>519,192</b>
<b>Reimbursement rights - 2014</b>						
Opening value of reimbursement right		6,008	3,243	342,138	-	351,389
Adjustment due to contribution tax assumption change		931	536	59,613	-	61,080
Opening defined benefit obligation		6,939	3,779	401,751	-	412,469
Expected return on reimbursement rights		(3,925)	(92)	9,017	-	5,000
Remeasurements		6,424	1,093	90,365	-	97,882
<b>Closing value of reimbursement right</b>	18	<b>9,438</b>	<b>4,780</b>	<b>501,133</b>	<b>-</b>	<b>515,351</b>

42 **Defined Benefits Plans (continued)**

(d) **Statement of financial position amounts (continued)**

	\$'000	\$'000	\$'000	\$'000	\$'000
	SASS	SANCS	SSS	PSF	Total
<b>Present value obligations - 2014</b>	<b>Note</b>				
Opening defined benefit obligation	34,960	5,862	406,786	16,509	464,117
Adjustment due to contribution tax assumption change	931	537	59,613	-	61,081
Opening defined benefit obligation	35,891	6,399	466,399	16,509	525,198
Current service cost	1,231	256	305	545	2,337
Interest expense	1,430	256	19,380	506	21,572
	38,552	6,911	486,084	17,560	549,107
<b>Remeasurements</b>					
Actuarial losses arising from changes in financial assumptions	2,045	574	80,640	1,830	85,089
Experience losses	2,166	414	5,687	478	8,745
	4,211	988	86,327	2,308	93,834
<b>Contributions</b>					
Plan participants	431	-	383	-	814
	431	-	383	-	814
<b>Payments from plan</b>					
Benefits (paid)	(3,161)	(527)	(23,514)	(1,471)	(28,673)
Taxes, premiums and expenses (paid)/ received	(127)	(230)	1,316	(545)	414
	(3,288)	(757)	(22,198)	(2,016)	(28,259)
<b>Closing defined benefit obligation</b>	<b>39,906</b>	<b>7,142</b>	<b>550,596</b>	<b>17,852</b>	<b>615,496</b>
<b>Present value of plan assets - 2014</b>					
Opening fair value of plan assets	28,952	2,620	64,648	13,918	110,138
Interest income	1,155	101	2,233	541	4,030
	30,107	2,721	66,881	14,459	114,168
<b>Remeasurements</b>					
Return on plan assets, excluding amounts included in net interest expense	2,213	105	4,038	327	6,683
	2,213	105	4,038	327	6,683
<b>Contributions</b>					
Employers	1,005	292	359	1,241	2,897
Plan participants	431	-	383	-	814
	1,436	292	742	1,241	3,711
<b>Payments from plan</b>					
Benefits (paid)	(3,161)	(527)	(23,514)	(1,471)	(28,673)
Taxes, premiums and expenses (paid)/ received	(127)	(229)	1,316	(545)	415
	(3,288)	(756)	(22,198)	(2,016)	(28,258)
<b>Closing fair value of plans assets</b>	<b>30,468</b>	<b>2,362</b>	<b>49,463</b>	<b>14,011</b>	<b>96,304</b>
<b>Net liability reconciliation - 2013</b>					
Defined benefit obligation	34,960	5,862	406,786	16,509	464,117
Fair value of plan assets	(28,952)	(2,620)	(64,648)	(13,918)	(110,138)
<b>Net liability</b>	<b>6,008</b>	<b>3,242</b>	<b>342,138</b>	<b>2,591</b>	<b>353,979</b>

27

**42 Defined Benefits Plans (continued)**

**(d) Statement of financial position amounts (continued)**

	\$'000	\$'000	\$'000	\$'000	\$'000
	SASS	SANCS	SSS	PSF	Total
<b>Reimbursement rights - 2013</b>	<b>Note</b>				
Opening value of reimbursement right	8,830	-	388,651	-	397,481
Expected return on reimbursement rights	(8,512)	-	(7,350)	-	(15,862)
Remeasurements	5,690	-	(39,163)	-	(33,473)
<b>Closing value of reimbursement right</b>	<b>18</b>	<b>-</b>	<b>342,138</b>	<b>-</b>	<b>348,146</b>
<b>Present value obligations - 2013</b>					
Opening defined benefit obligation	33,981	6,649	461,049	18,510	520,189
Current service cost	1,086	252	589	413	2,340
Interest expense	1,053	206	14,820	427	16,506
	<u>36,120</u>	<u>7,107</u>	<u>476,458</u>	<u>19,350</u>	<u>539,035</u>
<b>Remeasurements</b>					
Actuarial (gains) arising from changes in financial assumptions	(1,050)	(273)	(45,298)	(388)	(47,009)
Experience (gains)/losses	2,312	(7)	(4,047)	(470)	(2,212)
	<u>1,262</u>	<u>(280)</u>	<u>(49,345)</u>	<u>(858)</u>	<u>(49,221)</u>
<b>Contributions</b>					
Plan participants	467	-	636	-	1,103
	<u>467</u>	<u>-</u>	<u>636</u>	<u>-</u>	<u>1,103</u>
<b>Payments from plan</b>					
Benefits (paid)	(2,687)	(1,040)	(24,102)	(1,570)	(29,399)
Taxes, premiums and expenses (paid)/received	(202)	75	3,139	(413)	2,599
	<u>(2,889)</u>	<u>(965)</u>	<u>(20,963)</u>	<u>(1,983)</u>	<u>(26,800)</u>
<b>Closing defined benefit obligation</b>	<u>34,960</u>	<u>5,862</u>	<u>406,786</u>	<u>16,509</u>	<u>464,117</u>
<b>Present value of plan assets - 2013</b>					
Opening fair value of plan assets	25,151	2,781	72,397	12,835	113,164
Interest income	762	107	1,994	398	3,261
	<u>25,913</u>	<u>2,888</u>	<u>74,391</u>	<u>13,233</u>	<u>116,425</u>
<b>Remeasurements</b>					
Return on plan assets, excluding amounts included in net interest expense	4,428	388	10,182	1,473	16,471
	<u>4,428</u>	<u>388</u>	<u>10,182</u>	<u>1,473</u>	<u>16,471</u>
<b>Contributions</b>					
Employers	1,035	308	402	1,195	2,940
Plan participants	467	-	636	-	1,103
	<u>1,502</u>	<u>308</u>	<u>1,038</u>	<u>1,195</u>	<u>4,043</u>
<b>Payments from plan</b>					
Benefits (paid)	(2,687)	(1,040)	(24,102)	(1,570)	(29,399)
Taxes, premiums and expenses (paid)/received	(204)	76	3,139	(413)	2,598
	<u>(2,891)</u>	<u>(964)</u>	<u>(20,963)</u>	<u>(1,983)</u>	<u>(26,801)</u>
<b>Closing fair value of plans assets</b>	<u>28,952</u>	<u>2,620</u>	<u>64,648</u>	<u>13,918</u>	<u>110,138</u>

**42 Defined Benefits Plans (continued)**

**(e) Amounts recognised in other statements**

**Amounts recognised in other comprehensive income - 2014**

From 2014, the amounts recognised in the statement of comprehensive income are restricted to the Professorial Superannuation Scheme in accordance with notes 1(v) and 41. The amounts are included in retained earnings (note 29(c)).

	\$'000	\$'000	\$'000
	<b>SANCS</b>	<b>PSF</b>	<b>Total</b>
<b>Remeasurements</b>			
Actuarial (losses) arising from changes in financial assumptions	-	(1,830)	(1,830)
Actuarial (losses) arising from experience adjustments	-	(478)	(478)
Actual return on plan assets less interest income	-	327	327
<b>Total remeasurements in Other Comprehensive Income</b>	<b>-</b>	<b>(1,981)</b>	<b>(1,981)</b>
<b>Total amounts recognised in the Statement of Comprehensive Income</b>	<b>-</b>	<b>(1,981)</b>	<b>(1,981)</b>

**Amounts recognised in other comprehensive income - 2013**

In 2013, the amounts recognised in the statement of comprehensive income were restricted to the Professorial Superannuation Scheme and the State Authorities Non-contributory Superannuation Scheme (SANCS) in accordance with notes 1(v) and 41. The amounts are included in retained earnings (note 29(c)).

	\$'000	\$'000	\$'000
	<b>SANCS</b>	<b>PSF</b>	<b>Total</b>
<b>Remeasurements</b>			
Actuarial gains arising from changes in financial assumptions	273	388	661
Actuarial gains arising from experience adjustments	7	470	477
Actual return on plan assets less interest income	388	1,473	1,861
<b>Total remeasurements in Other Comprehensive Income</b>	<b>668</b>	<b>2,331</b>	<b>2,999</b>
<b>Total amounts recognised in the Statement of Comprehensive Income</b>	<b>668</b>	<b>2,331</b>	<b>2,999</b>

**(f) UniSuper**

The University also contributes to UniSuper Defined Benefit Plan ('UniSuper') (formerly Superannuation Scheme for Australian Universities) (SSAU) for academic staff appointed since 1 March 1988 and all other staff from 1 July 1991. The UniSuper is a post employment defined contribution plan into which the University pays fixed contributions.

The UniSuper Defined Benefit Division (DBD) is a defined benefit plan under Superannuation Law but, as a result of Clause 34 of the UniSuper Trust Deed, a defined contribution plan under Accounting Standard AASB 119. UniSuper is not considered to be controlled by the University and therefore the excess/shortfall of assets over accrued benefits has not been included in the University's accounts.



43 Acquittal of Australian Government Financial Assistance

(a) Education - CGS and other Education grants

	Note	Commonwealth Grants Scheme#1		Indigenous Support Program		Partnership & Participation Program#2		Disability Promo of Exc in Learning and Teaching		Reward Funding		Improving the Quality of Maths & Science Teaching Program		Total
		2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	
<b>Parent Entity (University) Only</b>		<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Financial assistance received in CASH during the reporting period (total cash received from Australian Government for the program)	2(g)	147,877	146,116	614	710	2,373	2,455	758	916	453	345	667	450	- 152,525
Net accrual adjustments		1,983	(4,102)	-	-	21	(21)	-	-	-	-	-	-	- 2,004
Revenue for the period	2(a)	149,860	142,014	614	710	2,394	2,434	758	916	453	345	667	450	- 154,529
Surplus from the previous year		-	-	-	-	324	20	-	-	388	474	-	-	- 712
Total revenue including accrued revenue		149,860	142,014	614	710	2,718	2,454	758	916	841	819	667	450	- 155,241
Less expenses including accrued expenses		(149,860)	(142,014)	(614)	(710)	(2,236)	(2,130)	(758)	(916)	(841)	(431)	(667)	(450)	- (154,759)
Surplus for the reporting period		-	-	-	-	482	324	-	-	388	388	-	-	- 482

#1 Basic CGS grant amount, CGS – Regional Loading, CGS – Enabling Loading, Maths and Science Transition Loading and Full Fee Places Transition Loading.

#2 Includes Equity Support Program.

43 Acquitment of Australian Government Financial Assistance (continued)

(b) Higher education loan programmes (excl OS-HELP)

	HECS-HELP (Aust. Government payments only)		FEE-HELP <sup>#3</sup>		SA-HELP		Total
	2014	2013	2014	2013	2014	2013	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
<b>Parent Entity (University) Only</b>							
Cash Payable/(Receivable) at the beginning of the year							
Financial assistance received in cash during the reporting period	4,260	(1,073)	(250)	(1,068)	-	(168)	(2,309)
Cash available for the period	125,937	120,229	39,316	33,754	1,779	1,797	167,032
	<u>130,197</u>	<u>119,156</u>	<u>39,066</u>	<u>32,686</u>	<u>1,779</u>	<u>1,629</u>	<u>171,042</u>
Revenue earned	(128,920)	(114,896)	(37,847)	(32,936)	(1,715)	(1,629)	(168,482)
Cash Payable/(Receivable) at the end of the year	<u>1,277</u>	<u>4,260</u>	<u>1,219</u>	<u>(250)</u>	<u>64</u>	<u>-</u>	<u>2,560</u>

<sup>#3</sup> Program is in respect of FEE-HELP for Higher Education only and excludes funds received in respect of VET FEE-HELP.

43 Acquitment of Australian Government Financial Assistance (continued)

(c) Scholarships

		Australian Postgraduate Awards		International Postgraduate Research Scholarships		Commonwealth Education Cost Scholarships <sup>#</sup>		Commonwealth Accommodation Scholarships <sup>#</sup>		Indigenous Access Indigenous Staff Scholarship		Total	
		2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Parent Entity (University) Only</b>	<b>Note</b>												
Financial assistance received in CASH during the reporting period (total cash received from Australian Government for the program)	2(g)	6,387	5,837	489	465	72	(103)	50	(58)	61	9	43	7,059
Net accrual adjustments		-	-	-	-	(15)	-	(3)	-	(12)	-	-	(30)
Revenue for the period	2(c)	6,387	5,837	489	465	57	(103)	47	(58)	49	9	43	7,029
Surplus from the previous year		3,905	2,840	-	-	12	172	10	113	-	38	13	3,940
Total revenue including accrued revenue		10,292	8,677	489	465	69	69	57	55	49	47	43	10,969
Less expenses including accrued expenses		(4,913)	(4,772)	(489)	(465)	(69)	(57)	(57)	(45)	(49)	(47)	(30)	(5,577)
Surplus for the reporting period		5,379	3,905	-	-	-	12	-	10	-	-	13	5,392
													3,940

<sup>#</sup> Includes Grandfathered Scholarships, National Priority and National Accommodation Priority Scholarships respectively.

43 Acquitment of Australian Government Financial Assistance (continued)

(d) Education Research

	Note	Joint Research Engagement		JRE Engineering Cadetships		Research Training Scheme		Infrastructure Block Grants		Research Excellence in Universities		Sustainable Research Excellence in Universities		Total		
		2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Parent Entity (University) Only</b> <sup>#5</sup>																
Financial assistance received in CASH during the reporting period (total cash received from Australian Government for the program)	2(g)	5,815	5,812	71	49	14,648	13,772	3,967	3,146	2,656	2,252	27,157	25,031			
Net accrual adjustments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Revenue for the period	2(d)	5,815	5,812	71	49	14,648	13,772	3,967	3,146	2,656	2,252	27,157	25,031			
Surplus from the previous year		-	-	74	25	-	-	-	-	-	-	74	25			
Total revenue including accrued revenue		5,815	5,812	145	74	14,648	13,772	3,967	3,146	2,656	2,252	27,231	25,056			
Less expenses including accrued expenses		(5,815)	(5,812)	-	-	(14,648)	(13,772)	(3,967)	(3,146)	(2,656)	(2,252)	(27,086)	(24,982)			
Surplus for the reporting period		-	-	145	74	-	-	-	-	-	-	145	74			

<sup>#5</sup> The reported surpluses for JRE Engineering Cadetships of \$145k for 2014 are expected to be rolled over for future use by the Department of Education.

**43 Acquitment of Australian Government Financial Assistance (continued)**

**(e) Australian Research Council Grants**

**(i) Discovery**

**Parent Entity (University) Only**

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

Net accrual adjustments

Revenue for the period

Surplus from the previous year

Total revenue including accrued revenue

Less expenses including accrued expenses

Surplus for the reporting period

#6 Includes Early Career Researcher Award.

Note	Projects		Fellowships#6		Indigenous Researchers Development		Total
	2014	2013	2014	2013	2014	2013	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
2(g)	8,113	9,372	11,006	7,207	229	43	19,348
	56	(56)	-	286	-	-	56
2(e)(i)	8,169	9,316	11,006	7,493	229	43	19,404
	3,405	3,995	5,082	3,956	43	57	8,530
	11,574	13,311	16,088	11,449	272	100	27,934
	(6,638)	(9,906)	(8,396)	(6,367)	(161)	(57)	(15,195)
	4,936	3,405	7,692	5,082	111	43	12,739
							8,530

**Macquarie University**  
**Notes to the Financial Statements**  
**For the Year Ended 31 December 2014**

**43 Acquittal of Australian Government Financial Assistance (continued)**  
**(e) Australian Research Council Grants (continued)**

**(ii) Linkages**

**Parent Entity (University) Only**

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

Net accrual adjustments

Revenue for the period

Surplus/(deficit) from the previous year

Total revenue including accrued revenue

Less expenses including accrued expenses

Surplus for the reporting period

Note	Infrastructure		International		Projects		Total
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000	
2(g)	-	390	-	-	2,702	2,389	2,779
2(e)(ii)	-	-	-	-	-	42	42
	-	390	-	-	2,702	2,431	2,821
	<b>223</b>	<b>(26)</b>	-	-	<b>1,245</b>	<b>487</b>	<b>1,468</b>
	<b>223</b>	<b>364</b>	-	-	<b>3,947</b>	<b>2,918</b>	<b>3,282</b>
	<b>(47)</b>	<b>(141)</b>	-	-	<b>(1,077)</b>	<b>(1,673)</b>	<b>(1,814)</b>
	<b>176</b>	<b>223</b>	-	-	<b>2,870</b>	<b>1,245</b>	<b>1,468</b>

**43 Acquittal of Australian Government Financial Assistance (continued)**

**(e) Australian Research Council Grants (continued)**

**(iii) Networks and Centres and Special Research Initiatives**

**Parent Entity (University) Only**

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

Net accrual adjustments

Revenue for the period

Surplus from the previous year

Total revenue including accrued revenue

Less expenses including accrued expenses

Surplus for the reporting period

	Research Networks		Centres		Total Networks and Centres	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Note						
2(g)	-	-	5,417	5,258	5,417	5,258
2(e)(iii)	-	-	-	-	-	-
	-	-	5,417	5,258	5,417	5,258
	-	-	2,714	2,122	2,714	2,122
	-	-	8,131	7,380	8,131	7,380
	-	-	(4,566)	(4,666)	(4,566)	(4,666)
	-	-	3,565	2,714	3,565	2,714

**43 Acquittal of Australian Government Financial Assistance (continued)**

**(f) OS-HELP**

		2014	2013
		\$'000	\$'000
<b>Parent Entity (University) Only</b>	<b>Note</b>		
Cash received during the reporting period		3,017	1,378
Cash spent during the reporting period		<u>(1,742)</u>	<u>(1,562)</u>
Net cash received	2(g)	<u>1,275</u>	<u>(184)</u>
Cash (deficit) from the previous period		<u>(42)</u>	<u>(112)</u>
Cash surplus/(deficit) for the reporting period	25	<u>1,233</u>	<u>(296)</u>

**(g) Student Services and Amenities Fee**

		2014	2013
		\$'000	\$'000
<b>Parent Entity (University) Only</b>	<b>Note</b>		
Unspent/(overspent) revenue from previous period		-	-
SA-HELP revenue earned	2(b)	1,715	1,629
Student Services and Amenities Fees from students	4	<u>3,379</u>	<u>2,997</u>
Total revenue expendable in period		<u>5,094</u>	<u>4,626</u>
Student services expenses during period		<u>(5,094)</u>	<u>(4,626)</u>
Unspent/(overspent) student services revenue		<u>-</u>	<u>-</u>

**44 Disaggregated information**

**(a) Geographical - Consolidated entity**

	Revenue		Results		Assets	
	2014	2013	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Australia	896,519	867,453	34,773	62,076	2,656,498	2,424,103
Asia	2,705	2,176	712	265	-	-
Other	-	-	-	-	-	-
<b>Total</b>	<u>899,224</u>	<u>869,629</u>	<u>35,485</u>	<u>62,341</u>	<u>2,656,498</u>	<u>2,424,103</u>

END OF AUDITED FINANCIAL STATEMENTS



# Index

## A

Aboriginal people and Torres Strait Islanders,  
see equity, diversity and inclusion

Academic Appeals Committee, 12

Academic Senate, 24

access, inside front cover

Access Macquarie Ltd, 47, 98, 99

accounts, payment of, 43

alternative pathways to university, 15

alumni relations, 14

appeals, academic, 12

audit, internal, 42

Australian Hearing Hub, 37

Australian Proteome Analysis Facility Ltd, 47, 99

ARC College of Experts, 6

ARC Future Fellowships, 9

awards received by academic staff

- AMP Tomorrow Makers Awards, 8
- ARC Discovery Early Career Researcher Awards, 9
- Australia Day Honours, 10
- Australian Academy of Science Awards, 8
- Fellow of the Australian Academy of the Humanities, 8
- New South Wales Premier's History Awards, 8
- New South Wales Scientist of the Year, 8
- Office of Learning and Teaching Citations, 11
- Paul Bourke Award for Early Career Research, 8
- UNESCO-L'Oreal for Women in Science Award, 8
- Young Tall Poppy Science Awards, 11

## B

balance sheet, consolidated, 45

budgets, 46

## C

CALD engagement activities, 17

CMBF Ltd, 47, 98, 99

Centre for Open Education, 10

COH Property Trust, 47, 99

community engagement, 10, 16, 19

complaints, student, see grievances

completions, higher degree research, 7

controlled entities, 47, 98, 99

costs incurred in production of report, inside front cover

cotutelle agreements, 13

Council,  
members of, 33  
report by members of, 30–31

credit card certification, 42

cultural diversity, see Equity, diversity and inclusion

## D

degrees awarded, 11

disability, people with a, 15–17, 25

## E

EEO, see employment equity and diversity

Employment equity and diversity, 24

employment equity goals, 26

Engagement and advancement, 14

energy, 19, 20

enrolments, 11

- higher degree research, 7

entities, controlled, see controlled entities

entry pathways, 10, 15

environmental regulation, 30

- see also sustainability

equal employment opportunity, 27–29

Equity, diversity and inclusion, 15

executive performance summary, 34

expense analysis, consolidated, 45

## F

facilities, see infrastructure, 37

Financial performance, 45

fraud and corruption, see statement of attitude to, 43

freedom of information, 38

funding, research, 9

Furniture re-use store, 20

Faculty of Medicine and Health Sciences, 6, 9

## G

GIPA, see Government Information (Public Access), 38

statistics, 39–41

Global Leadership Entry Program, 10

Global Leadership Program, 13

Governance and management, 30–36

grants

- Diversity, 18
- Government, 45
- Indigenous student, 16
- National Learning and Teaching Grants, 11
- Parental Leave Research Grants, 25
- research, 6, 9

grievances, 12

H

- health and safety, 22
- higher degree research students, 6, 7
- Hospital, Macquarie University, 42, 45, 47, 98, 99
- human resources, 21–29

I

- income analysis, consolidated, 45
- income, research, 9
- Indigenous people, 15, 16
  - engagement, 16
  - outreach, 16
  - cadetships, 17
  - staff development fund, 17
- industrial relations, 21
- Infrastructure, 37
- insurance, 31, 42
- internal audit and risk management, 42
- internationalisation, 13
- investment performance, 45

J

- Jubilee Scheme, 15

L

- LAMS International Pty Ltd, 47
- Learning and teaching, 10–13
- Learning Skills Program, 17
- Learning Skills Program, Higher degree research, 7
- letter of submission, 3
- Lighthouse Scheme, 15

M

- management and structure, 32–36
- Marketing unit, 14
- Master Plan, 37
- Macquarie University Act*, establishment of Council under, 33
- Macquarie University Hospital, 42, 45, 47, 98, 99
- Macquarie University Property Investment Company Pty Ltd, 47, 99, 100
- Macquarie University Property Investment Trust, 47, 99
- Macquarie University Spatial Experience (MUSE), 37
- MGSM Ltd, 47, 99, 100
- meetings, Council members' attendance at, 34
- Message from the Vice-Chancellor, 4
- MUH Operations No. 2 Pty Ltd, 47, 98, 99
- Multicultural Policies and Services Program, 17, 18

N

- NHMRC (National Health and Medical Research Council), 6, 8
- National Indigenous Science Education program (NISEP), 16
- Next Step, 15

O

- Office of Advancement, 14
- Office of Corporate Engagement, 14
- Open Universities Australia, 10, 15
- Operations, 38
- organisation chart, 32
- Our Shared Identity, 14
- outcomes, research, *see* research, 6
- overseas travel, *see* travel

P

- PACE (Professional and Community Engagement), 10, 13, 43
- partnerships, research, 8
- Patyegarang* – Aboriginal and Torres Strait Islander People's Advancement Strategy, 16
- pathways to university, 15
- payment of accounts, 43
- performance summary, executive, 34
- policies, staff, 21
- principal activities, 30
- principal office bearers, 33
- privacy, 43
- publications, research, 6
- Public Interest Disclosures, 43

## R

'Racism. It stops with me' campaign, 26  
remuneration, senior executive, 22  
Report by Members of Council, 30  
research, 6–9  
research funding, 9  
research partnerships, 8  
research publications, 6  
Retro-Paid Loss Premium, 23  
returns on investments, 45  
review of operations, 30  
Risk Frontiers Flood (Australia) Pty Ltd, 47, 99  
risk analysis, 45  
risk management, 42  
Rural Bonus Scheme, 15

## S

safety, *see* health and safety, 22  
salary movements, 21  
scholarships, 7, 13, 14, 16, 17, 21  
senior executive remuneration, 22  
Staff, 21–29  
statement of attitude to fraud and corruption, 43  
statement on digital information security, 43  
statement on workforce diversity achievements, 24  
statistics  
    equal employment opportunity, 27–29  
    Government Information (Public Access), 39–41  
    health and safety, 22–24  
    staff, 21–22  
    student enrolments, 11  
    student awards, 12  
student code of conduct, 12  
student enrolments, 11  
student feedback, 12  
student experience, 12  
Student Ombudsman, 12  
students, 11–12  
    complaints, *see* grievances, 12  
    degrees awarded, 12  
    enrolment statistics, 11–12  
    higher degree research, 7  
    internationalisation, 13  
    representation, 12  
special entry schemes, 15  
support services, 17

summary review of operations, *see* principal activities  
superannuation, state schemes, 45  
Sustainability, 19–20

## T

teaching, *see* learning and teaching  
*Times Higher Education* Rankings, 13  
travel, 43

## U

U@MQ Ltd, 47, 98, 99  
University Council, 30

## W

wage and salary movements, 21  
Warawara Alternative Entry Program, 15  
Warawara – Department of Indigenous Studies, 16  
White Ribbon workplace accreditation, 25  
women, *see* employment equity and diversity  
workers' compensation, 23  
workplace safety, 22





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