



**MACQUARIE**  
University

# **Annual report 2017**

VOLUME 1

# At a glance

## A PLACE OF INSPIRATION

Uniquely located in the heart of Australia's largest high-tech precinct, Macquarie brings together more than 40,000 students and 3000 staff in one thriving hub of discovery. Our campus spans 126 hectares, with open green space that gives our community the freedom to grow.

We are undertaking an ongoing program of strategic investment in our facilities and infrastructure so that our students and staff can thrive in a campus that is dynamic, sustainable and built for collaboration – between students, staff and the wider community.

With more than 300 leading companies located on or around the Macquarie campus, our students are able to tap into industry connections that give them an edge in their future careers, while our staff have access to outstanding research and innovation opportunities with some of the world's leading organisations.

## RENOWNED FOR EXCELLENCE

Since launching in 1967 as Sydney's third university, Macquarie has risen to be a progressive and influential institution – locally, nationally and internationally.

Many leading universities in the United States, United Kingdom, Europe and Asia choose to partner with us, as do global organisations such as Google, Johnson & Johnson, Microsoft and Optus. Such partnerships bear testament to our reputation for research excellence and world-class learning and teaching innovations.

It is because of our reputation that we rank among the top two per cent of universities in the world and hold a 5-star QS rating that recognises our graduates are among the most sought-after professionals in the world.

And with a strong tradition of innovation and exploration, we continue to break new ground, ranking among the top 100 institutions in the world for accounting and finance, arts and humanities, earth and marine sciences, education, English language and literature, geography, law, linguistics, philosophy, and psychology.

## A PROUD TRADITION OF DISCOVERY

Macquarie is bold and innovative. Unconstrained by tradition, we take a collaborative, cross-disciplinary approach to research, resulting in our enviable reputation for research excellence – with 100 per cent of our research ranked at world standard or above and more than 30 of our researchers ranked in the top one per cent of scientific researchers in the world.

Our framework for the future – *World-leading research; World-changing impact* – is brought to life by renowned researchers whose audacious solutions to issues of global significance are benefiting the world we live in.

Looking to the future, we have developed five research priorities – Healthy people, Resilient societies, Prosperous economies, Secure planet and Innovative technologies – that provide a focal point for the cross-disciplinary research approach that is at the heart of our ethos.

## We are investing strategically in our facilities so that our students and staff can thrive in a campus that is dynamic, sustainable and built for collaboration ...

## INNOVATION THROUGH INGENUITY

Macquarie has a strong record of innovation. We helped develop the technology that underpins modern wi-fi systems. We lead the world in environmental science and on the impacts of a changing climate on society and industry. We pioneered online treatments for mental health conditions, providing cost-effective access to advice and support for residents of the most remote parts of our country.

Additionally, we are the only Australian university to be involved with a number of innovative

international research projects with leading universities and organisations. These projects include research with the The Michael J. Fox Foundation for Parkinson's Research, construction of a fully synthesised yeast chromosome and the development of 5G wireless technologies. As we look to the future, we are constantly seeking new solutions to the challenges facing the world.

## CREATING SUCCESSFUL GRADUATES

From our beginnings, we have defied the traditional boundaries of academia. Instead, we have pioneered learning and teaching approaches that challenge conventions and shift thinking.

Our approach is built around a connected learning community. Our students are considered partners and co-creators in their learning experience. Their face-to-face experience is paired with sophisticated and interactive digital resources. Their courses are linked to the latest

research discoveries. They are connected with industry partners through internships and work placements.

We design many of our courses in collaboration with industry; many are also accredited by peak professional bodies, giving our students a head start on their careers. By offering our students a package of career accelerator initiatives while they are studying, we ensure they are educated, enabled and empowered to launch a career in whatever field ignites their passion.



# Contents

2017 FINANCIAL SUMMARY	4
MESSAGE FROM THE VICE-CHANCELLOR	5
OUR PURPOSE, VISION AND VALUES	6
SNAPSHOT	7
2017 IN REVIEW	8
MACQUARIE UNIVERSITY INCUBATOR	10
LEADERSHIP	12
ORGANISATION CHART	13
RESEARCH	14
LEARNING AND TEACHING	16
THE MACQUARIE MD	18
ENGAGEMENT AND ADVANCEMENT	20
INVESTING IN OUR FUTURE	22
OUR STUDENTS	24
AWARDS, HONOURS AND RANKINGS	26
MQ SPEED	28
STATUTORY REPORTING	31
FINANCIAL STATEMENTS	52
INDEX	114

In accordance with the *Annual Reports (Statutory Bodies) Act 1984* (NSW), Macquarie University presents to The Honourable Robert Stokes MP, Minister for Education, the following report of its proceedings for the period from 1 January to 31 December 2017.



**The Hon Michael Egan**  
CHANCELLOR



**Professor S Bruce Downton**  
VICE-CHANCELLOR AND PRESIDENT

# Financial performance

<p><b>\$1085 million</b>  <b>Income</b>                  Up \$70 million on FY16</p>	<p><b>\$1037 million</b>  <b>Expenditure</b>                  Up \$66 million on FY16</p>	<p><b>56.3%</b>  <b>People costs as a % of expenditure</b>                  On par with FY16</p>	<p><b>\$136 million</b>  <b>Cash flows from operating activities</b>                  Up \$4 million on FY16</p>
<p><b>\$3181 million</b>  <b>Total assets</b>                  Up \$18 million on FY16</p>	<p><b>\$2277 million</b>  <b>Investment in campus assets</b>                  Up \$141 million on FY16</p>	<p><b>\$1017 million</b>  <b>Total liabilities</b>                  Down \$101 million on FY16</p>	<p><b>\$2164 million</b>  <b>Net assets</b>                  Up \$119 million on FY16</p>
<p><b>2.3%</b>  <b>Return on cash and term deposits</b>                  Above internal benchmark</p>	<p><b>13.9%</b>  <b>Return on other investments</b>                  Above internal benchmark</p>	<p><b>\$48 million</b>  <b>Net result</b>                  Up \$4 million on FY16</p>	

# Message from the Vice-Chancellor



**“Macquarie’s research, a key strength and hallmark of our University’s identity, has witnessed continued ascent.”**

The professional, educational and research environments of today demand a balance between staying the course and reinvention. Again in 2017, Macquarie University has continued to meet that quest for balance, dreaming of our aspirational future while continuing along a pathway of institutional accomplishment.

In 2017, as we concluded the fourth year of work on our long-range framework *Our University: A Framing of Futures*, we paused to test its fitness for our continued efforts. In rededicating ourselves to its tenets, we strengthened our commitment to be a university of service and engagement. The academy and leadership team are strongly committed to providing a student experience, academic and non-academic, that matches the needs of not only students but also the professions they will enter.

Macquarie’s research, a key strength and hallmark of our University’s identity, has witnessed continued ascent. Across a diversity of disciplines, publication of high-impact, groundbreaking work has continued, with Macquarie investigators receiving two Eureka awards among other accolades.

During the year 576 students completed higher degrees by research, in both theoretical and applied fields, adding to the wealth of knowledge that is driving Australia’s scientific, economic and social growth.

The demand for innovation in educational programs continues apace, and Macquarie has responded to this challenge again in 2017. Notably, the Faculty of Medicine and Health Sciences achieved accreditation for its highly innovative medical program, which launches with the commencement of our first cohort of students in February 2018.

We aligned academic and non-academic support for students by combining two previous executive portfolios under the Deputy Vice-Chancellor (Academic). The University’s focus on employability has continued to gather focus and momentum: the PACE program, which offers students industry access to enthusiastic and engaging employers, was recognised through three external awards, including the Employability Award in *The Australian Financial Review* 2017 Higher Education Awards.

We opened the Macquarie University Incubator, offering space to students, researchers and staff to grow ideas with commercial potential. The

Incubator building received four awards at the 2017 Australian Timber Design awards, and our first cohort have already nurtured a number of ventures through to commercialisation.

We have accelerated our presence in hearing. Cochlear® has provided generous support for the University’s Cochlear Chair in Hearing and Healthy Ageing. This partnership will strengthen our relationship with Cochlear and its reputation as a leading international provider of implant solutions for the hearing impaired of all ages.

Work on the campus master plan has progressed with plans announced to develop a new home for the Macquarie Law School – to be known as the Michael Kirby Building. During 2017, one of the original science buildings was recommissioned after a complete refurbishment, and it now provides a modern academic environment. To prepare for significant redevelopment of the Central Courtyard Precinct, two further floors of the old library have been refitted to provide relocation space from the Hub and Lincoln Buildings. The interior design gives students the flexibility to create their own independent and collaborative learning environments.

The financial performance of the University in 2017 remained strong. While we continue to rely significantly on government funding, our diversification strategies for a wider geographic draw for international students continue to succeed and our philanthropic programs are expanding. In 2017, we received our largest gift with supporters donating more than \$12 million.

During 2017, Macquarie has continued to achieve the balance of staying true to our ideals and values while, at the same time, embracing the need for change on a number of fronts. Our progress has been made possible by the work of individuals, teams, colleagues and friends within the University and with whom we are affiliated. All that they do for the University, and their keen interest in it, is testimony to the commitment and faith that continues to grow the institution.

**Professor S Bruce Dowton**  
VICE-CHANCELLOR AND PRESIDENT

# Our purpose, vision and values

---



## **PURPOSE**

Macquarie is a university of service and engagement:

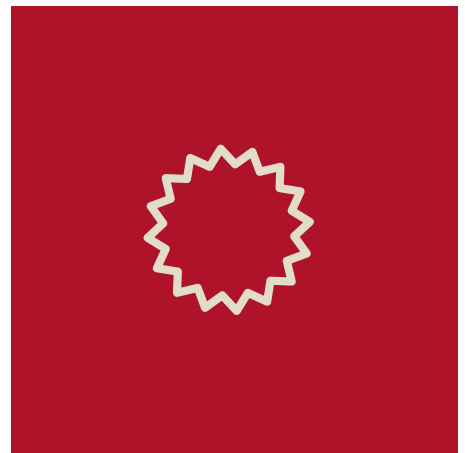
- we serve and engage our students and staff through transformative learning and life experiences.
- we serve and engage the world through discovery, dissemination of knowledge and ideas, innovation and deep partnerships.



## **VISION**

We aspire to be:

- a destination of choice for students and staff who share our values.
- deeply connected with our stakeholders and partners, and known for this globally.
- ranked among the highest-performing research universities of Australia and, for key disciplines, to be recognised globally for our pre-eminence.
- known across Australia and beyond as custodians of a remarkable university campus that blends the vibrancy of a cosmopolitan university village with a natural Australian bushland setting.



## **VALUES**

As custodians of Macquarie University, we value:

### **SCHOLARSHIP**

We believe learning, enquiry and discovery improves lives.

### **INTEGRITY**

We conduct ourselves ethically, equitably and for mutual benefit.

### **EMPOWERMENT**

We make our community a source of strength and creativity.

Through our actions, as staff and students, we live these values and it is against them that we hold ourselves accountable.

# Snapshot



## 5 QS Stars

in teaching, employability, research, internationalisation, facilities, innovation, inclusiveness and specialist criteria



## More than 30,000

students have benefited from work placements or community experiences through PACE (Professional and Community Engagement)



## More than 300

companies on campus or in the adjacent high-tech precinct, providing access to internship and job opportunities



**Ranked in the top 2 per cent**  
of universities in the world



**Almost 10,000**  
degrees awarded annually



**Only university in Australia**  
with a hospital on campus



**More than 181,000**  
alumni in over  
140 countries



**More than 45,000**  
students from over  
120 countries



**100 per cent**  
of research activity rated at world standard  
or above at the two-digit level



**\$1 billion**  
invested in infrastructure  
and facilities in recent years



**More than 150**  
partner universities for student exchange  
in over 40 countries



**More than 200**  
undergraduate and  
postgraduate degrees



**Only university in Australia**  
with its own train station



**15 kilometres**  
from the Sydney CBD



**126 hectares**  
of parklands

# 2017 in review

## JANUARY

### MBA RANKED NUMBER ONE IN AUSTRALIA

MGSM's MBA is ranked 49th in the world, moving up seven spots from 2016 in the *Financial Times'* Global MBA Rankings.

### ALUMNUS NAMED AUSTRALIAN OF THE YEAR

Macquarie alumnus and biomedical scientist, Professor Alan Mackay-Sim, is named 2017 Australian of the Year.

### MACQUARIE RECOGNISED FOR THE GLOBAL LEADERSHIP PROGRAM

In the category of Internationalising the Campus, Macquarie's Global Leadership Program (GLP) receives the 2017 Institute of International Education's (IIE) Andrew Heiskell Award for Innovation in International Education.

## FEBRUARY

### ACCESS PROGRAM LAUNCHED FOR PATIENTS IN NEED

MQ Health's Access Program is launched, providing reduced-cost medical procedures to patients who cannot otherwise afford them.

### MACQUARIE UNIVERSITY INCUBATOR GETS STARTED

A pop-up Macquarie University Incubator is opened during the Macquarie Park Innovation District (MPID) Summit.

### ZEBRAFISH DISCOVERY HOLDS KEY TO BETTER UNDERSTANDING MND

Researchers use a refined UV laser ablation technique to study the cellular behaviour of MND in living zebrafish.

## MARCH

### SURGEON NAMED NEW SOUTH WALES WOMAN OF THE YEAR

Renowned surgeon, Associate Professor Catherine Birman, wins the 2017 NSW Premier's Award for Woman of the Year for her work as a Cochlear implant specialist.

### FIRST MPID HEALTH HACKATHON HATCHES MARKETABLE DIGITAL SOLUTIONS

More than 80 people take part in the first MPID Healthcare Hackathon to develop digital solutions to problems in the healthcare space.

### RESEARCH SHOWS SHARKS HAVE ROBUST SOCIAL NETWORKS

Researchers discover that sharks form strong social networks with other sharks, and they can learn to avoid capture.

## APRIL

### THUNDER DOWN UNDER TAKES OUT WORLD ROBOTICS CHAMPIONSHIPS

Macquarie's FIRST Robotics competition Team 3132, Thunder Down Under, wins the highest honour at the FIRST World Championship.

### HONORARY DOCTORATE AWARDED

His Excellency General The Honourable David Hurley AC DSC (Ret'd), Governor of New South Wales, is awarded an honorary doctorate during the autumn graduation series.

### DIAMONDS MULTIPLY LASER POWER TO CREATE SUPER LASERS

Researchers prove a method for multiplying laser power using diamond, with applications for defence.

## MAY

### INAUGURAL RECONCILIATION ACTION PLAN LAUNCHED

Ahead of National Reconciliation Week, Macquarie launches its first Reconciliation Action Plan (RAP), developed in partnership with Reconciliation Australia.

### BREAST IMPLANT - CANCER LINK REVEALED

Researchers reveal that women implanted with textured breast implants are at a significantly higher risk of breast implant-associated anaplastic large cell lymphoma.

### ARC LINKAGE PROJECTS FUNDED

Research teams at Macquarie University receive \$780,000 of Australian Research Council (ARC) Linkage Project funding for two projects.

## JUNE

### CENTRE FOR FRUIT FLY BIOSECURITY INNOVATION LAUNCHED

The ARC Centre for Fruit Fly Biosecurity Innovation is launched to develop new approaches to reduce industry reliance on hazardous synthetic insecticides.

### MATHEMATICIAN NAMED A NEXT GEN SCIENCE COMMUNICATOR

Applied mathematician Dr Sophie Calabretto is named one of Australia's best science communicators in the Top 5 Under 40 initiative.

### NEW FELLOWS ANNOUNCED

Three Macquarie academics – Associate Professor Darrell Kemp, Dr Karin Sowada and Dr Alexandra Woolgar – receive ARC Future Fellowships for research in biological sciences, ancient history and cognitive science.

## JULY

### AUSTRALIAN HEARING HUB RESEARCH SHOWCASED IN PRESTIGIOUS SPECIAL ISSUE

A special issue of the peer-reviewed journal *Trends in Hearing* is dedicated to the Australian Hearing Hub and showcases a wealth of new findings in the fields of hearing and audiology.

### RESEARCH SHEDS LIGHT ON MANAGING ANTIBIOTIC RESISTANCE

Macquarie researchers recreate the origins of DNA elements that confer antibiotic resistance to help limit the development of resistance in the future

### SUPERSTAR OF STEM SMASHES SCIENCE GENDER STEREOTYPES

Dr Ronika Power is named as one of the first Superstars of STEM, helping forge a new generation of role models for young women and girls.

## AUGUST

### MACQUARIE TAKES HOME DOUBLE WIN AT EUREKA AWARDS

Macquarie's Associate Professor Rich Mildren and Dr Emilie Ens are recognised for their research with both winning in their categories in the 2017 Australian Museum Eureka Prizes.

### PACE PROGRAM WINS AFR HIGHER EDUCATION EMPLOYABILITY AWARD

The PACE program received the Employability Award in *The Australian Financial Review 2017 Higher Education Awards* for its achievements in enhancing student employment outcomes.

### RETIREMENT VILLAGES CALCULATOR LAUNCHED

Macquarie launches a calendar that simplifies complex fee structures of retirement villages and helps consumers compare costs associated with retirement villages.





Dr Kira Westaway has dated human teeth discovered in the Padang Highlands of western Sumatra to more than 60,000 years ago. That is 20,000 years older than previous skeletal remains found in the area, which will add further detail to our understanding of early human migration. Photo by Chris Stacey.

#### **NEW HEIGHTS REACHED IN INTERNATIONAL RANKINGS**

Macquarie is again ranked a leading institution in the highly regarded 2017 Academic Ranking of World Universities (ARWU), being named among the top 200 universities in the world.

#### **RESEARCH PUSHES BACK DATE OF HUMAN OCCUPATION IN SOUTH-EAST ASIA**

New dating of a cave site in western Sumatra by Dr Kira Westaway has extended the timing of the earliest modern human presence in tropical South-east Asia by 20,000 years.

#### **GRADUATE MEDICAL DEGREE LAUNCHED**

Macquarie announces the launch of its four-year graduate-entry Doctor of Medicine program, the Macquarie MD, with the first cohort of students commencing in 2018.

#### **SEPTEMBER**

##### **THE DUKE OF YORK OFFICIALLY OPENS MACQUARIE UNIVERSITY INCUBATOR**

His Royal Highness Prince Andrew, The Duke of York, officially opens the Macquarie University Incubator, which nurtures, equips and accommodates budding entrepreneurs as they grow their business idea or social venture.

##### **MACQUARIE AND BRISTOL UNIVERSITIES PARTNER TO OFFER DUAL DOCTORAL AWARD**

Macquarie and the University of Bristol sign an agreement to offer a program of Dual Doctoral Awards, providing cross-global training opportunities for postgraduate researchers.

#### **MACQUARIE MOVES UP IN NEW EMPLOYABILITY RANKINGS**

Macquarie moves into the 121-130 band and in the 10th position in Australia in the 2018 QS Graduate Employability Rankings.

#### **OCTOBER**

##### **COCHLEAR CHAIR ANNOUNCED**

Macquarie and Cochlear announce the establishment of the co-funded Cochlear Chair in Hearing and Healthy Ageing.

##### **ONCOLOGY, DIGITAL HEALTH AND PATIENT SAFETY RESEARCH AWARDED FUNDING**

The Australian Institute of Health Innovation (AIHI) in the Faculty of Medicine and Health Sciences is awarded more than \$7.3 million in grants from the National Health and Medical Research Council (NHMRC).

#### **NOVEMBER**

##### **TRAFFIC CONGESTION GRANT RECEIVED**

Macquarie and the City of Ryde receive a grant to reduce heavy traffic congestion and improve connectivity around Macquarie Park.

##### **SUPER BRIGHT DIAMONDS DAZZLE**

Researchers make a diamond shine brightly at room temperature, a behaviour known as super-radiance, lighting the way for new quantum technologies.

#### **HEARING, LANGUAGE, NEUROSCIENCE RESEARCH FUNDING AWARDED**

Macquarie receives more than \$8 million in ARC funding towards research into hearing, language, neuroscience and more.

#### **DECEMBER**

##### **PACE RECOGNISED FOR ENHANCING STUDENT LEARNING**

Macquarie's PACE Program is recognised for enhancing student learning as part of the 2017 Australian Awards for University Teaching (AAUT).

##### **NEW ARTS PRECINCT LAUNCHED**

Macquarie announces the development of the Macquarie University Arts Precinct Project, which will consolidate 10 of 12 departments into a precinct that showcases the unique nature and focus of each department.

##### **MEDICINE AND HEALTH SCIENCES**

##### **PROJECTS FUNDED**

Macquarie is awarded more than \$2.7 million in NHMRC funding for research into medical treatment of the aged, protecting the retina, and Machado-Joseph disease.

# Challenging the status quo

The Macquarie University Incubator is giving start-ups the opportunity to explore brilliant ideas, to inspire and be inspired.

For Gary Elphick, CEO of Disrupt Sports, the Incubator helped his company cross the 'valley of death' – where a product has traction, but the organisation is not quite a fully fledged business.

Disrupt Sports is a 'design your own' sports equipment platform based in Bondi Beach. Founded in 2014, Disrupt Sports has helped thousands of people around the world design their own sports equipment.

"We've created a platform where you can design your own sports equipment. We've got a consumer-facing platform where you can jump online or on your iPad to design anything from a snowboard to a yoga mat," Elphick says.

To help the business grow, Elphick and his team joined the Macquarie University Incubator.

"At the time, we were experiencing the valley of death. It's a challenge because you have overheads, and although the business is growing, you need a helping hand to bridge that gap," he adds.

"The Incubator gave us an office space, resources and support for what we were doing. We also had access to interns, and in return, we helped the University develop a program for interns to get experience with start-ups, as opposed to just big businesses."

The Incubator was officially opened in September 2017 by His Royal Highness Prince Andrew, The Duke of York, and is part of the MPID. The Incubator offers entrepreneurial training programs – as well as space and support for students, researchers, staff, small- to medium-sized enterprises (SMEs), entrepreneurs and start-ups who are working on research or an idea that can be commercialised.

The Incubator is also an ideas space where people can meet, mentor and network with a cross-section of fellow innovative thinkers. It hosts regular 'fireside chats' featuring speakers on a variety of topics, as well as pitch competitions, hackathons and industry networking events.

"At the Incubator, we were also exposed to an amazing talent pool, and we ended up hiring one of the interns," says Elphick.

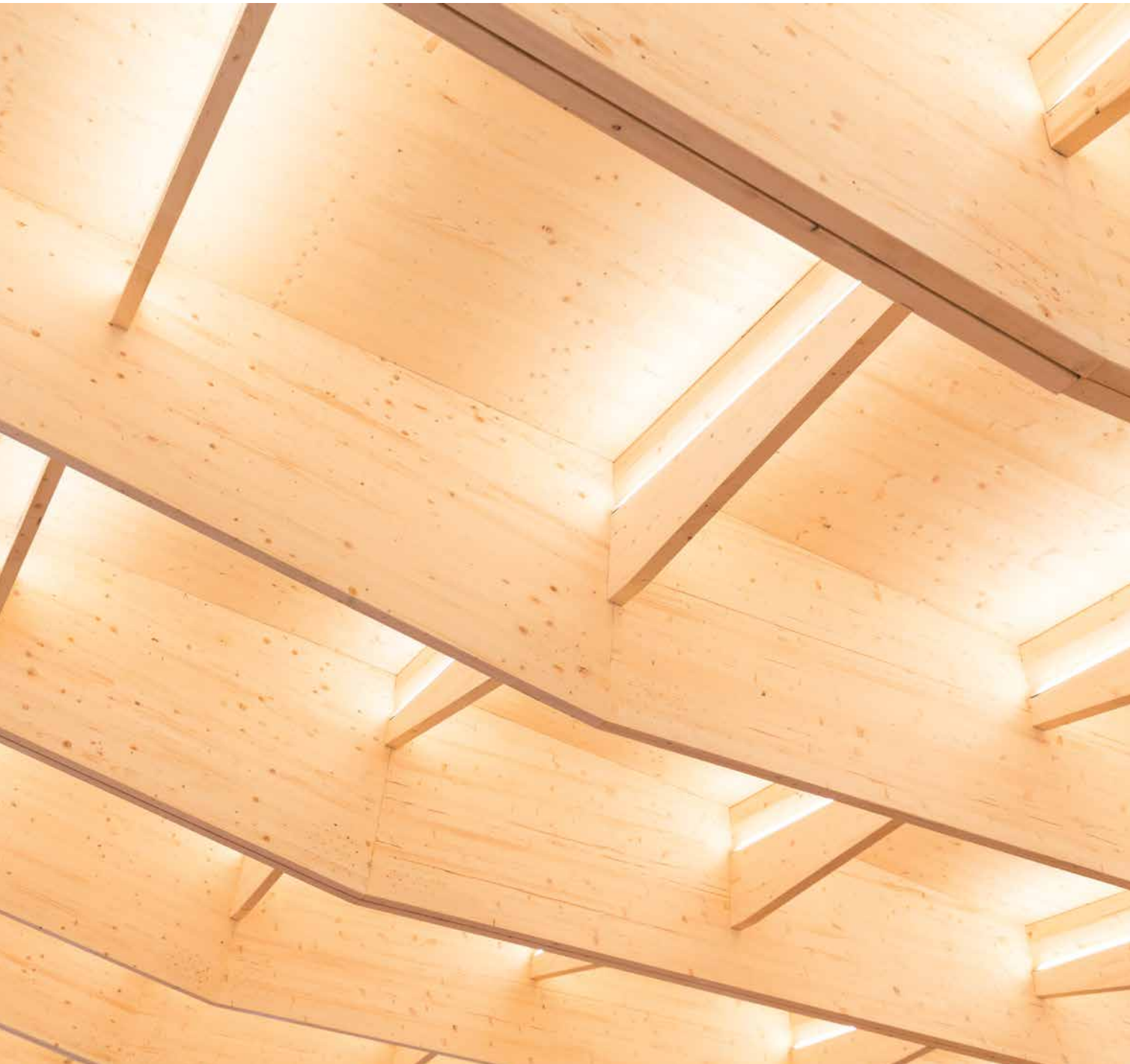
"Launching an incubator inside Macquarie University gives students a real insight into working with a start-up, while allowing us to trial talent," he says.

Disrupt Sports is now expanding into the US market, with an office in LA and plans to triple in size over the next 12 months.

## The Incubator is in the Macquarie Park Innovation District, which forms part of Australia's economic powerhouse.







**ABOVE AND LEFT:**  
Macquarie University Incubator  
Photos by Chris Stacey.

**RIGHT:**  
Chris Bailey, co-founder, and  
Gary Elphick, CEO and founder,  
of Disrupt Sports  
Photo: DisruptSports.com

# Leadership

## PRINCIPAL OFFICE BEARERS

### VISITOR

His Excellency General The Honourable David Hurley AC DSC (Ret'd) Governor of New South Wales

### 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 (RESEARCH)

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

### DEPUTY VICE-CHANCELLOR (ACADEMIC)

Professor Kevin Jameson, BSc (Hons) Adel SFFin

### 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 (STUDENTS AND REGISTRAR)

Deidre Anderson, BA VU, MA VU, PGCert Athlete Counselling AIS, PGDipSocSc Latrobe (until 28 April)

### CHIEF OPERATING OFFICER AND DEPUTY VICE-CHANCELLOR

Tim Beresford, BEc (Hons) Syd, LLB Syd, MPhil Cantab, ASIA, FAICD (until 31 December)

### CHIEF FINANCIAL OFFICER

Robin Payne, BA Cantab

### DIRECTOR, HUMAN RESOURCES

Nicole Gower, BA/LLB (Hons) UTS

### EXECUTIVE DEAN, FACULTY OF ARTS

Professor Martina Möllering, BA Essen, MA Appl Ling Macq, PhD Macq

### EXECUTIVE DEAN, FACULTY OF BUSINESS AND ECONOMICS

Professor Stephen Brammer, BA Econ (Hons) UEA, MA Econ UEA, PhD Econ UEA

### EXECUTIVE DEAN, FACULTY OF HUMAN SCIENCES

Professor Simon Handley, BSc (Psych) Card, PhD Card

### EXECUTIVE DEAN, FACULTY OF MEDICINE AND HEALTH SCIENCES

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

### EXECUTIVE DEAN, FACULTY OF SCIENCE AND ENGINEERING

Professor Barbara Messerle, BSc (Hons) Syd, PhD Syd

## MEMBERS OF COUNCIL

### CHANCELLOR

The Hon Michael Rueben Egan AO, BA Syd, FAICD

### VICE-CHANCELLOR

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

### CHAIR OF THE ACADEMIC SENATE

Professor Mariella Herberstein, BSc Syd, (Hons) (UNSW), Mag Rer Nat University of Vienna, Dr Rer Nat University of Vienna

### ELECTED BY AND FROM THE ACADEMIC STAFF

Professor Catherine Dean, PhD, MA, BAppSc (Phy)

Professor Richie Howitt, BA (Hons), Dip Ed Ncle, PhD UNSW, PGCert Ed Lship Macq (until 31 December)

Professor Deb Kane, BSc (Hons) Otago, PhD St Andrews (until 31 December)

### ELECTED BY AND FROM THE NON-ACADEMIC STAFF

Leanne Denby, BA

### ELECTED BY AND FROM THE STUDENTS OF THE UNIVERSITY

Kieren Ash (until 31 May)

Cissy Shen

### GRADUATE MEMBERS APPOINTED BY COUNCIL

Brendan Crotty, LS, DQIT (T&CP), Dip BusAdmin Macq, FAPI FAICD FRICS

Chum Darvall, BA Macq, F Fin, FAICD

John Wigglesworth, BEc Macq, FCA

Frank Zipfinger, LLB, LLM, BAcc, BEcon, MBA, AICD

### APPOINTED BY COUNCIL

Elizabeth Crouch, BEc Macq, FAICD

Deborah Hadwen, BA, MA, M CommLaw Macq, MAICD

Gregory Mackenzie Jones, BA Macq, MA Macq

The Hon Sandra Christine Nori, BEc Syd

Jingmin Qian, BEc, MBA, CFA, FAICD

### APPOINTED BY THE MINISTER FOR EDUCATION AND TRAINING

The Hon Patricia Forsythe, BA, DipEd Newcastle NSW, FAICD

Ms Louise Mason, BA, LLB (Hons) Macq



# Macquarie University organisation chart

## Vice-Chancellor *Professor S Bruce Dowton*

### Deputy Vice-Chancellor (Research) *Professor Sakti Pretorius*

- Research Office
- Higher Degree Research Office
- Dean, Higher Degree Research
- Office of Commercialisation and Innovation
- Macquarie Animal Research Services
- Pro Vice-Chancellor (Research Integrity and Development)
- Pro Vice-Chancellor (Research Performance and Innovation)

### Deputy Vice-Chancellor (Academic) and Registrar *Professor Kevin Jameson*

- Institutional Academic Planning
- Development of Academic Leadership
- Academic Quality Systems (including external agencies)
- University Library Archives and Collections
  - University Library
  - Art Gallery
  - Memory
- Registrar
- Widening Participation
- Indigenous Strategy
- Macquarie University International College
- Campus Life

### Chief Operating Officer and Deputy Vice-Chancellor *Position vacant*

- General Counsel
- Strategic Planning and Information
- Information Technology
- Property
  - Facilities Management
  - Security
- Campus Life
- Campus Safety
- Government Relations
- Sustainability
- Risk and Assurance

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

- Office of Advancement
  - Alumni Relations
- Corporate Engagement
- Group Marketing
- Future Students
- NSW Vice-Chancellors' Committee

### Interim Pro Vice-Chancellor (Students) *Professor Leigh Wood*

- Governance
- Student Services
- Student Wellbeing
- Student Systems

### Interim Pro Vice-Chancellor (Programs and Pathways) *Professor Sean Brawley*

- Load Building
- Program Management
- University Size and Shape Strategy

### Pro Vice-Chancellor (Learning and Teaching) *Professor Sherman Young*

- Learning and Teaching Strategy Framework
- Learning Innovation Hub
- Learning Technologies
- PACE and Global Leadership Program
- Career and Employment Service
- Academic Partnerships and Pathways
- Student Orientation
- SBS Media Sponsorship

### Chief Financial Officer *Robin Payne*

- Central Financial Services
- Planning and Performance
- Financial Control and Treasury
- Operations

### Director, Human Resources *Nicole Gover*

- Human Resources
  - Employee Relations
  - Organisational Development
  - Remuneration
  - Strategic Resourcing and Talent
- HR Client Relationships
- HR Systems and Application Support
- Equity and Diversity

### Pro Vice-Chancellor (International) *Nicole Brigg*

- International Strategy
- International Operations
- Student Exchange

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

- Departments:
  - Ancient History
  - Anthropology
  - English
  - Geography and Planning and Cultural Studies
  - Indigenous Studies
  - International Studies
  - Media, Music, Communication and Cultural Studies
  - Modern History, Politics and International Relations
  - Philosophy
  - Security Studies and Criminology
- Macquarie Law School
- Big History Institute

### Faculty of Business and Economics, Executive Dean *Professor Stephen Brammer*

- Departments:
  - Accounting and Corporate Governance
  - Applied Finance and Actuarial Studies
  - Economics
  - Marketing and Management
- Macquarie Graduate School of Management

### Faculty of Human Sciences, Executive Dean *Professor Simon Handley*

- Departments:
  - Cognitive Science
  - Educational Studies
  - Linguistics
  - Psychology

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

- Departments:
  - Biomedical Sciences
  - Clinical Medicine
  - Health Professions
  - Health Systems and Populations
- Australian Institute of Health Innovation

### Faculty of Science and Engineering, Executive Dean *Professor Barbara Messerle*

- Departments:
  - Biological Sciences
  - Molecular Sciences
  - Chiropractic
  - Computing
  - Earth and Planetary Sciences
  - Environmental Sciences
  - Mathematics
  - Physics and Astronomy
  - Statistics
- School of Engineering

### Major Controlled Entities

- Access Macquarie Ltd
  - Thusiyanthan Sathiamoorthy
- APAF Ltd
  - Associate Professor Mark Molloy
- CMBF Ltd
  - Associate Professor Anne Cooper
- MGSM Ltd
  - Professor Peter Wolnizer
- Macquarie University Clinical Associates Ltd
  - Professor Patrick McNeil
- MUH Operations No 2 Pty Ltd
  - Carol Bryant
- Macquarie University Hong Kong Foundation Ltd
  - Paul Dennett
- U@MQ Ltd
  - Peter Boyle

# Research

**Macquarie continues to respond to global challenges and seek out innovative solutions to pressing issues facing our communities.**

## RESEARCH EXCELLENCE

It was a significant year for research excellence at Macquarie. The University moved into the top 200 in the Academic Ranking of World Universities, a milestone that signals Macquarie is on the path to being recognised in the top 150 universities worldwide by 2024.

Three years into the implementation of our strategic research framework, Macquarie continues to lead the sector in higher degree research completions growth, with our completions per full-time equivalent academic staff outshining all other institutions in Australia. In the future, we will continue to respond to global challenges and seek out innovative solutions to pressing issues facing our communities.

## HIGHER DEGREE RESEARCH ENROLMENTS AND COMPLETIONS

In 2017, 576 higher degree research candidates completed their degrees, including 293 Doctor of Philosophy (PhD)/Master of Philosophy (MPhil) and 283 Master of Research (MRes) candidates. These figures are on target and demonstrate the value of the University's commitment to the MRes.

## FUNDING

In 2017, we reported \$65.53 million of competitive external funding earned during 2016, which is a slight decrease of 2.7 per cent on income earned during 2015. In addition, we were awarded \$41.6 million in research block grant funding from the Australian Government in 2017, representing an increase of 5 per cent over 2016. Several strategies are in place to ensure growth in external research income into future years, including strong partnerships with Corporate Engagement and Advancement to assist in increasing industry-funded (Category 3) research income. The external research income highlights for 2017 included:

- three Macquarie academics were included in the latest round of ARC Future Fellowships for research in cognitive science, ancient history and biological sciences
- Macquarie researchers received more than \$1.4 million in funding from the Australian Government's Citizen Science Grants and the ARC's Linkage Projects scheme
- two researchers won prestigious CSIRO Future Science Fellowships for their work in synthetic biology
- the Australian Institute of Health Innovation (AIHI) in the Faculty of Medicine and Health Sciences was awarded \$7.3 million in NHMRC grants.

## RESEARCH INCOME BY YEAR

Year	Category 1 TOTAL	Category 2 TOTAL	Category 3 TOTAL	Category 4 TOTAL	TOTAL
2007	\$ 14,305,081	\$ 9,272,099	\$ 8,710,862	\$ 1,353,877	\$ 33,641,919
2008	\$ 14,970,940	\$ 10,515,607	\$ 6,965,701	\$ 716,057	\$ 33,168,305
2009	\$ 14,443,707	\$ 8,848,660	\$ 6,016,290	\$ 1,011,448	\$ 30,320,105
2010	\$ 15,002,488	\$ 6,018,960	\$ 12,641,898	\$ 994,095	\$ 34,657,441
2011	\$ 24,624,858	\$ 6,010,215	\$ 13,537,307	\$ 902,063	\$ 45,074,443
2012	\$ 27,705,362	\$ 3,809,617	\$ 11,521,272	\$ 1,240,812	\$ 44,277,063
2013	\$ 30,801,252	\$ 4,972,895	\$ 11,716,863	\$ 1,151,274	\$ 48,642,284
2014	\$ 38,590,396	\$ 3,726,483	\$ 14,869,211	\$ 742,748	\$ 57,928,838
2015	\$ 42,998,190	\$ 6,166,576	\$ 16,962,440	\$ 1,195,121	\$ 67,322,327
2016	\$ 37,728,703	\$ 8,299,327	\$ 17,815,542	\$ 1,683,722	\$ 65,527,294



#### RESEARCH OUTPUTS

- Macquarie researchers published 2606 research outputs in 2016.
- The Faculty of Science and Engineering generated 38 per cent (total 982 publications) of research published in 2016.
- Research published in peer-reviewed journals accounts for 79 per cent (total count 2069) of all research outputs.
- Book-based publications made up 9.5 per cent of research publications in 2016 and conference-based publications accounted for 11 per cent of total research outputs in the same period.
- In 2017 39.5 per cent of the publications were published in top 10 per cent journals, and 3.4 per cent were published in top 1 per cent journals (ranking by CiteScore) [Source: Scival].
- More than 95 researchers published top 1 per cent cited publications (by citations for field and year) in 60 different four-digit Field of Research areas [Source: Scival].
- More than 104 countries have enjoyed research collaborations with Macquarie in 2017.

#### COLLABORATION AND PARTNERSHIPS

Macquarie continues to expand its profile in international research collaborations and remains the university with the most cotutelle and joint PhD candidates in Australia. During the year Macquarie and Bristol universities signed an agreement to offer a Dual Doctoral Award that provides cross-global training opportunities for postgraduate researchers. The two universities have an established history of successful collaboration: They have co-authored more than 40 research publications since 2014 and currently partner on a thriving undergraduate student exchange program. The Bristol-Macquarie Cotutelle program will fully fund up to 25 higher degree research candidates over five years, who will spend two years at each institution, resulting in a PhD from both partners.

The Cooperative Research Centre for Living with Autism (Autism CRC) announced Macquarie as a research partner. This new research collaboration will be led by Macquarie's Professor Liz Pellicano and will help advance Autism CRC's inclusive research practices and community capacity building activities.

#### RESEARCH HUB

During the year, we also developed the new Macquarie University Research Hub, which provides an integrated solution for end-to-end research life-cycle management and houses a suite of research management systems for researchers and research administrators. The Research Hub is being progressively rolled out across the University.

Aerodynamic testing in Macquarie's on-campus wind tunnel.  
Photo by Chris Stacey.



# Learning and teaching

## NEW DEPUTY VICE-CHANCELLOR (ACADEMIC) STRUCTURE

The University's Strategy *Our University: A Framing of Futures* embodies a deep and genuine commitment to the student experience, with each of its seven priorities supporting our long-term vision of achieving a first-class student experience that can be benchmarked and recognised internationally.

As part of this ongoing commitment, the University aligned the Deputy Vice-Chancellor (Students and Registrar) with the renamed Deputy Vice-Chancellor (Academic), following a structural review during the year.

Two new Pro Vice-Chancellor roles were created within the Deputy Vice-Chancellor (Academic) portfolio to meet the needs of students: The Pro Vice-Chancellor (Students) is focused on providing world-class support and experience for our students, while the Pro Vice-Chancellor (Programs and Pathways) role is focused on our world-class programs, with the purpose of understanding the diverse needs and aspirations of our students. These two roles join the existing Pro Vice-Chancellor (Learning and Teaching), which continues to deliver learning and teaching in an ever-increasing range of modes.

## NEW LEARNING AND TEACHING INITIATIVES

Guided by Macquarie's *Learning and Teaching Strategic Framework*, the Office of the Deputy Vice-Chancellor (Academic) collaborated with faculties on a number of learning and teaching initiatives. They include:

### NEW ACADEMIC PROGRESSION POLICY

Macquarie's new Academic Progression Policy took effect in Session 1 and is designed to support students through their studies by providing them with advice about their academic standing and how to improve their performance (if needed) following the release of results at the end of each session.

### LEARNING TECHNOLOGIES AND SPACES

Macquarie's learning management system (iLearn) has undergone consistent improvement with the addition of new features that enhance student engagement, make classes more active and participatory, and give teachers better insight into how their content is being received.

Live streaming of lectures was piloted in Session 1, 2017 and expanded in Session 2 following excellent student feedback. Our MOOC presence also increased, with significant student engagement on both the Open2Study (more than 200,000 learners) and Coursera (more than 50,000 learners) platforms.

Complementing new technologies has been significant work on teaching spaces, with staff input into the Campus Hub redevelopment resulting in learning spaces that are designed to actively engage students in their learning.

### ACADEMIC PROGRAM LIFE CYCLE AND COHERENCE

Work began on projects that explore academic program coherence and improve quality assurance throughout the academic program life cycle.

### PACE (PROFESSIONAL AND COMMUNITY ENGAGEMENT)

PACE is a whole-of-university work-integrated learning program unmatched in Australian higher education in scope, scale, diversity and curriculum integration.

In 2017 PACE was recognised through three external awards: the Employability Award in *The Australian Financial Review* 2017 Higher Education Awards, the Australian Awards for University Teaching (AAUT) Award for programs that enhance student learning, and a 'Highly Commended' in the Association for Tertiary Education Management (ATEM) Best Practice Awards for Excellence in Community Engagement.

Since 2012, more than 2500 local, regional and international industry, government and not-for-profit organisations have formed learning partnerships across 84 PACE units. The PACE program has, to date, seen more than 30,000 undergraduate students engaging in experiential learning activities. This number

includes the more than 7700 students who enrolled in PACE units in 2017.

In 2017, 190 students travelled overseas to work on PACE International projects both in developing and developed countries across Asia, Europe, North and South America, the South Pacific and the Middle East. An additional 39 students worked on on-campus projects with international PACE partners from India, the Philippines, Malaysia and Fiji.

During the year, significant progress was made on expanding PACE to include structured internships. A co-op pilot program was designed and developed in Actuarial Studies which has its first intake in 2018.

### GLOBAL LEADERSHIP PROGRAM (GLP)

In 2017, the GLP facilitated or ran 203 activities for more than 3772 domestic and international students. These activities comprised workshops, keynote speaker events and experiential activities that develop cultural capital, an understanding of international issues, leadership capability, and a sense of community responsibility and global citizenship.

Student feedback indicates that the GLP is contributing to the job-readiness of its graduates. A 2017 survey found that 77 per cent of undergraduate and 89 per cent of postgraduate students agreed that the GLP had made them feel more job-ready, while 56 per cent of undergraduate and 55 per cent of postgraduate students agreed that the GLP had influenced their professional plans.

In the category of Internationalising the Campus, the GLP was awarded the 2017 IIE's Andrew Heiskell Award for Innovation in International Education. The award recognised the GLP's contribution to academic and experiential learning through fostering international opportunities, engaging students with international themes and integrating international students into the campus community.







#### **GLOBAL LEADERSHIP ENTRY PROGRAM (GLEP)**

GLEP is an early entry program for high school students who are highly motivated, service-oriented, and possess leadership capabilities. It has seen consistent demand and growth over the last four years.

In 2017 three \$5000 scholarships were awarded to outstanding GLEP applicants who demonstrated extensive engagement or significant achievement in service to their local or wider community. Further scholarships were awarded to high-achieving students in the fields of science, health and engineering.

#### **MACQUARIE UNIVERSITY INTERNATIONAL COLLEGE**

More than 1300 students studied at the College during its second full year of operation, representing an increase of 69 per cent compared with 2016. This year, 595 students progressed on their study journey, transitioning into university studies in 2017. The 2017 February intake saw an increase of 62 per cent in student commencements on February 2016, with the most significant growth occurring in the domestic market.

During the year, both director and deputy director roles were filled, adding leadership strength to the College. A strategic plan was developed for the next two years, while across the University a process of collaborative engagement has laid the foundations for continuing investment in the College and the growth of student numbers and outcomes.

#### **SCHOLARSHIPS**

Five hundred and eighty-six equity scholarships were awarded to domestic students on the basis of financial need or other hardship (see page 38 for more information).

In 2017, 959 Macquarie students were awarded international coursework travel grants through Macquarie International. Additionally, 634 students received Vice-Chancellor's international scholarships.

**“The combination of academic rigour, practical experience and a global outlook gives our graduates a unique perspective.”**

Student Shelby Sewak travelled to Brazil as part of the GLP. Photo: Shelby Sewak.



# Macquarie MD breaks new ground

In August 2017, Macquarie launched a new four-year graduate-entry Doctor of Medicine program, known as the Macquarie MD.

The Macquarie MD provides students with a high-quality and innovative learning experience. With an annual intake of 60 (approximately 40 domestic and 20 international), students have access to impressive facilities and highly respected medical educators, researchers and clinicians.

The Macquarie MD is the latest step in Macquarie's medicine and health sciences evolution. It follows a long-term, significant investment in health, through the development of strong foundations in groundbreaking medical research, the establishment of the Macquarie University Hospital and Clinics and the Australian Hearing Hub, as well as the launch of innovative education programs.

Alongside our Doctors In Training Program, the Macquarie MD enhances Macquarie's suite of education and training programs. These

programs form part of MQ Health, Australia's first university-led fully integrated academic health sciences centre. A significant component of learning occurs in Macquarie University Hospital, the country's only university-owned and operated not-for-profit teaching hospital. The Macquarie MD truly combines excellence in clinical care with teaching and research.

Recognising the value of international learning, the program features extended quality-assured clinical experiences overseas for all students, including core clinical placements and selective opportunities at the Apollo Hospital in Hyderabad, India, in addition to placements at MQ Health, the Northern Sydney Local Health District (primarily Royal North Shore Hospital) and the MindSpot Clinic in Sydney.

As demand grows for doctors with international health experience, the program aims to train future leaders in healthcare who are patient and safety focused, culturally responsive, globally aware and equipped to work within digital health systems.

## Alongside our Doctors in Training program, the Macquarie MD will enhance Macquarie's suite of signature education and training programs.



The program prepares graduates for the environments in which they will practice and creates globally engaged doctors who are equipped to help improve the health of communities both here in Australia and around the world.

Admission to the program is highly competitive, with applicants demonstrating a high level of achievement in tertiary study and the Graduate Medical School Admissions Test (GAMSAT), as well as completing of a number of prerequisites. Applicants are also required to demonstrate relevant qualities and attributes for the program and profession through medical interviews.

To help students from diverse backgrounds study for the Macquarie MD, the University offers up to 10 competitive scholarships.

The first cohort begins their studies in February 2018.



The new Macquarie MD is future-focused and unbound by tradition. Photos by Chris Stacey.





# Macquarie's long-held commitment to the advancement of health

**1964**

Macquarie is born

**1967**

Our first students

**1972**

Early thinking about medicine

**2008**

Investment in health: Macquarie University Hospital construction begins

Building strong foundations in research: Australian School of Advanced Medicine is established

**2010**

Macquarie University Hospital opens

**2012**

Innovative approaches to healthcare: MindSpot Clinic launches

**2013**

The Australian Hearing Hub opens  
*A Framing of Futures* launches, calling for the creation of an academic health sciences centre

**2015**

Faculty of Medicine and Health Sciences is born

Research powerhouse AIHI joins the faculty

Planning for the Macquarie MD begins

**2016**

MQ Health is launched

First Bachelor of Clinical Science students begin

**2017**

The first interns commence at Macquarie University Hospital as part of the Doctors in Training program

Macquarie MD is launched

# Engagement and advancement

## PHILANTHROPY

Philanthropy had a greater impact than ever in 2017, with another new record set for the largest gift ever committed: a \$3 million donation to support the University's innovation agenda and the new Incubator.

A benchmarking report by the global professional association CASE found that our rapidly growing support from alumni and the wider community has moved Macquarie up the ranks to second in Australia and New Zealand for the number of individuals and organisations making donations.

The firefighting community again played a central supporting role with their climb up the Sydney Tower Eye expanding to include 596 climbers who together raised \$630,000 to enable our researchers to accelerate their search for a cure for MND. We were also delighted to enter into a new multi-year partnership with Fight for a Cure, which has made Macquarie's cancer research programs the joint beneficiary of their Christmas in July Gala Dinner.

Other significant developments included the launch of the Friends of MQ Health, which offers patients and other supporters of the Hospital and Clinics the opportunity to volunteer and help raise funds for medical research. A major campaign is underway to raise funds to build a new Law School. Support for the University Art Gallery continued to grow, with dozens of new works valued at \$2.2 million gifted by generous members of the art collecting world.

## ALUMNI

Alumni outreach activities continued to grow in 2017 with an increase in the number and scope of thought leadership and networking events in Sydney, New York, London, Hong Kong, Beijing, Shanghai, Singapore, Seoul, Brisbane, Canberra and Melbourne featuring Macquarie alumni as guest speakers; an array of alumni benefits; and a range of print and electronic communications that individuals select according to their preferences. A record number of alumni (4489) participated in these events, more than half for the first time. By year end, the University's alumni community had grown to more than 180,000 members across 142 countries.

This year, Macquarie alumni shone brightly with alumnus Professor Alan Mackay-Sim being named the Australian of the Year for his pioneering stem cell research.

## OFFICE OF CORPORATE ENGAGEMENT

The Office of Corporate Engagement commenced an expansion phase in 2017, with the appointment of an executive director, and new positions in each of the faculties to drive a more strategic and coordinated approach to the University's engagement with corporate partners.

The office hosted the MPID Global Innovation Summit in February. The summit featured five international speakers and was attended by more than 100 senior delegates from industry and government, who strongly endorse MPID and its direction. During the year Cochlear, ORIX Australia and Macquarie Park Connect all joined the MPID.

Three hackathons were held during 2017. The first resulted in the winning team Hatch Health – now based at the Macquarie University Incubator – being named as a finalist in the MedTech Challenge supported by the Medical Technology Association of Australia.

A multistaged hackathon involving over 40 representatives from MPID partners was conducted in October and November, with teams coming up with solutions to the transport issues and the general amenity of Macquarie Park.

The University's application for a \$500,000 project through the Australian Government's Smart Cities and Suburbs Program was successful. The grant, with matching funds from the University and the City of Ryde, will focus on enhancing connectivity and mobility across Macquarie Park.

## SOCIAL AND DIGITAL MEDIA

To ensure we are spreading the word about the University's achievements to our community, 777 individual tier one media stories were generated in 2017, resulting in a total of 6587 news pieces. On average 17,798,813 people viewed, read or listened to a news story about the University each month in 2017. During the year, 2207 pieces of content were generated across all social media channels, including 346 research posts. Macquarie's social media channels gained 197,217 new fans. The University's main Facebook page is estimated to have received 47,617,188 impressions during the year, while our Twitter feed received 2,113,540 impressions.

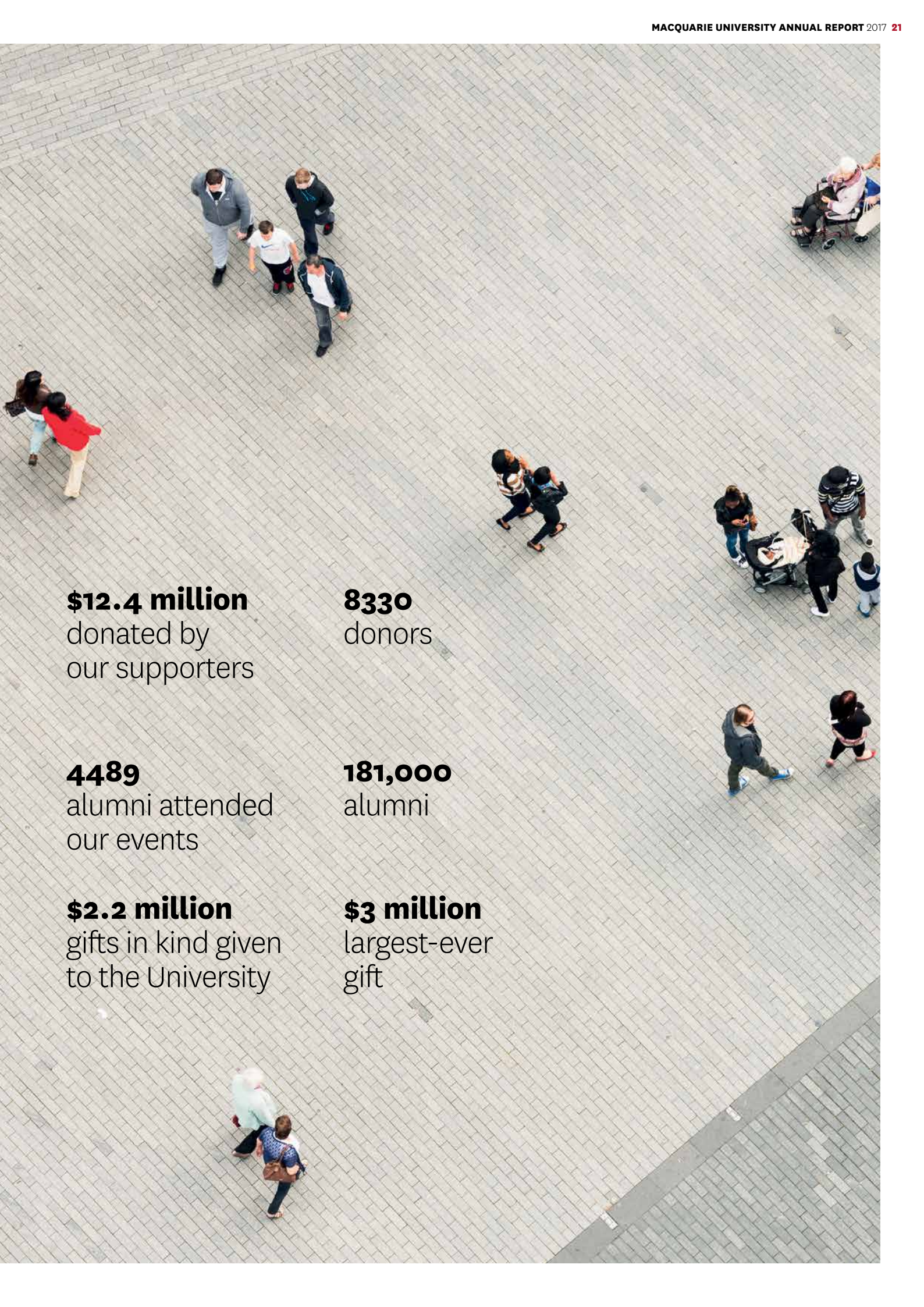
## COMMUNITY OUTREACH

Macquarie hosts a number of events and activities to engage the broader community each year. Activities hosted in 2017 include:

- The Astronomy Open Night, where the community can meet and chat with real-life astronomers, observe stars, planets, nebulae, star clusters and much more.
- The *FIRST* Robotics program, which provides a training ground for young people to explore their creativity and team skills.
- Hearing Awareness Week, held in conjunction with the Australian Hearing Hub, raises public awareness of the growing issue of hearing loss.
- The annual Brian Johns Lecture, which explores and provokes ideas and conversations about the past, present and future of the media and other creative industries.
- The Australian South Asia Forum festival, which brings together the worlds of Bollywood and Sinhalese film for the community.
- The CAVE (Centre for Agency, Values and Ethics) public lecture, with 2017 guest speaker Dr Tim Soutphommasane, Race Discrimination Commissioner, presenting on moral psychology and race.
- An annual Human Sciences public lecture series, which this year included The ABCs of OCD.
- The Lighthouse Lecture Series, which included presentations on the causes and consequences of the global growth slump, and on work and income in the age of artificial intelligence.







**\$12.4 million**  
donated by  
our supporters

**8330**  
donors

**4489**  
alumni attended  
our events

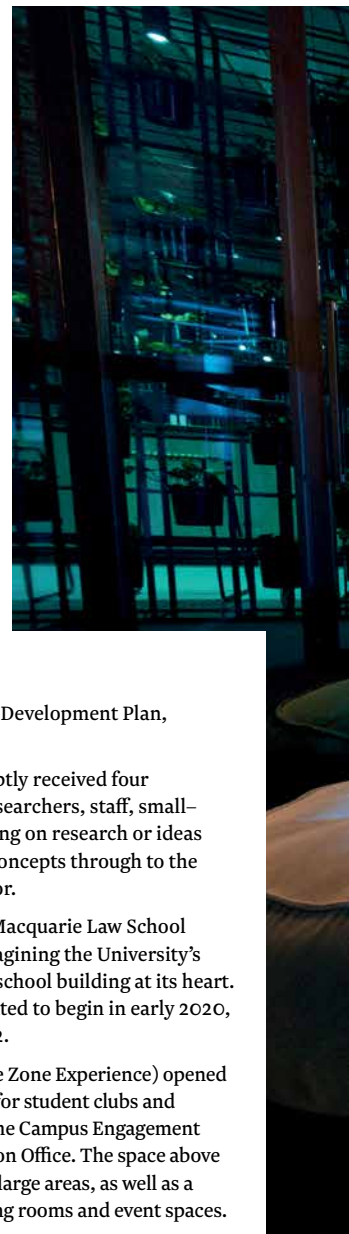
**181,000**  
alumni

**\$2.2 million**  
gifts in kind given  
to the University

**\$3 million**  
largest-ever  
gift



# Investing in our future



## We invest in projects that attract great students and support world-class research and partnerships with like-minded organisations.

### TRANSFORMING THE CAMPUS

During the year we undertook a number of major works as part of our Campus Development Plan, which will help us create a vibrant, sustainable world-class university.

The Macquarie University Incubator officially opened in September and promptly received four awards at the 2017 Australian Timber Design Awards. Created for students, researchers, staff, small-medium-sized enterprises (SMEs), entrepreneurs and start-ups who are working on research or ideas that can be commercialised, the Incubator has already nurtured a number of concepts through to the commercialisation stage. See page 10 for more information about the Incubator.

Plans to redevelop the Macquarie Law School were announced, re-imagining the University's campus with a new law school building at its heart. Construction is anticipated to begin in early 2020, with completion in 2022.

MAZE (Macquarie Active Zone Experience) opened and is now the new hub for student clubs and societies, as well as for the Campus Engagement team and Accommodation Office. The space above MUSE features multiple large areas, as well as a variety of smaller meeting rooms and event spaces.

Work also began on an exciting new Arts Precinct. The new area will showcase the unique nature of each department in the Faculty of Arts and will include a renewal of current buildings and the addition of a new 4800m<sup>2</sup> building consisting of office and showcase spaces as well as a consolidated museum facility.

To better cater for the safety of our students and staff, the University is also undertaking some key public realm upgrade works, including realigning Innovation Road from College Creek to the rear of the BD building and converting Research Park Drive to a paved and landscaped shared zone.

To create a campus better suited for Macquarie's growth, the central Campus Hub building was demolished at the end of the year. In its place will be an innovative new learning and teaching building, food and beverage outlets, and the first two of five student housing buildings. A Campus Common precinct was established to house several food and beverage outlets in the interim.

### TRANSFORMING OUR TECHNOLOGY

During the year, 20 per cent of University staff responded to the sector-wide IT Service Quality Survey. The University ranked tenth against peer universities with a benchmark score of 71 per cent. Overall satisfaction with IT services improved by 12 per cent from 2016. Opportunities for improvement were highlighted and will inform both short- and long-term initiatives.

A comprehensive roadmap for all major platforms used by the University was developed in consultation with stakeholders. Beginning in 2018, this roadmap will guide the transformation of enabling technology and infrastructure, improving student and staff experience and efficiency.

### TRANSFORMING OUR WORKFORCE

The University launched its *Workplace Gender Equity Strategy* on International Women's Day, with 900 staff participating in events across campus. The strategy's six commitments include: building an inclusive culture, holding leaders accountable, improving representation of women in senior academic roles and STEMM, achieving more gender balance in leadership, making flexibility the norm and closing the pay gap.

Further, a key initiative of the strategy is participation in the Science in Australia Gender Equity (SAGE) pilot program of the Athena SWAN Charter. SAGE is an accreditation and improvement program for higher education and research organisations aimed at increasing the promotion and retention of women and gender minorities in STEMM. The University is working towards an Athena SWAN Institutional Bronze Award.



A new scheme supporting early-career researchers and the principles of gender equity and diversity was also unveiled. Macquarie's Primary Carer Support for Conference Attendance grants assist academic staff who have primary carer responsibilities to attend and present at conferences.

The University upgraded parenting rooms and achieved accreditation as a Breastfeeding Friendly Workplace by the Australian Breastfeeding Association.

During the year, Macquarie developed an action plan to support mature-age employee inclusion. A series of workshops designed to identify new opportunities, consolidate goals and transform careers was hosted for staff aged over 45.

The University evaluated outcomes of the *Disability Action Plan 2012 – 2017*, conducting focus groups with staff and students with disability. Feedback from the focus groups will inform the development of the *Access and Inclusion Plan 2018-2020*.

Macquarie also developed an action plan to support inclusion of LGBTIQ employees and relaunched its Ally Network. A number of events were hosted, including in the lead up to and during the Australian Government postal survey on marriage equality. The University also participated in benchmarking against the Australian Workplace Equality Index.

The University provided opportunities for all staff to develop their understanding of workforce diversity and inclusion issues. This included the pilot of a diversity and inclusion masterclass series and workshops on topics such as disability confidence, cultural inclusion, LGBTIQ awareness and unconscious bias.

Macquarie's commitment to retaining the talent and expertise of women at all levels of health and medical research was cited as 'excellent' by the NHMRC.

Workplace diversity and inclusion goals for 2018 include:

- implementing the *Workplace Gender Equity Strategy*
- developing and implementing the University's *Access and Inclusion Plan 2018 – 2020*
- implementing a diversity and inclusion staff survey
- implementing staff strategies related to the Respect. Now. Always campaign
- developing diversity and inclusion learning resources (face-to-face and online).

See page 36 for more information on workforce transformation initiatives.

# Our students

In 2017, we continued to work towards offering the best student experience in Australia.



### ORIENTATION

Throughout the year orientation activities helped more than 7500 students find their feet at University.

### STUDENT GROUPS AND SPORTING CLUBS

Created and run by students, Macquarie's approximately 120 student groups and sporting clubs help students connect with people with similar passions and interests.

### MACQUARIE UNIVERSITY LIBRARY

Macquarie University library provides access to millions of print and electronic resources. It features group and quiet study areas; computers, printers and copiers; presentation practice pods; a café; and high-tech robotic cranes that deliver books in minutes.

### MUSE

MUSE is a social learning space that combines the atmosphere of a group hangout and the quiet study ambience of the library.

### MACQUARIE UNIVERSITY MENTORS

One of Australia's longest-running peer support programs, the Macquarie University Mentors Program offers students advice on settling in, finding their way around campus and tips on adapting to university life.

### LEARNING SKILLS

Macquarie offers free workshops and online resources to help students with academic writing, referencing and exam strategies, as well as with maths and statistics at the Numeracy Centre.

### CAREER SERVICES

The Career and Employment Service helps students prepare résumés, identify career options and connect students and graduates with employers and industry bodies.

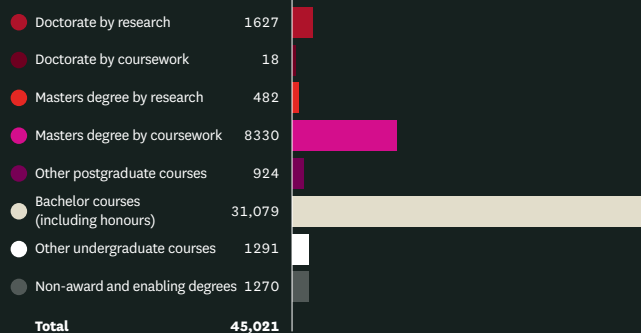
### ACCOMMODATION

Students can choose from a range of safe, supportive accommodation options, including university housing, residential colleges, studios, apartments and private listings.

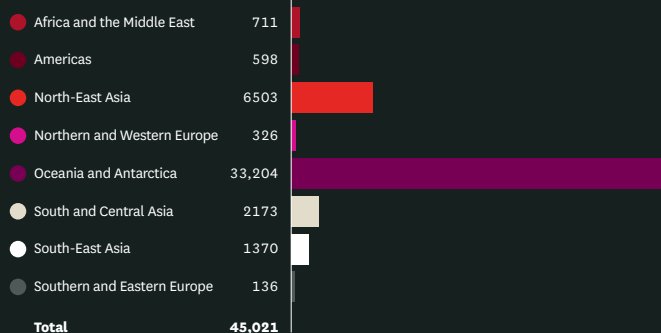
### FITNESS

Our sport facilities are some of the best university facilities in the country. We offer a state-of-the-art health club, swimming pools, sports fields and courts, a martial arts area and gymnastics hall. Students can also participate in a range of sports including AFL, cheerleading, cricket, fencing, hockey, quidditch, rowing, rugby union, scuba diving, skiing and snowboarding, soccer, squash, swimming, table tennis, ultimate frisbee and water polo.

Enrolments by program level 2017



Enrolments by home location 2017







**LEFT AND ABOVE:** Mulga the Artist and students paint a mural as part of a range of O-Week activities. Photos by Joanne Stephan.

**STUDENT HEADCOUNT**

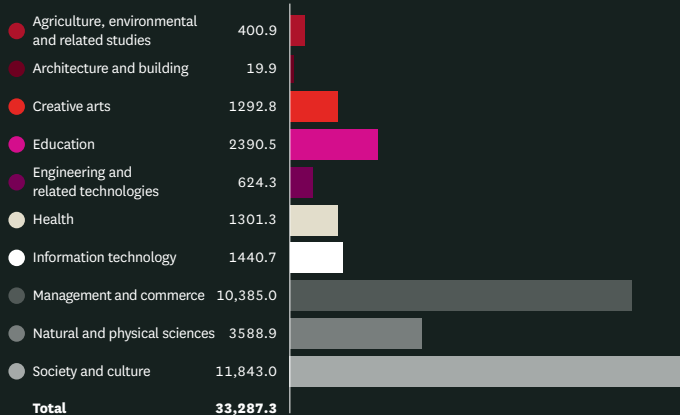
In 2017, 45,021 students were enrolled at Macquarie, an increase of 2268 (5.3 per cent) students compared with 2016.

There was an increase of 1567 international students compared with 2016, while domestic student enrolments increased by 701 over the same period.

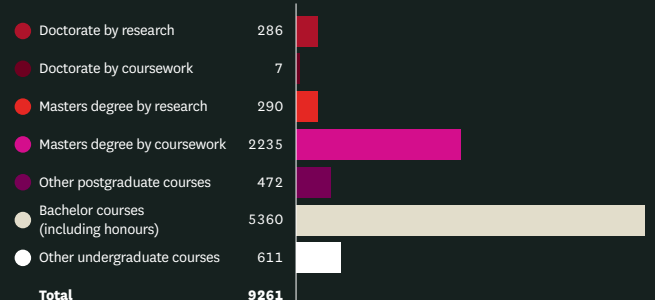
There were 11,660 international students from more than 120 countries, making up 25.9 per cent of students. Of these, 1244 students were enrolled in the University's pathway college and 262 students in offshore programs in China, Hong Kong, Korea and Singapore.

The University's total equivalent full-time student load in 2017 was 33,287.3, an increase of 1960 (6.3 per cent) over 2016. Of the total student load, 79 per cent was in undergraduate courses and 21 per cent in postgraduate courses.

**Student load by discipline 2017**



**Student awards 2017**



\*2017 Course completions as of 4 January 2018. This data is preliminary. Final figures to be confirmed in line with Australian Government reporting requirements

# Awards, honours and rankings

## VICE-CHANCELLOR'S LEARNING AND TEACHING AWARDS

### STUDENT-LED AWARD

- Faculty of Arts – Dr Govand Azeez, Julian Dight, Dr Christopher Forbes
- Faculty of Business and Economics – Prashan Shayanka Mendis Karunaratne, Dr Liyu He, Alex Belli
- Faculty of Human Sciences – Dr Anita Szakay, Annette Magee, Mandy Yeates
- Faculty of Medicine and Health Sciences – Dr Mark Butlin, Dr Liz Schroeder, Associate Professor Taryn Jones
- Faculty of Science and Engineering – Matthew Mansour

### VICE-CHANCELLOR'S CITATIONS FOR OUTSTANDING CONTRIBUTION TO STUDENT LEARNING

- Dr Matthew Bailey, Department of Modern History, Politics and International Relations
- Jean-Christophe Froissard, Professor Deborah Richards, Amara Atif and Dr Danny Liu, Faculty of Arts Learning and Teaching team
- Dr Karen Pearlman and Dr Iqbal Barkat, Department of Media, Music, Communication and Cultural Studies
- Dr Kate Scrivener, Department of Health Professions
- Associate Professor Kerry Sherman, Dr Sue Ferguson, Dr Jessica Alcorso, Christopher Kilby, Michael Rampe and Michael Catabay, Department of Psychology
- Dr Lay Peng Tan, Department of Marketing and Management
- Dr Kira Westaway, Department of Environmental Sciences

### VICE-CHANCELLOR'S AWARD FOR PROGRAMS THAT ENHANCE LEARNING

PACE International – for strengthening student employability and professional capabilities, while enabling them to become active and thoughtful global citizens

## VICE-CHANCELLOR'S AWARD FOR TEACHING EXCELLENCE

- Dr Jana Lay-Hwa Bowden, Department of Marketing and Management
- Dr Verity Pacey, Department of Health Professions
- Prashan Shayanka Mendis Karunaratne, Department of Economics
- Dr Wayne Warburton, Department of Psychology

## VICE-CHANCELLOR'S RESEARCH EXCELLENCE AWARDS

### EXCELLENCE IN HIGHER DEGREE RESEARCH

- Humanities, Business and Social Sciences – Dr Nathan Caruana, Department of Cognitive Science
- Medicine, Science and Engineering – Dr Louise Kristensen, Department of Environmental Sciences

### EXCELLENCE IN HIGHER DEGREE RESEARCH SUPERVISION

- Professor Paul Haynes, Department of Molecular Sciences

### EARLY-CAREER RESEARCHER OF THE YEAR

- Humanities, Business and Social Sciences – Dr Carly Johnco, Department of Psychology
- Medicine, Science and Engineering – Dr Chris Reid, Department of Biological Sciences

### EXCELLENCE IN RESEARCH: FUTURE-SHAPING RESEARCH PRIORITIES

- Healthy People – Associate Professor Kerry Sherman, Department of Psychology
- Resilient Societies – Professor Kathryn Millard, Department of Media, Music Communication and Cultural Studies
- Prosperous Economies – Professor Mark Wiggins, Department of Psychology
- Secure Planet – Dr Kira Westaway, Department of Environmental Sciences
- Innovative Technologies – Associate Professor Rich Mildren, Department of Physics and Astronomy

## THE JIM PIPER AWARD FOR EXCELLENCE IN RESEARCH LEADERSHIP

- Associate Professor Melanie Bishop, Department of Biological Sciences

### 2017 DISTINGUISHED PROFESSORS

- Michael Gillings, Department of Biological Sciences
- Michelle Leishman, Department of Biological Sciences
- Nicolle Packer, Department of Molecular Sciences
- Bill Thompson, Department of Psychology
- Michael Withford, Department of Physics and Astronomy

## VICE-CHANCELLOR'S EXCELLENCE AWARDS FOR PROFESSIONAL STAFF

### COLLABORATION AND CONNECTION CATEGORY

- Adam Joyce, Department of Physics and Astronomy

### LEADERSHIP EXCELLENCE CATEGORY

- Neta Mahbubani, Faculty of Business and Economics Student Administration

### OUTSTANDING SERVICE CATEGORY

- Medicine and Health Sciences team (Dr Welly Firmanto, Hayley Harris, Tania Kinane)

### INNOVATION AND PROCESS IMPROVEMENT

- Dr Erin Semon, Office of the Deputy Vice-Chancellor (Research)



#### EXTERNAL AWARDS AND HONOURS

- Associate Professor Catherine Birman won the 2017 NSW Premier's Award for Woman of the Year.
- The Biodiversity Node of the NSW Adaptation Research Hub, hosted by Macquarie University, won the 2017 BHERT Award for Outstanding Collaboration for National (non-economic) Benefit.
- Professor Jeffrey Braithwaite, founding director of AIHI at Macquarie, was named president-elect of the International Society for Quality in Health Care.
- Dr Emilie Ens, with the Ngukurr Wi Stadi bla Kantri (We Study the Country) Research Team, received a Eureka Prize for Innovation in Citizen Science, for developing tools for cross-cultural biodiversity assessment with national applications.
- Dr Jemma Geoghegan, Department of Biological Sciences, was recognised for her work in evolutionary biology with a Young Tall Poppy Science Award.
- In the category of Internationalising the Campus, the GLP was awarded the 2017 IIE's Andrew Heiskell Award for Innovation in International Education.
- Professor Ewa Goldys, Deputy Director, ARC Centre of Excellence for Nanoscale BioPhotonics, was named a Fellow of the Australian Academy of Technological Sciences and Engineering.
- Professor Richard Kefford and Professor Ian Wright were named Web of Science 2017 Highly Cited Researchers.
- Professor Neil Levy, Department of Philosophy; Professor Marion Maddox, Department of History, Politics and International Relations; and Professor Ingrid Piller, Department of Linguistics; were appointed to the Australian Academy of the Humanities, in recognition of their continued outstanding scholarship and practice in their disciplines.
- Emeritus Professor Samuel Lieu, Department of Ancient History, was elected president of the Union Académique Internationale.

## Our pioneering research discoveries and acclaimed academic programs led Macquarie to be recognised as one of the top universities in Australia.

- Associate Professor Rich Mildren was awarded the Eureka Prize for Outstanding Science in Safeguarding Australia, for advancements in laser technology.
- Professor Richard Kefford received the NSW Premier's Award for Outstanding Cancer Researcher of the Year.
- Professor Helen Rizos received the Wildfire Highly Cited Publication Award at the NSW Premier's Awards.
- PACE won the Employability Award in *The Australian Financial Review* 2017 Higher Education Awards.
- PACE International was awarded a Highly Commended for Excellence in Community Engagement in the 2017 ATEM Best Practice Awards.
- PACE, and with three Macquarie staff – Dr Kira Westaway, Dr Neil Harrison and Corrinne Sullivan – were recognised as part of the 2017 Australian Awards for University Teaching (AAUT).

#### RANKINGS

Macquarie has again been ranked as a leading institution in the highly regarded 2017 Academic Ranking of World Universities (ARWU), being named within the top 200 universities worldwide. Our pioneering research discoveries and acclaimed academic programs also led the University to be recognised as one of the top universities in Australia, ranked within the 9-10 band.

Macquarie also joins other leading universities in the Asia-Pacific that appear within the top 200 in the world.

Macquarie moved into the 121-130 band and in the tenth position in Australia in the 2018 QS Graduate Employability rankings. The assessment is based on alumni outcomes, employer-student connections, employer reputation, graduate employment rate and partnerships with employers.



# Built for speed

In 2017, Macquarie became the first Australian university to send a team to Battle Mountain, Nevada, to compete in the 2017 World Human-Powered Speech Challenge.

The MQ Speed team, comprising Macquarie engineering students, used state-of-the-art computational modelling, materials testing and physical testing on campus during the four-year development project.

Enclosed in an aerodynamic capsule, the human powered vehicle has around 1/50th the drag of a conventional bicycle and can travel at speeds of up to 144 kilometres per hour. The external structure is made of tough, lightweight carbon fibre that has no windscreen. Instead, the rider is able to see via the mounted cameras and screen within the shell.

## UNITING PACE AND THE MASTER OF RESEARCH

The students travelled to Battle Mountain to test the limits of their vehicle – known as MQ1 – as part of their PACE unit. The PACE program is unique to Macquarie and gives students the opportunity to apply the knowledge they gain in the classroom to real-world situations while developing valuable career and life skills.

Master of Research (MRes) student Sajjad Saleh says it was a great experience.

“Our team covered the most kilometres and had the most successful launches. “The rider [Charles Easton-Berry] reached speeds of up to 90 kilometres per hour and only had one crash – which he enjoyed.

“Safety is a really important part of our design, so it was comforting to know that he could crash at 80 kilometres/hour and emerge unscathed.”

## RENEWED FOCUS

The success of the MQ Speed team is testament to Macquarie’s renewed focus on engineering, which is exemplified by the launch of its School of Engineering in October 2017.

The new school, which is part of the Faculty of Science and Engineering, is aiming for rapid growth in staff, students and research output in the coming years. This growth, in conjunction with an increasing level of engagement with corporate and government organisations, will help Macquarie play a big part in alleviating the current shortfall of graduating engineers in Australia.

## The students travelled to Battle Mountain to test the limits of their vehicle – known as MQ1 – as part of their PACE unit.

Students will be involved in project-based learning, an approach designed to attract high-calibre students who want to come to university for the experience, rather than a grade only. This approach will also help produce graduates who provide immediate value to employers thanks to their hands-on experience solving problems and working in teams to complete projects.

They will also be exposed to experts from a range of backgrounds and industries, helping drive an entrepreneurial culture among our students and support the innovation economy.

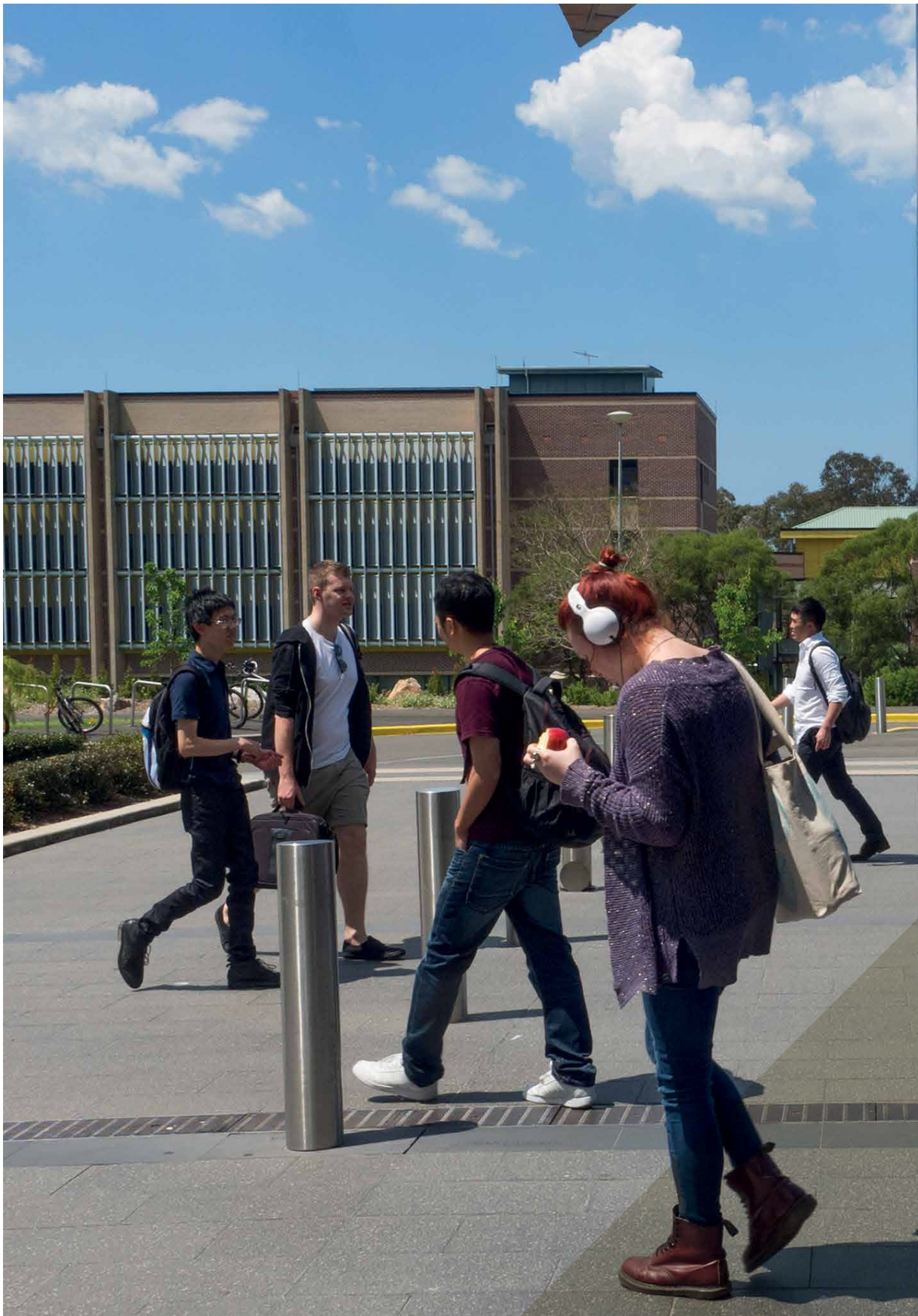






The MQ Speed team in action at Battle Mountain in Nevada. Photos by Joanne Stephan.







# Statutory reporting

A photograph of a university campus. In the foreground, several students are walking on a paved path. A woman with red hair, wearing a purple sequined top and blue jeans, is walking towards the left, carrying a large bag and holding a red apple. Behind her, a man in a dark shirt and jeans is walking. Further back, a man in a white shirt and dark jacket is walking, and another man in a dark shirt and pants is walking towards the right. In the background, there is a large building with a grid of glass windows. The sky is blue with scattered white clouds. The text 'Statutory reporting' is overlaid in large, bold, white font across the upper half of the image.

## MACQUARIE UNIVERSITY COUNCIL

Macquarie University Council is the governing authority of the University, established under Part 3 of the *Macquarie University Act 1989* (NSW). 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. The Council comprises 19 members who contribute a blend of commercial, governance, legal, academic, administrative and public sector expertise to the business and operation of the Council. Members are elected or appointed in accordance with the provisions of the *Macquarie University Act 1989* and the Macquarie University By-Law 2005.

### 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 2020

#### 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 Mariella Herberstein, BSc Syd, (Hons)  
UNSW, Mag Rer Nat University of Vienna, Dr Rer  
Nat University of Vienna

Appointed 1 May 2016

#### ELECTED BY AND FROM THE ACADEMIC STAFF

*Pursuant to section 8d of the Act*

Professor Catherine Dean, PhD, MA, BAppSc  
(Phy) Current term to 31 December 2017  
(Re-appointed to 31 December 2019)

Professor Richie Howitt, BA (Hons), Dip Ed Ncle,  
PhD UNSW, PGCert Ed Lship Macq  
Retired 31 December 2017

Professor Deb Kane, BSc (Hons) Otago,  
PhD St Andrews  
Current term to 31 December 2017.  
Retired 31 December 2017.

#### ELECTED BY AND FROM THE NON-ACADEMIC STAFF

*Pursuant to section 8d of the Act*

Leanne Denby, BA  
Current term to 31 December 2018

#### ELECTED BY AND FROM THE STUDENTS OF THE UNIVERSITY

*Pursuant to section 8d of the Act*

Kieren Ash  
Retired 31 May 2017

Cissy Shen  
Current term to 31 May 2019

### GRADUATE MEMBERS 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 2021

Chum Darvall, BA Macq, F Fin, FAICD  
Current term to 31 December 2020

John Wigglesworth, BEc Macq, CA  
Current term to 28 February 2019

Frank Zipfinger, LLB, LLM, BAcc, BEcon,  
MBA, AICD  
Current term to 28 February 2019

#### APPOINTED BY COUNCIL

*Pursuant to section 8f of the Act*

Elizabeth Crouch, BEc Macq, FAICD  
Current term to 30 June 2018

Deborah Hadwen, BA, MA, M CommLaw  
Macq, MAICD  
Current term to 29 February 2020

Gregory Mackenzie Jones, BA Macq, MA Macq  
Current term to 30 June 2018

The Hon Sandra Christine Nori, BEc Syd  
Current term to 30 June 2018

Jingmin Qian, BEc, MBA, CFA, FAICD  
Current term to 28 February 2019

#### APPOINTED BY THE MINISTER FOR EDUCATION

*Pursuant to section 8g of the Act*

The Hon Patricia Forsythe, BA, DipEd Newcastle  
NSW, FAICD  
Current term to 31 December 2020

Ms Louise Mason, BA, LLB (Hons) Macq  
Current term to 31 December 2020

Council membership as at 31 December 2017  
Note Wylie Bradford has been elected from 1 January 2018

**MEMBERS' ATTENDANCE AT MEETINGS**

<b>Council</b>	<b>A</b>	<b>B</b>
The Hon Michael Egan	7	7
Ms Elizabeth Crouch	7	7
Professor S Bruce Downton	7	7
Professor Mariella Herberstein	7	7
Mr Kieren Ash	2	1
Mr Brendan Crotty	7	4
Mr Chum Darvall	7	5
Professor Catherine Dean	7	7
Ms Leanne Denby	7	5
The Hon Patricia Forsythe	7	7
Ms Deborah Hadwen	7	7
Professor Richie Howitt	7	7
Mr Gregory Jones	7	6
Professor Deborah Kane	7	6
Ms Louise Mason	7	5
The Hon Sandra Nori	7	6
Ms Jingmin Qian	7	7
Ms Cissy Shen	5	4
Mr John Wigglesworth	7	7
Mr Frank Zipfinger	7	7

A - Number of meetings eligible to attend

B - Number of meetings attended

**PRINCIPAL ACTIVITIES**

Principal continuing activities of the consolidated entity during 2017 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) 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 engages 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 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**

Activities of the Macquarie University Council during 2017 included:

- receipt of the Vice-Chancellor's report at each Council meeting, covering major strategic items, external developments and general issues of note, including selected projects and goals related to the objectives contained in the University's strategic plan

- receipt of regular reports on health and safety across the University
- regular review of key risks
- approval of key compliance reports including the *Macquarie University Annual Report 2016*
- approval of the 2018 Consolidated Budget and 2018 Capital Management Plan
- approval of the conferral of various honorary awards
- approval of updated Delegations of Authority
- receipt of presentations on the University's strategy, the nature and size review of the University, people and culture strategy, governance review, research framework, Indigenous strategy, results of the Your Say staff survey and the 2018 University budget and capital plan.

**UNIVERSITY COUNCIL REVIEW**

During the year, the University Council commissioned an expert assessment of its size and governance practices. Emeritus Professor Janice Reid, former Vice-Chancellor of Western Sydney University, and Dr Rhonda Hawkins AM, now Deputy Vice-Chancellor at Victoria University, were contracted to conduct the review and reported back to the Council in March.

Several recommendations were made to improve the efficiency and decision-making capacity of the University Council, freeing it up to oversee strategic matters. Council has already implemented several of the recommendations and will implement further recommendations during 2018, some of which may require regulatory change. One key recommendation was to reduce

the Council's size. The Council has agreed to reduce its size to 15 members by 30 June 2018.

**CHANGES TO UNIVERSITY RULES**

Revised University Rules that reflect decisions of the University Council have recently been published. The amended Rules include:

- Academic Costume Rules, to reflect the establishment of a new Honorary Doctor of Economics
- Academic Senate, General Coursework, Higher Degree Research and Higher Doctoral Degree Rules, to reflect the alignment of MGSM with the Faculty of Business and Economics. In addition, the Higher Degree Research Rules now reflect the establishment of the Research and Research Training Committee and amendments to HDR policy.

**COMPLIANCE WITH THE VOLUNTARY CODE OF BEST PRACTICE FOR THE GOVERNANCE OF AUSTRALIAN UNIVERSITIES**

In accordance with Clause 14 of the Voluntary Code of Best Practice for the Governance of Australian Universities (the Code), the University advises that it is in full compliance with the Code.



## LEGAL AFFAIRS

### CHANGES TO ACTS AND SUBORDINATE LEGISLATION

#### **UNIVERSITIES LEGISLATION AMENDMENT (PLANNING AGREEMENTS) ACT 2017 NO 23 (NSW)**

Commencing on 1 July 2017, this Act amends the *Macquarie University Act 1989* (NSW) so that the University Council may enter into voluntary planning agreements under the *Environmental Planning and Assessment Act 1979* without approval of the Minister, except where the acquisition of land from the state is for nominal or less than market value. The same amendments have been made to the Acts of the nine other NSW universities.

#### **RETAIL LEASES ACT 1994 (NSW)**

Effective from 1 July 2017, the amendments to this Act provide that a landlord may enter into a retail lease for any length of time with no restrictions. Previously, there was a minimum five-year term for retail leases, in the absence of a tenant obtaining a solicitor or conveyancer certificate. Amendments were also made to the disclosure statements which now preclude the landlord from recovering outgoings from the tenant that were not disclosed in the disclosure statement. It is also now a legal requirement to register a retail lease of three years or more.

#### **PRIVACY AMENDMENT (NOTIFIABLE DATA BREACHES) ACT 2017 (CTH)**

This Act amends the *Privacy Act 1988* (Cth) to introduce mandatory eligible data breach notification for entities regulated by the *Privacy Act 1988*. The Act takes effect from 22 February 2018. The mandatory notification regime requires an entity to take positive steps in the event of a data breach (including loss or disclosure of personal information by the entity) that a reasonable person would conclude is likely to result in serious harm. The amendments will apply to all controlled entities of the University and to the University to the extent that it collects and holds tax file numbers. The University must comply with the data breach notification scheme where there is loss or unlawful disclosure of tax file tax number information and where those tax file numbers can be connected with the identity of an individual.

#### **EDUCATION LEGISLATION AMENDMENT (PROVIDER INTEGRITY AND OTHER MEASURES) ACT 2017 (CTH)**

This Act, passed on 10 August 2017, amends the *Education Services for Overseas Students Act 2000* (ESOS Act). The changes strengthen the Australian Government's ability to monitor and prevent unscrupulous businesses from gaining registration to deliver education to overseas students. The University must now notify ESOS agencies when there is a 'notifiable event', including any event that affects the University's ability to comply with the ESOS Act. The University must maintain its status as a 'fit and proper' provider to teach students. The Australian Government will release and share information about education agents with the University to encourage compliance with the ESOS Act.

The *National Code of Practice for Providers of Education and Training to Overseas Students 2018* (Cth) (National Code 2018) is a legislative instrument made under the ESOS Act and sets nationally consistent standards to support the delivery of quality education and training to overseas students. The National Code 2018 commences on 1 January 2018 and replaces the National Code 2007. The University must comply with the 11 standards in the National Code to maintain its registration as an education provider to overseas students, including meeting requirements in relation to the written agreement between the University and the student, English language requirements and support for younger overseas students.

**ENVIRONMENTAL REGULATION**

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

**LEGISLATION**

- *Biodiversity Conservation Act 2016* (NSW)
- *Building Energy Efficiency Disclosure Act 2010* (Cth)
- *Contaminated Land Management Act 1997* (NSW)
- *Environmental Planning and Assessment Act 1979* (NSW)
- *Environment Protection and Biodiversity Conservation Act 1999* (Cth)
- *Heritage Act 1997* (NSW)
- *Local Government Act 1993* (NSW)
- *National Greenhouse and Energy Reporting Act 2007* (Cth)
- *Pesticides Act 1999* (NSW)
- *Protection of the Environment Operations Act 1997* (NSW)
- *Water Management Act 2000* (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)
- Protection of the Environment Operations (Clean Air) Regulation 2010 (NSW)
- Protection of the Environment Operations (Waste) Regulation 2014 (NSW)

## HUMAN RESOURCES

Macquarie is a destination of choice for staff who share our values. We imbue our people with a culture of transformative learning, expand their horizons and nurture their capabilities.

### HR STRATEGY AND SERVICE

In 2017, Human Resources (HR) continued to provide transactional, advisory and strategic people services to the University and its entities. The year saw further alignment of HR service delivery in entities, including implementation of the recruitment and talent management system PageUP in Macquarie University Hospital, transfer of Macquarie University Hospital payroll to central HR and the successful integration of MGSM professional staff into the University.

A number of HR policies and procedures were reviewed and implemented in 2017, including Academic Promotion, Recruitment, Probation and Distinguished Professor policies.

### DEVELOPMENT

An innovative new academic promotion scheme was launched in 2017. The new scheme, based on Boyer's four areas of scholarship, recognises the diversity of scholarship and the value of each type of scholarship. It creates flexible career pathways, allowing individual academics to work to their strengths. With extensive consultation and a comprehensive training program for applicants, committees and staff in academic leadership roles, the scheme had high levels of engagement and positive feedback. The first round of promotions under the new scheme saw a 60 per cent increase in applications compared with previous years.

A staff mobility scheme was designed and implemented in the second half of 2017. This scheme facilitates internal secondment opportunities (for a period of up to 12 months) at the University.

A Talent Review and Succession Management Process was developed and piloted in line with business continuity planning and career opportunities.

A bespoke leadership program was developed for a faculty's executive team. The program involved a holistic approach to building management and leadership capability.

### STAFF ENGAGEMENT AND CULTURE

Action planning linked to the results of the Your Say 2016 staff engagement survey ramped up in 2017, with local champions progressing key actions for their area. During the year, 39 projects were identified at both local and University levels with nine completed and 28 projects in progress.

Human Resources again partnered with faculties and external health partners to deliver Wellbeing Week in September 2017. These collaborators included the Department of Psychology, MQ Health, the Macquarie University GP Clinic, the Faculty of Medicine and Health Sciences, the MindSpot Clinic, MGSM, the Art Gallery, Macquarie University Sport and Aquatic Centre, the Centre for Emotional Health, SMG Health, Children's Services, Davidson Trahaire Corpsych (Employee Assistance Program), the Library, U Massage, UniSuper, R U OK?, Corporate Bodies International and Medibank. During the week, staff had the opportunity to attend seminars and activities focused on enhancing and maintaining their personal wellbeing. With 1291 registrations, participation from staff doubled since the pilot of Wellbeing Week in 2016.

### STAFF NUMBERS (FTE)<sup>1</sup>

Category	2014	2015	2016	2017
Academic	1493	1525	1553	1645
Professional	1558	1674	1668	1837
<b>Total</b>	<b>3051</b>	<b>3199</b>	<b>3221</b>	<b>3482</b>

<sup>1</sup> Includes continuing, fixed-term and casual staff FTE

### NUMBER OF SENIOR EXECUTIVE STAFF<sup>2</sup>

	2015		2016		2017	
	M	F	M	F	M	F
Band 3 (Vice-Chancellor)	1	0	1	0	1	0
Band 2 (Deputy Vice-Chancellor)	3	1	4	1	3	0
Band 1 (Executive Group)	5	3	4	3	4	3
<b>Subtotal</b>	<b>9</b>	<b>4</b>	<b>9</b>	<b>4</b>	<b>8</b>	<b>3</b>
<b>Total</b>	<b>13</b>		<b>13</b>		<b>11</b>	

<sup>2</sup> Numbers as at 31 December 2017



**AVERAGE SENIOR EXECUTIVE SALARY**

Band	Range	2015	2016	2017
Band 3 (Vice-Chancellor)	\$700,000–\$1,000,000	\$880,000	\$890,000	\$980,000
Band 2 (Deputy Vice-Chancellor)	\$400,000–\$699,999	\$470,000	\$470,000	\$480,000
Band 1 (Executive Group)	\$300,000–\$599,999	\$400,000	\$400,000	\$380,000

In terms of employee-related expenditure, 1.11 per cent of expenditure was related to senior executives in 2017, compared with 1.60 per cent in 2016.

Professional and academic staff covered by an enterprise agreement received a wage increase of three per cent. The recommended increase for staff employed on individual contracts was two per cent. There were no other exceptional movements in wages, salaries or allowances.

**TRENDS IN THE REPRESENTATION OF EEO GROUPS<sup>1</sup>**

	Benchmark or target	2014	2015	2016	2017
<b>Professional staff</b>					
Women	50	65.3	66.2	67.4	67.5
Aboriginal and Torres Strait Islander peoples <sup>2</sup>	2.6	0.7	0.7	0.9	1.2
People whose first language is not English	19	34.8	35.0	32.2	33.8
People with a disability	N/A	4.2	4.5	5.3	4.9
People with a disability requiring work-related adjustment	1.5	0.9	0.9	0.7	0.9
<b>Academic staff</b>					
Women	50	42.0	43.0	44.7	44.6
Aboriginal and Torres Strait Islander peoples <sup>2</sup>	2.6	0.8	0.4	0.7	0.7
People whose first language is not English	19	30.8	31.3	30.6	31.7
People with a disability	N/A	3.9	3.4	3.7	3.5
People with a disability requiring work-related adjustment	1.5	0.9	1.0	1.0	0.9

**TRENDS IN THE DISTRIBUTION OF EEO GROUPS<sup>3</sup>**

	Benchmark or target	2014	2015	2016	2017
<b>Professional staff</b>					
Women	100	91	92	93	94
Aboriginal people and Torres Strait Islanders <sup>2</sup>	100	N/A	N/A	N/A	94
People whose first language is not English	100	86	88	84	85
People with a disability	100	117	118	120	110
People with a disability requiring work-related adjustment	100	N/A	N/A	N/A	N/A
<b>Academic staff</b>					
Women	100	81	82	78	78
Aboriginal and Torres Strait Islander peoples <sup>2</sup>	100	N/A	N/A	N/A	N/A
People whose first language is not English	100	83	85	77	78
People with a disability	100	107	98	104	110
People with a disability requiring work-related adjustment	100	N/A	N/A	N/A	N/A

<sup>1</sup> Headcount of all permanent and fixed-term contract, full-time and part-time staff as at 31 March

<sup>2</sup> Based on the responses to a voluntary self-service staff equity survey

<sup>3</sup> A distribution index of 100 indicates that the centre of 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. An index more than 100 indicates that the EEO group is less concentrated at the lower salary levels. N/A denotes where numbers are too small for the distribution index figure to be reliable.

NOTE: Figures are percentages

## ACCESS AND INCLUSION INITIATIVES

### MACQUARIE ENTRY

With Macquarie Entry, we recognise students' strengths, interests and personal circumstances. Through a range of tailored entry criteria, we ensure that they enter university with the appropriate support for success in their studies and in their career.

Our Macquarie Entry programs consider a variety of criteria, ranging from the ATAR plus bonus points (known as 'adjustment factors' from 2018), to academic results in relevant HSC subjects, to local community engagement activities, to previous study or work experience. The following programs were offered in 2017:

- Academic Entry Program
- Selection Rank (ATAR plus Bonus Points – Academic Advantage; Educational Access Scheme; Rural Bonus Scheme; Elite Athlete and Artistic Performers Scheme; Big History Scheme)
- Schools Recommendation Scheme
- Global Leadership Entry Program
- Gifted and Talented Entry Program
- Next Step
- Macquarie University International College – diplomas, foundation and intensive programs
- Walanga Muru Early Entry Program – for Indigenous applicants
- Open Universities Australia (OUA)
- Special Tertiary Admissions Test
- TAFE articulations.

### SCHOLARSHIPS

Macquarie offers a range of generous equity scholarships that are awarded on the basis of financial need or other hardship. Since their introduction in 2008, more than 2250 students have received funding.

### INDIGENOUS STRATEGY

Among the highlights of the year was the continued growth of Aboriginal and Torres Strait Islander student enrolments and graduations. During National Reconciliation Week the University launched its first Reconciliation Action Plan (RAP) and hosted an inaugural Reconciliation Scholarship cocktail event. The cocktail event celebrated the achievements of Indigenous higher education at Macquarie and raised money for student scholarships through an art auction.

Building on the foundations of the *Macquarie Indigenous Strategy 2016 – 2025*, a whole-of-university approach has been supported by the development of an Aboriginal and Torres Strait Islander Workforce Plan that is due to be launched in early 2018; an Indigenous Connected Curriculum Learning and Teaching Framework; and the establishment of an Indigenous Research Cluster. A Cultural Safety Program for staff was piloted in 2017 and will continue to be rolled out across the University in 2018.

Aboriginal and Torres Strait Islander student engagement programs and activities, from outreach to graduation, were internally reviewed with a number of recommendations aimed at further strengthening and increasing quality outcomes that contribute to Aboriginal and Torres Strait Islander student experience.

To provide strong Indigenous academic and research leadership and experience, the position of Head of Department, Indigenous Studies, Faculty of Arts, was established and a staff member recruited.

### MULTICULTURAL POLICIES AND SERVICES

We are committed to ensuring that staff and students from culturally and linguistically diverse (CALD) backgrounds have equal opportunity. More than one-third of our staff identify as coming from CALD backgrounds. Our domestic and international students also represent a wide array of cultures and languages.

We collect and analyse comprehensive data to ensure that initiatives are supported by evidence and specific needs are identified.

### BUILDING OUR CULTURAL CAPABILITY

The University partnered with SBS to present the Cultural Competence Program aimed at building capability around cultural diversity in the workplace for HR staff.

The University also engaged Prisma Cross Cultural Consultants, a global training consultancy focusing on multicultural societies, to present a series of Cultural Intelligence Workshops.

### SUPPORTING OUR STUDENTS AND STAFF

In 2017 the Learning Skills Unit expanded its academic literacy and language services and resources to assist undergraduate and postgraduate coursework students, including CALD students, to develop their academic reading and writing skills. More than 4000 students attended 19 workshops during the orientation period, while 98 academic literacy workshops were conducted for a further 1484 students. The StudyWISE iLearn unit engaged 13,213 active users in its academic skills resources and activities. Similarly, student engagement with the Academic Integrity Module continues to remain high with 5292 active users.

StudyWISE Intensive is a new iLearn module that the Learning Skills Unit developed and launched in 2018, as part of a new Academic Progression Policy, to support students at risk of failing (see page 16 for more information). It provides a suite of meaningful learning resources for struggling students who are triaged into the module to complete a personalised learning pathway. To recognise the differing needs and personal circumstances of struggling students, StudyWISE Intensive includes academic literacy and study skills activities, quizzes, and structured self-help guides designed to help students get back on track and resume their studies.

Increasing demand for support from learning advisers saw them provide students with 1289 face-to-face or online individual consultations. The Learning Skills Unit has developed WriteWISE, a new student peer-writing program, in partnership with the Faculties of Arts and

### EQUITY-RELATED SCHOLARSHIP RECIPIENTS 2014 – 2017

Scheme	2014	2015	2016	2017
Macquarie Accommodation Scholarships	53	63	70	65
Macquarie Education Costs Scholarships	168	181	202	214
Indigenous Access Scholarships	12	9	12	*
Indigenous Commonwealth Accommodation Scholarships	11	12	14	10*
Indigenous Commonwealth Education Costs Scholarships	26	40	41	23*
Macquarie Higher Study Scholarships	34	51	55	59
Macquarie University Indigenous Grant Program	153	100	106	124
Merit Scholarships	37	39	40	36
Non-current School Leaver Scholarships	10	9	6	4
Refugee Scholarships	4	6	6	4
Macquarie University Dunmore Lang College Indigenous Incentive Scholarship	16	19	21	13
Macquarie University Dunmore Lang College Regional and Rural Scholarship	10	15	13	15
ISSP Indigenous Commonwealth Accommodation Scholarships				4
ISSP Indigenous Commonwealth Education Costs Scholarships				16
<b>Total</b>	<b>534</b>	<b>544</b>	<b>586</b>	<b>587</b>

\*Discontinued at the end of 2016 and replaced by ISSP Indigenous Commonwealth Accommodation Scholarships and Indigenous Commonwealth Education Costs Scholarships

Human Sciences, which has been very successful in improving first-year students' confidence levels. Since mid-2016 there have been 552 individual consultations offered by 12 trained peer-writing leaders.

The Macquarie University Mentors program continued to support a smooth transition to university for new students through peer mentoring.

Macquarie's Buddy Program offers ongoing peer support to international students. The program offers many social events and activities throughout the session to create a sense of belonging and community within Macquarie and increase knowledge, awareness and accessibility of the various university services.

The University continued to provide inclusive practices and facilities – multi-faith prayer room, access to housing and on-campus childcare, a dedicated women's room, QueerSpace and social spaces – in order to cater for the needs of all students. With 48 cultural and faith-based student groups, activities were many and varied. Events on campus brought thousands of international and domestic students together throughout the year, including Taste of Asia. This multicultural event was organised by 15 culturally diverse student groups and supported by Campus Engagement. The event developed cultural awareness through cuisine, performances and various cultural activities, with more than 1000 students and staff attending.

The SBS NITV Media Mentorship Program is a three-year networking and work experience program for media students from Indigenous, CALD and low socio-economic status (SES) backgrounds. In 2017, 35 students were actively engaged in the program. The growth and expansion of the program created opportunities for engagement with new broadcasters, supplying diverse work experience for the mentees while broadening the scope of the activities and networking opportunities for all. 2017 also saw the expansion of the Mentorship Alumni program.

Macquarie also supports staff from CALD backgrounds by offering paid education leave to undertake approved English language courses and cultural leave. A suite of professional development workshops, postgraduate study scholarships and the postgraduate MGSM Scholarship Scheme are also available for all staff.

Under the *Workplace Gender Equity Strategy*, the University works to address the particular cultural challenges faced by some people as a result of their gender, recognising the intersection of attributes such as gender, age, cultural background, sexual orientation and/or disability.

The University continued to offer domestic and family violence prevention and support to its staff, including paid leave and flexible work options, safety planning and referral to support services.

Since 2016, Macquarie has been actively engaged in preventing and responding to sexual assault and sexual harassment experienced by students through the Respect. Now. Always (RNA) project. The project focuses on organisational and cultural change that will make Macquarie a safer place to work and study and more responsive to the needs of students who experience sexual violence, including students from CALD backgrounds.

During the year, the RNA project team continued to work with the Executive Group and consult with students and staff members, supported by external experts. The team has been developing an RNA Action Plan (2018-2020), which provides a comprehensive strategy that focuses on education to achieve cultural change and includes blended learning platforms for students and staff on issues such as consent and responding to disclosure of sexual violence. Work has also been undertaken to review and improve the University's policies, procedures and support services.

#### ENGAGING CULTURALLY DIVERSE COMMUNITIES

Macquarie University engages with students, teachers, parents and communities through the LEAP programs delivered by the Widening Participation Unit. LEAP aims to raise aspirations, create possibilities and actively support students from equity backgrounds, including those from migrant and refugee backgrounds, to successfully participate in higher education.

In 2017, these programs engaged a total of 138 primary and secondary schools across New South Wales and reached more than 4800 students.

During the year, LEAP launched two new programs – Refugee Transition Support to provide participation support to students from refugee backgrounds at Macquarie, and a roadshow to Taree, Kempsey and Wauchope. A team of 15 staff visited the three regional towns to host daytime sessions for high school students and after-hours parent forums. Students, their families and interested community members learned about the University, its study options and additional offerings such as overseas exchange.

Outreach initiatives coordinated by the Widening Participation Unit to engage new community groups in areas of Greater Western Sydney, as well as regional districts and townships, enabled the University to develop connections with potential students and communities that face disadvantage.

In 2017, the Widening Participation Unit hosted a highly successful inaugural symposium *Towards an Inclusive University*. The University's community of widening participation partners, including academics, non-university practitioners and students were invited to join in a day of engaging discussions on topics relating to the equitable access, participation and success of all students in higher education.

Evaluation of the Widening Participation Unit's programs has revealed a positive impact on students' confidence, motivation and engagement towards their studies and preparation for university.

#### OUR GOALS FOR 2018

- Strengthening staff and student cultural awareness and competency through targeted initiatives.
- Continuing outreach programs for students from diverse backgrounds through Widening Participation and LEAP initiatives.
- Continuing the provision of language and literacy programs for CALD students and staff.
- Encouraging collaborations with external partners such as the Australian Human Rights Commission, Multicultural NSW, and SBS Broadcasting.
- Supporting career advancement, professional opportunities and visibility of CALD staff.
- Continuing implementation of the Respect. Now. Always program

See page 22 for more information on other diversity initiatives.



## WORK HEALTH AND SAFETY

Macquarie University operates in a wide range of work environments, creating a complex risk profile. The following section outlines the University's health and safety performance in 2017.

### NOTIFIABLE INCIDENTS

No staff fatalities occurred in 2017 arising from the University or controlled entity operations.

Eight notifiable incidents occurred during the year. These were reported to SafeWork NSW and investigated internally. Remediation actions were implemented to prevent the recurrence of similar incidents.

No fines, enforceable undertakings or penalties were issued by SafeWork NSW in 2017.

### INCIDENT PROFILE

A total of 143 University staff-related injuries or illnesses were reported in 2017, with three causes representing the majority of reported University staff injury and illness:

- falls from the same level
- hit by falling, moving or stationary objects
- muscular stress from lifting and moving objects.

In 2017, there was an 8 per cent increase in the number of reported University staff injuries and illnesses (143 incidents in total) compared with 2016 (132 incidents), excluding controlled entities. While the number of incidents increased between 2016 and 2017, the number of incidents per 100 employees has remained stable during the last five years.

For the University (excluding controlled entities), the number of compensable workers compensation claims as a percentage of the total reported staff injury and illness has remained steady with a minor increase in the number of claims in 2017. Despite the increase, the severity of staff injuries remains low with positive and prompt return to work (refer to the chart on page 41).

### WORK HEALTH AND SAFETY 2013 – 2017

Performance measure	2013	2014	2015	2016	2017
Incidents reported (staff)	121	121	104	132	143
Number of casual, fixed-term and contract staff	4517	4456	4652	4702	5117
Incidence rate per 100 University employees	2.68	2.72	2.24	2.81	2.79
Number of workers compensation claims exceeding \$0	38	27	23	29	38
Workers compensation claims (% of incidents reported)	31%	22%	22%	22%	27%

<sup>1</sup> University staff (headcount) only. Controlled entity staff are not used in this calculation.

**SAFETY RISK MANAGEMENT**

During the year, our focus on managing high-risk hazards resulted in a cross-disciplinary working party being created to address the procurement, use and disposal of hazardous materials. The University also reviewed off-campus travel preparedness and authorisation processes and streamlined safety risk assessment tools and training packages.

**WORKERS COMPENSATION**

In 2017, the University (excluding controlled entities) recorded a total of 38 compensable claims for workers compensation, compared with 29 claims in 2016. Despite the increase, there has been a significant decline in the average cost of a worker’s compensation claim since 2014 due to greater emphasis on proactive return to work strategies and injury management. Various health and safety risk management activities (see above) were implemented during 2017, which has also reduced injury severity among University staff.

**RETRO-PAID LOSS PREMIUM MODEL (WORKERS COMPENSATION)**

The Macquarie University Group (Macquarie University and all of its controlled entities) participates in the workers compensation insurance retro-paid loss premium model (now known as Loss Prevention Recovery – LPR).

The LPR model enables clients to save on their premium if they implement suitable health and safety risk prevention strategies resulting in prompt and safe return to work. In 2017, the University’s premium was calculated at \$844,710 resulting in a cost saving to the University of \$914,921.

**AVERAGE COST AND FREQUENCY OF CLAIMS (PREMIUM IMPACTING ONLY)**



## STUDENT ENROLMENTS

In 2017, 45,021 students were enrolled at the University, representing an increase of 5.3 per cent (2268 students) compared with 2016. Domestic enrolments increased by 2.1 per cent (701 students) and international enrolments increased by 1567 students (15.5 per cent) in 2017.

### STUDENT ENROLMENTS

Type of attendance	2017
Full time	32,580
Part time	12,441
<b>Gender</b>	
Male	21,597
Female	23,424
<b>Domestic/International</b>	
Domestic	33,361
International	11,660
<b>Total*</b>	<b>45,021</b>

\*2017 Student enrolment numbers as at 31 December 2017 are preliminary. Final figures to be confirmed in line with Australian Government reporting requirements

## HIGHER DEGREE RESEARCH STUDENTS

One of the key goals of our strategic research framework *World-Leading Research; World-Changing Impact* is to produce world-ready higher degree research candidates. By consolidating research training into a two-phase MRes/PhD structure, Macquarie aims to provide a highly supportive introduction to candidates' research careers. The University is now seeing the flow-on of MRes graduates into the PhD, and they are reported to be better equipped for undertaking a major research project such as a PhD than students who enter directly into PhD research.

### HIGHER DEGREE RESEARCH COMPLETIONS 2014 - 2017

	2014	2015	2016	2017
<b>Total</b>	<b>393</b>	<b>594</b>	<b>538</b>	<b>576</b>

### HIGHER DEGREE RESEARCH ENROLMENTS 2014 - 2017

	2014	2015	2016	2017
<b>Total</b>	<b>2315</b>	<b>2272</b>	<b>2302</b>	<b>2314</b>



## STUDENT FEEDBACK AND CONSUMER RESPONSE

The University continued a significant program of work in 2017 as part of its ongoing commitment to the student experience. (Refer to pages 16, 22 and 24 for more information about the activities we undertook during 2017.)

### STUDENT REPRESENTATION AND ENGAGEMENT IN INSTITUTIONAL GOVERNANCE AND MANAGEMENT

Macquarie's unique, democratically elected Student Representative Committee is in its fifth year and continues to add value to student life.

### ACADEMIC APPEALS

The Academic Appeals Committee hears appeals from students against exclusion from enrolment. The number of academic appeals received is not commensurate with increasing student enrolments.

### COMPLAINTS

The Complaint Management Procedure for Students and Members of the Public manages University-related concerns or areas of dissatisfaction that are not otherwise covered by the University's existing review/appeal options or reporting procedures. In 2017, five matters were managed as formal complaints in accordance with the established procedure.

### DISCIPLINE

Academic and non-academic misconduct by students is managed under the Student Discipline Rules and Procedure. A total of 859 student misconduct matters progressed to hearing committees for determination in 2017. Of this total, five determinations were subsequently appealed to the University's disciplinary appeal bodies.

### ESCALATION AND THE STUDENT OMBUDSMAN

The Student Ombudsman provides an independent and impartial service to students who are dissatisfied with a decision or process made by the University. In 2017, the Student Ombudsman received and managed 48 case referrals.

### ACADEMIC APPEALS COMMITTEE DETERMINATIONS 2013 – 2017

Appeals	2013	2014	2015	2016	2017*
Considered	117	164	10	7	133**
Successful	11	15	4	5	41

\*The introduction of the Academic Appeals Policy in January 2017 increased the number of academic decisions on which appeals could be heard. This has resulted in a variation in the number of appeals heard between 2015-2016 and 2017.

\*\*10 appeals were pending a decision as at 31 December 2017.

### STUDENT OMBUDSMAN REFERRALS 2013 – 2017

Appeals	2013	2014	2015	2016	2017
Academic advice	1	5	9	0	0
Academic supervision	1	2	5	1	3
Exclusion	31	13	17	17	20
Grade review	12	9	4	8	6
Grievance	14	11	4	19	19
Other	3	6	0	9	0
<b>Total</b>	<b>62</b>	<b>46</b>	<b>39</b>	<b>54</b>	<b>48</b>

## STATEMENT OF ATTITUDE TO FRAUD AND CORRUPTION

The University requires all staff to act honestly and with integrity at all times, 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. 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 implementing the fraud and corruption prevention program, which includes regular training and control reviews.

## STATEMENT ON DIGITAL INFORMATION SECURITY

The *Macquarie University Cyber Security Strategy and Roadmap* developed in 2016 continues to be rolled out to address major cyber security risks posed to the University with the most effective and cost-efficient solutions. In 2017, Macquarie focused on educating staff and students on issues that have the potential to impact the security of the University, with activities including Stay Smart Online Week and Hack Mac 2017.

As part of this process, in May 2017 a mandatory OneID password change was required of our approximately 37,000 current students (this enforced change also occurred for staff in December 2016). Students were given one month in which to make this change before being locked out of core University systems. Thanks to a successful communications campaign, 95 per

cent of students made the change prior to lock out, and the majority of those locked out accessed self-service help to make the change after this date. This change ensured that the University's systems were protected with complex passwords, reducing the risk of attack.

## PRIVACY

The role of the Privacy Officer is assigned to the Chief Operating Officer and administered by the Risk and Compliance Manager. The University undertakes a range of actions and activities to promote privacy. In 2017, the University revised its privacy management plan and commenced a related awareness program. This included the development and implementation of revised tools, including a group-wide policy. The implementation program will continue into 2018, with new induction and targeted training to be offered to staff.

In 2017, one request for an internal privacy review relating to the release of student information was conducted under Part 5 of the *Privacy and Personal Information Protection Act 1998* (NSW). The finding of the review, reported to the IPC and concerned party, was that there was no privacy breach; however, the University acted on recommendations to clarify privacy provisions.

## PUBLIC INTEREST DISCLOSURES

The Reporting Wrongdoing – Public Interest Disclosures Policy (PID) contains the University's procedures for receiving, assessing and dealing with reports of fraud, corruption and other serious wrongdoing. The University is required to report annually to the New South Wales Ombudsman for the purposes of preparing the Ombudsman's annual report under Section 76 of the PID Act. In 2017, one such instance was reported to the Ombudsman (refer to the tables below).

In 2017, a review of the PID structure was completed, with recommendations for 2018 including broadening the nominated PID officers and updating staff training to include induction and refresher e-learning modules.

### REPORT TO NSW OMBUDSMAN (UNDER SECTION 6CA PUBLIC INTEREST DISCLOSURES ACT) 2014 – 2017

	2014	2015	2016	2017
Number of public officials who made public interest disclosures to the University's public authority	1	1	0	1
Number of public interest disclosures received by the University's public authority	1	1	0	1

### PRIMARY SUBJECT OF PUBLIC INTEREST DISCLOSURES RECEIVED 2014 – 2017

	2014	2015	2016	2017
Corrupt conduct	0	1	0	1
Maladministration	1	0	0	0
Serious and substantial waste	0	0	0	0
Government information contravention	0	0	0	0
Local government pecuniary interest contravention	0	0	0	0
<b>Total</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>1</b>
Number of public interest disclosures (received since 1 January 2012) that have been finalised in this reporting period	1	1	0	1

## CREDIT CARD CERTIFICATION

During the 2017 financial year, credit card use was in accordance with the University's credit card and purchasing policies. These policies are based on the requirements of the NSW Treasury.

Credit card use within the University is limited to claimable work-related travel expenses and accommodation and to minor consumable expenses where the use of credit cards is an 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.

## PROMOTION AND TRAVEL

The University spent \$20.4 million on travel and related staff development and training in 2017 (\$19.2 million in 2016). 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.

## PAYMENT OF ACCOUNTS

The University's terms of credit in respect to its creditors are 30 days. In 2017, 77 per cent of invoices were paid in accordance with these terms. During 2017, 99.9 per cent of Australian dollar payments were made by electronic funds transfer with the balance being made by cheque.

### AGED ANALYSIS AT THE END OF EACH QUARTER

Quarter	Current (within due date) \$'000	Less than 30 days overdue \$'000	30-60 days overdue \$'000	61-90 days overdue \$'000
March	13,510	826	62	38
June	7181	1348	50	304
September	9769	1111	509	68
December	18,814	3478	1333	59

### INVOICES DUE OR PAID WITHIN EACH QUARTER

Measure	March	June	September	December
Number of invoices due for payment	10,440	11,673	12,549	14,380
Number of invoices paid on time	8152	8769	9652	10,316
% of invoices paid on time (based on number)	78%	75%	77%	72%
Dollar amount of invoices due for payment	103,293,013.66	101,680,347.46	109,480,316	115,826,024
Dollar amount of invoices paid on time	78,174,648.64	71,066,754.79	82,632,251	79,516,245
% of accounts paid on time (based on value)	76%	70%	75%	69%



## RISK MANAGEMENT AND INSURANCE ACTIVITIES

### INSURANCE

A cost-effective insurance program that sufficiently protects the University's investments and liability arising from the conduct of its business was in place at all times throughout 2017. The 2017 insurance program draws upon commercial general insurers, Unimutual and GIO for the retro-paid loss scheme (see page 41 for more information).

The insurance program focused on securing more mature cyber insurance cover and more tailored travel cover to meet the needs of our staff, volunteers and students who travel as part of their work or study at the University.

The University continued to value its partnership with International SOS and Control Risks, leaders in medical assistance, international healthcare and security assistance, to support and ensure the ongoing safety for our students, volunteers and staff who travel overseas on business.

### INTERNAL AUDIT AND RISK MANAGEMENT

At Macquarie, the relationship between risk management and internal audit is close and interactive. The internal audit three-year rolling plan draws on the enterprise risk profile to ensure audits provide assurance that our risk management controls and initiatives are effective. Similarly, the risk profile draws on the findings of the internal audits to verify the effectiveness of tested controls and ensure it has captured the true nature of risk informed by the audit process.

### RISK MANAGEMENT

The University's risk management framework focuses on identifying, evaluating and managing strategic and operational risk and opportunities. A key element of the framework is understanding and analysing uncertainty inherent in achieving legislative objectives and meeting regulatory and policy requirements, and standards, as well as identifying practical mitigation strategies and leveraging emerging opportunities.

In 2017, we progressed our strategic risk horizon and risk appetite statements and the integrated their methodology into the Strategic Project Management Framework.

An inaugural joint Council subcommittee workshop was held in February 2017 to review the strategic risks facing the sector and the University. Membership includes the external members of the Audit and Risk Committee and the Finance and Facilities Committee. Joint workshops will now be held each year to review the nature of strategic risks and seek assurance regarding their mitigation.

### 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 threat mitigation.

In November 2017, the University's Audit and Risk Committee endorsed a rolling three-year audit plan for the University and its controlled entities. This resulted in the internal audit provider, PwC, conducting six audits and one 'overdue actions update' review. All of the six audits provided both management insights and compliance assurance. Following standard procedure, the internal audit reports were discussed with relevant university staff, submitted to key stakeholders and reported to the Audit and Risk Committee. The closure of audit recommendations is monitored by the Audit and Risk Committee and operationally supported by the risk and assurance department.

In November 2017, the University's Audit and Risk Committee endorsed the focus of audits for 2018.

## INTERNAL AUDIT AND RISK MANAGEMENT ATTESTATION STATEMENT FOR THE 2017 FINANCIAL YEAR

I, Professor S Bruce Dowton, Vice-Chancellor, am of the opinion that Macquarie University has internal audit and risk management processes in operation that are, excluding the exceptions or transitional arrangements described below, compliant with the eight (8) core requirements set out in the Internal Audit and Risk Management Policy for the NSW Public Sector, specifically as shown in the table below:

### CORE REQUIREMENTS

#### Risk Management Framework

1.1 The Vice-Chancellor is ultimately responsible and accountable for risk management at Macquarie University	Compliant
1.2 A risk management framework that is appropriate to Macquarie University has been established and maintained and the framework is consistent with AS/NZS	Compliant

#### Internal Audit Function

2.1 An internal audit function has been established and maintained	Compliant
2.2 The operation of the internal audit function is consistent with the International Standards for the Professional Practice of Internal Auditing	Compliant
2.3 The agency has an internal audit charter that is consistent with the content of the 'model charter'	Compliant

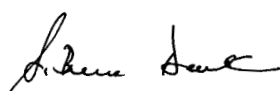
#### Audit and Risk Committee

3.1 An independent Audit and Risk Committee with appropriate expertise has been established	Compliant
3.2 The Audit and Risk Committee is an advisory committee providing assistance to the Vice-Chancellor on the agency's governance processes, risk management and control frameworks, and its external accountability obligations	Compliant
3.3 The Audit and Risk Committee has a charter that is consistent with the content of the 'model charter'	Compliant

### MEMBERSHIP

The chair and members of the Audit and Risk Committee are:

- John Wigglesworth, Chair, appointed 25 February 2009, appointed Chair 1 January 2011
- Elizabeth Crouch, Deputy Chancellor, ex-officio, appointed 23 April 2009
- The Hon Patricia Forsythe, Council member, appointed 20 February 2008
- Jingmin Qian, Council member, appointed 2 July 2015
- Deborah Hadwen, appointed 10 April 2017
- David McKean, external member, appointed 2 July 2015
- Wendy Haigh, external member, appointed 22 June 2011
- Roger Millar, external member, appointed 1 March 2016.



**Professor S Bruce Dowton**  
VICE-CHANCELLOR AND PRESIDENT



**Trudy de Vries**  
DIRECTOR OF RISK AND ASSURANCE

8 March 2018

## GOVERNMENT INFORMATION (PUBLIC ACCESS) ACT (2009)

The University proactively 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 or informal release, or whether a formal access application is required.

A major project during 2015 – 2017 to update and simplify the University's public website and web search functionality has improved the accuracy, relevance and accessibility of information available to members of the public.

In 2017, Group Marketing continued to implement effective strategic communications campaigns using a range of channels for the purposes of marketing, engagement and student recruitment. Use of social media greatly increased in this context.

During the period from 1 January 2017 to 31 December 2017, Macquarie University received two formal access applications for information (refer to Table B). In both applications, access to information was granted in full and in a timely manner.

Seven requests under the GIPA Act were dealt with informally.

The University is obliged to report on GIPA Act applications received that are then transferred to another agency, either at the University's or the applicant's initiation. During the period 1 January 2017 to 31 December 2017, no GIPA Act applications received by the University were transferred to another agency.

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

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

GIPA Officer  
Room 120, 19 Eastern Road  
Macquarie University NSW 2109

T: +61 (2) 9850 4259

E: gipa@mq.edu.au

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

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

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

Reason for invalidity	Number of applications
Personal information applications	0
Access applications (other than personal information applications)	2
Access applications (partly personal and partly other information applications)	0



**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**

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

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

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

**TABLE F: TIMELINESS**

Reason for invalidity	Number of applications
Decided within the statutory timeframe (20 days plus any extensions)	2
Decided after 35 days (by agreement with applicant)	0
Not decided within time (deemed refusal)	0

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

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

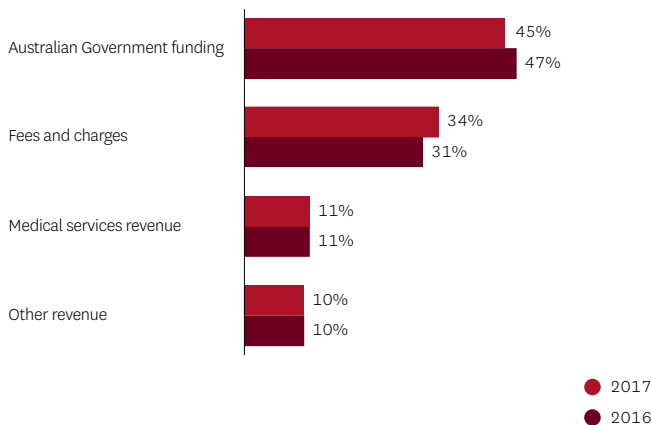
**TABLE H: APPLICATIONS FOR REVIEW UNDER PART 5 OF THE ACT (BY TYPE OF APPLICANT)**

	No of applications for review
Applications by access applicants	0
Applications by persons to whom information the subject of access application relates (see section 54 of the Act)	0

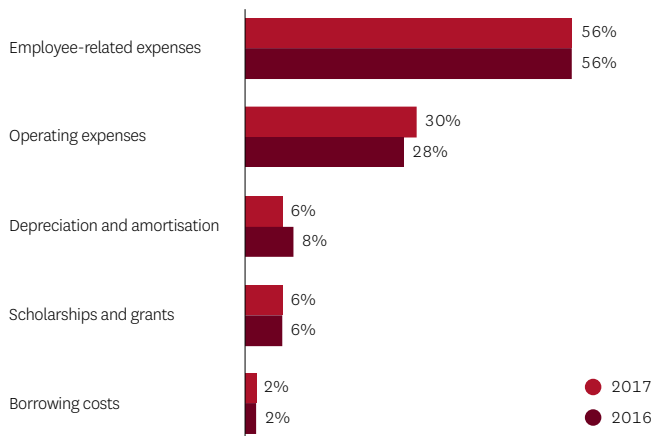
## FINANCIAL PERFORMANCE

Statements in this section are unaudited.

**Revenue source as % of total income: 2017 v 2016**



**Expenses type as % of total expenses: 2017 v 2016**

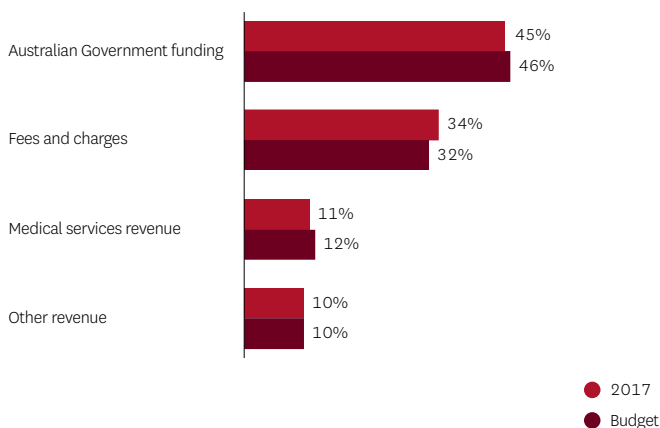


The operating result for the year for the University and its subsidiaries (the ‘Group’) was a surplus of \$48.2 million, up 9 per cent on 2016. This result represented 4.4 per cent of income, consistent with 2016.

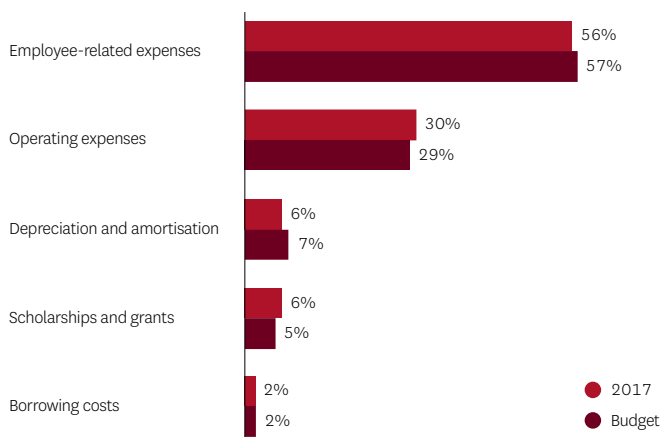
Total income from continuing operations grew by 6.9 per cent to \$1085 million, driven by international student fees. Medical services revenue now represents 11 per cent of the Group’s income, reflecting the impact of MQ Health on the performance of the Group.

Expenses totalled \$1037 million, an increase of 6.8 per cent. Growth was driven by employee-related expenses of \$36.2 million (6.6 per cent growth), reflecting both the appointment of additional staff to support strategic growth areas, and salary uplifts in accordance with University enterprise agreements.

**Revenue source as % of total income: 2017 v budget**



**Expenses type as % of total expenses: 2017 v budget**



The Group assesses performance against detailed budgets, which are formally approved by Council. Performance against targets are reviewed by senior management each month.

Results for 2017 are close to budget, as evidenced in the above graphs.

## SUBSIDIARIES

The following eight subsidiaries were trading in 2017.

### ACCESS MACQUARIE LTD

Access Macquarie Ltd (AccessMQ) is a not-for-profit public company limited by guarantee and wholly owned by Macquarie University. AccessMQ provides English language training to students from more than 40 countries and IELTS testing for more than 10,000 candidates a year. AccessMQ also provides mental health services to more than 18,000 Australians every year via the MindSpot and PORTS virtual e-clinics. In addition, it manages consulting projects for the Group, providing a vital link between academics and industry.

### AUSTRALIAN PROTEOME ANALYSIS FACILITY LTD

The Australian Proteome Analysis Facility Ltd (APAF) is a not-for-profit public company limited by guarantee and wholly owned by Macquarie University. APAF specialises in the provision of proteomic and biomolecular research services.

### CMBF LTD

CMBF Ltd (CMBF) is a not-for-profit public company limited by guarantee and wholly owned by Macquarie University. CMBF has historically administered the delivery of the University's Master of Applied Finance. During 2017, the company ceased trading and transferred operational activities to Macquarie University.

### MACQUARIE UNIVERSITY CLINICAL ASSOCIATES LTD

Macquarie University Clinical Associates Ltd is a not-for-profit company limited by guarantee and wholly owned by Macquarie University. Its purpose is to provide a platform for engagement with clinicians at the Macquarie University Health Sciences Centre (MQ Health). Its functions are to provide clinical leadership to MQ Health, operate the MQ Health Clinics, deliver clinical services to Macquarie University Hospital and provide clinical training opportunities to junior doctors across various specialties.

### MGSM LTD

MGSM Ltd (MGSM) is a not-for-profit public company limited by guarantee and wholly owned by Macquarie University. MGSM administers the University's MBA programs and Executive Education courses. MGSM has been ranked by *The Economist* MBA Ranking as third in Australia and 49th globally.

### MUH OPERATIONS NO 2 PTY LTD

MUH Operations No 2 Pty Ltd (the 'Hospital') is a not-for-profit public company limited by shares and wholly owned by Macquarie University. The objectives of the Hospital are to provide evidence-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 spaces and better information systems.

### MACQUARIE UNIVERSITY HONG KONG FOUNDATION LIMITED

Macquarie University Hong Kong Foundation Limited is a not-for-profit public company limited by guarantee and wholly owned by Macquarie University. The principal activities of the Hong Kong Foundation are to advance, promote and develop higher education. It focuses on the advancement of education and exchange of knowledge between Macquarie University, Hong Kong and China, providing mobility scholarships and support for students, researchers and academics.

### U@MQ LTD

U@MQ is a not-for-profit public company limited by guarantee and wholly owned by Macquarie University. The objective of U@MQ is to provide facilities for the members of the University community, including staff and students, that complement and support the academic activities of the University. Services include sporting and recreational facilities; food, beverage and retail services; and the provision of childcare.



# Financial statements



# Contents

STATEMENT OF APPOINTED OFFICERS	54
INCOME STATEMENT	55
STATEMENT OF COMPREHENSIVE INCOME	56
STATEMENT OF FINANCIAL POSITION	57
STATEMENT OF CHANGES IN EQUITY	58
STATEMENT OF CASH FLOWS	59
NOTES TO THE FINANCIAL STATEMENTS	60
INDEPENDENT AUDITOR'S REPORT	112

# Statement of appointed officers

---

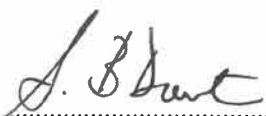
In accordance with a resolution of the Council of Macquarie University, pursuant to Section 41C (1B) and (1C) of the *Public Finance and Audit Act 1983*, we state that to the best of our knowledge and belief:

1. The financial statements present a true and fair view of the University and Consolidated Entity's financial position at 31 December 2017 and the results of its operations and transactions 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 2015 and the Financial Statement Guidelines for Australian Higher Education Providers for the 2017 Reporting Period issued by the Australian Government (Department of Education and Training).
3. The financial statements have been prepared in accordance with Australian Accounting Standards, which include Australian Accounting Interpretations.

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

To the best of our knowledge and belief, 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 program 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 Downton  
Vice-Chancellor



J Wigglesworth  
Council Member and Chair Audit and  
Risk Committee



E A Crouch  
Deputy Chancellor and Chair Finance and  
Facilities Committee



# Income statement

	Note	Consolidated		Parent	
		2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
<b>Income from continuing operations</b>					
Australian Government financial assistance					
Australian Government grants	2	284,248	283,029	275,157	275,006
Higher Education Loan Programs	2	199,063	192,244	199,063	192,244
State and local government financial assistance	3	6,749	5,127	6,749	5,127
HECS-HELP - Student payments		18,814	18,845	18,814	18,845
Fees and charges	4	347,681	295,898	342,937	289,967
Investment revenue	5	8,279	8,682	11,930	12,346
Consultancy and contracts	6	23,165	21,853	21,130	17,812
Medical services revenue		116,671	114,660	1,212	1,248
Other revenue	7	80,315	74,709	65,712	59,268
<b>Total income from continuing operations</b>		<b>1,084,985</b>	<b>1,015,047</b>	<b>942,704</b>	<b>871,863</b>
<b>Expenses from continuing operations</b>					
Employee related expenses	8	584,195	548,025	488,369	449,767
Depreciation and amortisation	9	67,042	73,008	65,454	68,634
Repairs and maintenance		23,476	24,787	20,907	20,751
Borrowing costs	10	18,604	19,046	19,846	20,158
Impairment of assets	11	1,130	534	702	468
Losses on disposal of assets		766	297	594	357
Consultants and contractors		32,440	28,620	29,285	25,041
Scholarships and grants		60,540	54,175	59,195	52,995
Medical consumables		51,785	52,985	448	479
Other expenses	12	196,828	169,313	217,655	190,036
<b>Total expenses from continuing operations</b>		<b>1,036,806</b>	<b>970,790</b>	<b>902,455</b>	<b>828,686</b>
<b>Net result for the period</b>		<b>48,179</b>	<b>44,257</b>	<b>40,249</b>	<b>43,177</b>
<b>Net result attributable to members of Macquarie University</b>		<b>48,179</b>	<b>44,257</b>	<b>40,249</b>	<b>43,177</b>

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

# Statement of comprehensive income

	Note	Consolidated		Parent	
		2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
<b>Net result for the period</b>		<b>48,179</b>	44,257	<b>40,249</b>	43,177
<b>Items that may be reclassified to profit or loss</b>					
Unrealised gain on value of available-for-sale financial assets		<b>4,873</b>	7,536	<b>4,873</b>	7,536
<b>Total items that may be reclassified to profit or loss</b>		<b>4,873</b>	7,536	<b>4,873</b>	7,536
<b>Items that will not be reclassified to profit or loss</b>					
Unrealised gain on revaluation of property, plant and equipment	19	<b>65,650</b>	263,570	<b>65,650</b>	263,570
Net Actuarial gains recognised in respect of Defined Benefits Plans	33(g)	<b>409</b>	334	<b>409</b>	334
<b>Total items that will not be reclassified to income statement</b>		<b>66,059</b>	263,904	<b>66,059</b>	263,904
<b>Total other comprehensive income</b>		<b>70,932</b>	271,440	<b>70,932</b>	271,440
<b>Total comprehensive income attributable to members of Macquarie University</b>		<b>119,111</b>	315,697	<b>111,181</b>	314,617

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

# Statement of financial position

	Note	Consolidated		Parent	
		2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
<b>ASSETS</b>					
<b>Current assets</b>					
Cash and cash equivalents	13	188,549	294,864	168,824	282,237
Receivables	14	72,232	69,633	58,122	54,355
Inventories	15	5,083	5,560	318	281
Other financial assets	16	33,165	42,303	33,059	40,099
Other non-financial assets	18	19,705	18,875	17,634	17,389
<b>Total current assets</b>		<b>318,734</b>	<b>431,235</b>	<b>277,957</b>	<b>394,361</b>
<b>Non-current assets</b>					
Receivables	14	499,254	516,870	498,841	516,763
Other financial assets	16	29,052	25,592	97,931	82,961
Other non-financial assets	18	19,004	19,898	18,558	21,506
Investments in subsidiaries	17	-	-	23,299	23,299
Property, plant and equipment	19	2,276,589	2,135,250	2,273,557	2,131,439
Intangible assets	20	38,738	34,139	38,002	32,967
<b>Total non-current assets</b>		<b>2,862,637</b>	<b>2,731,749</b>	<b>2,950,188</b>	<b>2,808,935</b>
<b>Total assets</b>		<b>3,181,371</b>	<b>3,162,984</b>	<b>3,228,145</b>	<b>3,203,296</b>
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Trade and other payables	21	90,218	86,169	73,907	65,793
Borrowings	22	1,616	1,514	55,787	46,279
Provisions	23	113,510	98,704	106,392	90,683
Other liabilities	24	59,681	60,948	57,902	59,411
<b>Total current liabilities</b>		<b>265,025</b>	<b>247,335</b>	<b>293,988</b>	<b>262,166</b>
<b>Non-current liabilities</b>					
Borrowings	22	251,682	353,038	251,436	352,653
Provisions	23	496,359	514,589	493,515	511,624
Other liabilities	24	3,965	2,793	3,965	2,793
<b>Total non-current liabilities</b>		<b>752,006</b>	<b>870,420</b>	<b>748,916</b>	<b>867,070</b>
<b>Total liabilities</b>		<b>1,017,031</b>	<b>1,117,755</b>	<b>1,042,904</b>	<b>1,129,236</b>
<b>Net assets</b>		<b>2,164,340</b>	<b>2,045,229</b>	<b>2,185,241</b>	<b>2,074,060</b>
<b>EQUITY</b>					
Parent entity interest					
Asset revaluation reserve		864,981	799,331	864,721	799,071
Available-for-sale investment reserve		25,983	21,110	25,983	21,110
Retained earnings		1,273,376	1,224,788	1,294,537	1,253,879
Parent interest		2,164,340	2,045,229	2,185,241	2,074,060
<b>Total equity</b>		<b>2,164,340</b>	<b>2,045,229</b>	<b>2,185,241</b>	<b>2,074,060</b>

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



# Statement of changes in equity

	Consolidated			Parent				
	Asset revaluation reserve	Available-for-sale investment reserve	Retained earnings	Total	Asset revaluation reserve	Available-for-sale investment reserve	Retained earnings	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Balance as at 1 January 2016</b>								
Net result for the period	604,606	13,574	1,111,352	1,729,532	604,346	13,574	1,141,523	1,759,443
Unrealised gain on revaluation of property, plant and equipment	-	-	44,257	44,257	-	-	43,177	43,177
Realised gain on asset sale of property, plant and equipment	263,570	-	-	263,570	263,570	-	-	263,570
Unrealised gain on available-for-sale financial assets	(68,845)	-	68,845	-	(68,845)	-	68,845	-
Net actuarial gains on defined benefit plans	-	7,536	-	7,536	-	7,536	-	7,536
Net actuarial gains on defined benefit plans	-	-	334	334	-	-	334	334
<b>Total comprehensive income</b>	<b>194,725</b>	<b>7,536</b>	<b>113,436</b>	<b>315,697</b>	<b>194,725</b>	<b>7,536</b>	<b>112,356</b>	<b>314,617</b>
<b>Balance at 31 December 2016</b>	<b>799,331</b>	<b>21,110</b>	<b>1,224,788</b>	<b>2,045,229</b>	<b>799,071</b>	<b>21,110</b>	<b>1,253,879</b>	<b>2,074,060</b>
<b>Balance at 1 January 2017</b>	<b>799,331</b>	<b>21,110</b>	<b>1,224,788</b>	<b>2,045,229</b>	<b>799,071</b>	<b>21,110</b>	<b>1,253,879</b>	<b>2,074,060</b>
Net result for the period	-	-	48,179	48,179	-	-	40,249	40,249
Unrealised gain on revaluation of property, plant and equipment	65,650	-	-	65,650	65,650	-	-	65,650
Unrealised gain on available-for-sale financial assets	-	4,873	-	4,873	-	4,873	-	4,873
Net actuarial gains on defined benefit plans	-	-	409	409	-	-	409	409
<b>Total comprehensive income</b>	<b>65,650</b>	<b>4,873</b>	<b>48,588</b>	<b>119,111</b>	<b>65,650</b>	<b>4,873</b>	<b>40,658</b>	<b>111,181</b>
<b>Balance at 31 December 2017</b>	<b>864,981</b>	<b>25,983</b>	<b>1,273,376</b>	<b>2,164,340</b>	<b>864,721</b>	<b>25,983</b>	<b>1,294,537</b>	<b>2,185,241</b>

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

# Statement of cash flows

	Note	Consolidated		Parent	
		2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
<b>Cash flows from operating activities</b>					
Australian Government Grants	34(a)(b)(c) (e)(f)(g)	<b>482,017</b>	472,366	<b>472,927</b>	465,710
OS-HELP (net)	34(h)	<b>(1,598)</b>	917	<b>(1,598)</b>	917
Superannuation supplementation receipts	34(i)	<b>29,013</b>	26,505	<b>29,013</b>	26,505
State and local Government Grants	3	<b>6,749</b>	5,127	<b>6,749</b>	5,127
HECS-HELP - Student payments		<b>18,814</b>	18,845	<b>18,814</b>	18,845
Receipts from student fees and other customers (inclusive of GST)		<b>571,355</b>	500,700	<b>421,906</b>	360,355
Dividends received	5	<b>9</b>	12	<b>9</b>	12
Interest received		<b>8,270</b>	10,184	<b>8,036</b>	8,857
Payments to suppliers and employees (inclusive of GST)		<b>(956,608)</b>	(876,038)	<b>(802,512)</b>	(734,221)
Superannuation supplementation payments	34(i)	<b>(29,013)</b>	(26,505)	<b>(29,013)</b>	(26,505)
Interest and other cost of finance		<b>(18,638)</b>	(20,172)	<b>(19,880)</b>	(20,158)
GST recovered		<b>25,171</b>	19,334	<b>22,605</b>	16,511
<b>Net cash provided by operating activities</b>	30	<b>135,541</b>	131,275	<b>127,056</b>	121,955
<b>Cash flows from investing activities</b>					
Proceeds from sale of property, plant and equipment		<b>162</b>	81,001	<b>162</b>	80,898
Payments for property, plant and equipment		<b>(135,792)</b>	(116,292)	<b>(135,208)</b>	(114,832)
Payments for intangible assets		<b>(12,726)</b>	(11,817)	<b>(12,633)</b>	(11,045)
Proceeds from sale of financial assets		<b>29,775</b>	90,412	<b>28,050</b>	90,412
Payments for financial assets		<b>(21,011)</b>	(86,105)	<b>(21,010)</b>	(86,000)
Net loans (made to)/ repaid from related parties	26(d)	<b>-</b>	-	<b>(7,250)</b>	2,000
<b>Net cash (used in) investing activities</b>		<b>(139,592)</b>	(42,801)	<b>(147,889)</b>	(38,567)
<b>Cash flows from financing activities</b>					
Net proceeds from borrowings		<b>-</b>	100,000	<b>9,410</b>	114,400
Repayment of borrowings		<b>(101,507)</b>	(101,369)	<b>(101,368)</b>	(109,869)
Repayment of finance leases		<b>(135)</b>	(41)	<b>-</b>	-
<b>Net cash from/ (used in) financing activities</b>	22(f)	<b>(101,642)</b>	(1,410)	<b>(91,958)</b>	4,531
<b>Net increase/ (decrease) in cash and cash equivalents held</b>					
Cash and cash equivalents at beginning of the financial year		<b>294,864</b>	208,063	<b>282,237</b>	194,581
Effects of exchange rate changes on cash and cash equivalents		<b>(622)</b>	(263)	<b>(622)</b>	(263)
<b>Cash and cash equivalents at end of financial year</b>	13	<b>188,549</b>	294,864	<b>168,824</b>	282,237
Financing arrangements	22(d)(e)				

# Notes to the financial statements





# Contents

NOTE	CONTENTS	PAGE	NOTE	CONTENTS	PAGE
1	SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES	62		<b>LIABILITIES</b>	
	<b>REVENUE</b>		21	TRADE AND OTHER PAYABLES	84
2	AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE INCLUDING AUSTRALIAN GOVERNMENT LOAN PROGRAMS (HELP)	64	22	BORROWINGS	85
3	STATE AND LOCAL GOVERNMENT FINANCIAL ASSISTANCE	64	23	PROVISIONS	86
4	FEES AND CHARGES	65	24	OTHER LIABILITIES	88
5	INVESTMENT REVENUE	65		<b>DISCLOSURE NOTES</b>	
6	CONSULTANCY AND CONTRACTS	66	25	KEY MANAGEMENT PERSONNEL DISCLOSURES	89
7	OTHER REVENUE	66	26	RELATED PARTIES	91
	<b>EXPENSES</b>		27	REMUNERATION OF AUDITORS	93
8	EMPLOYEE-RELATED EXPENSES	67	28	CONTINGENCIES	93
9	DEPRECIATION AND AMORTISATION	68	29	EVENTS OCCURRING AFTER THE REPORTING DATE	93
10	BORROWING COSTS	68	30	RECONCILIATION OF OPERATING RESULT AFTER INCOME TAX TO NET CASH FLOWS FROM OPERATING ACTIVITIES	94
11	IMPAIRMENT OF ASSETS	69	31	FINANCIAL RISK MANAGEMENT	94
12	OTHER EXPENSES	69	32	FAIR VALUE MEASUREMENT	96
	<b>ASSETS</b>		33	RETIREMENT BENEFIT OBLIGATIONS	98
13	CASH AND CASH EQUIVALENTS	70	34	ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE	105
14	RECEIVABLES	70	35	RECLASSIFICATION OF COMPARATIVE INFORMATION	111
15	INVENTORIES	72			
16	OTHER FINANCIAL ASSETS	73			
17	INVESTMENT IN SUBSIDIARIES	74			
18	OTHER NON-FINANCIAL ASSETS	76			
19	PROPERTY, PLANT AND EQUIPMENT	77			
20	INTANGIBLE ASSETS	83			

## 1 Summary of Significant Accounting Policies

The principal accounting policies adopted in the preparation of the financial statements are set out below and where applicable, throughout the notes to the accounts (these can be identified as italicised text). 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 (the 'Group').

The financial statements for the year ended 31 December 2017 were authorised for issue by the Macquarie University Council on 5 April 2018.

### (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 and Interpretations, the *Public Finance and Audit Act 1983*, the *Public Finance and Audit Regulations 2015*, the *Higher Education Support Act 2003* and the Financial Statement Guidelines for Australian Higher Education Providers, as issued by the Australian Government (Department of Education and Training).

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.

The financial statements are presented in Australian dollars, which is Macquarie University's functional currency, and all values are rounded to the nearest thousand dollars (\$'000).

#### (i) Historical cost convention

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain financial assets and liabilities and certain classes of property, plant and equipment.

#### (ii) Critical accounting estimates

The preparation of these financial statements 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. All significant estimates or assumptions made in the preparation of the financial statements are described in the accounting policy notes.

#### (iii) Comparative amounts

Where necessary, comparative information is reclassified to enhance comparability in respect of changes in presentation adopted in the current year. Refer to note 35 for details.

#### (iv) Foreign currency transactions and balances

Foreign currency transactions are translated into Australian currency at rates of exchange prevailing at the dates of the transactions. Foreign currency cash balances, as well as amounts receivable and amounts payable in foreign currency at the reporting date, are translated at the rates prevailing on that date, with exchange differences brought to account as exchange gains or losses in the income statement.

### (b) Basis of consolidation

The consolidated financial statements represent the financial statements of the parent entity, being Macquarie University and the assets, liabilities and results of all entities it controlled in accordance with *AASB 10 Consolidated Financial Statements* at the end of or during the financial year. Control is established when the parent is exposed to or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity.

Transactions, balances and unrealised gains on transactions between Group entities are eliminated. Where necessary, accounting policies of subsidiaries have been changed to ensure consistency with the policies adopted by the Group.

A list of subsidiaries is contained in note 26(b) to the financial statements.

### (c) Income Tax Exemption

Macquarie University and its subsidiaries 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 Macquarie University Property Investment Company, which did not have an income tax charge or payment in 2017 (2016: Nil).

## 1 Summary of Significant Accounting Policies (continued)

### (d) 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.

### (e) New Accounting Standards and Interpretations

#### Effective for the first time

Certain new Accounting Standards and Interpretations became mandatory for the 31 December 2017 reporting period. These new requirements have not had a material impact on either the results or disclosure of the University.

#### Issued but not yet effective

Certain new Accounting Standards and Interpretations have been published that may be applicable to the University, but are not mandatory for the 31 December 2017 reporting period.

Macquarie University's assessment of the impact of these new Standards and Interpretations is set out below:

Standard or Interpretation	Application date
AASB 9 Financial Instruments <sup>1</sup>	1 Jan 2018
AASB 15 Revenue from Contracts with Customers <sup>1</sup>	1 Jan 2019
AASB 16 Leases <sup>1</sup>	1 Jan 2019
AASB 1058 Income of Not-for-Profit Entities <sup>1</sup>	1 Jan 2019
AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) <sup>2</sup>	1 Jan 2018
AASB 2014-5 Amendments to Australian Accounting Standards arising from AASB 15 <sup>1</sup>	1 Jan 2018
AASB 2014-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2014) <sup>2</sup>	1 Jan 2018
AASB 2014-10 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to AASB 10 and AASB 128) <sup>2</sup>	1 Jan 2022
AASB 2016-3 Amendments to Australian Accounting Standards – Clarifications to AASB 15 <sup>2</sup>	1 Jan 2018
AASB 2016-8 Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Entities <sup>2</sup>	1 Jan 2019
Interpretation 22 Foreign Currency Translations and Advance Consideration <sup>2</sup>	1 Jan 2018

<sup>1</sup> Application of AASB 9, AASB 15, AASB 16 and AASB 1058 may result in material changes to the Group's future financial reports, however, the quantitative effect of the Group adopting this standard has not yet been determined.

<sup>2</sup> It is estimated that the impact of adopting these pronouncements when effective will have no material financial impact on future reporting periods.

## 2 Australian Government financial assistance

	Note	Consolidated		Parent	
		2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
Commonwealth Grants Scheme (CGS) and Other Education Grants	34(a)	181,579	181,605	181,579	181,605
Research Training Plan	34(c)	26,180	24,481	26,180	24,481
Research Support Plan	34(c)	15,384	15,060	15,384	15,060
Other Capital Funding	34(e)	-	1,195	-	1,195
Australian Research Council	34(f)	21,534	22,989	21,534	22,989
<b>Total CGS, Scholarship and Research Grants</b>		<b>244,677</b>	<b>245,330</b>	<b>244,677</b>	<b>245,330</b>
Other Australian Government financial assistance		39,571	37,699	30,480	29,676
<b>Total Australian Government Grants</b>		<b>284,248</b>	<b>283,029</b>	<b>275,157</b>	<b>275,006</b>
Higher Education Loan Programs	34(b)	199,063	192,244	199,063	192,244
<b>Total Australian Government financial assistance</b>		<b>483,311</b>	<b>475,273</b>	<b>474,220</b>	<b>467,250</b>

### Accounting Policy

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. This applies to major revenue items disclosed in notes 2 - 7, as well as Medical Services Revenue which is shown on the face of the Income Statement.

The Group recognises contributions and grants received from State and Commonwealth governments as revenue when the Group obtains control of the right to receive the grant contribution, it is probable that economic benefits will flow to the Group and it can be reliably measured.

## 3 State and local government financial assistance

	Consolidated		Parent	
	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
Non-capital state and local government assistance	6,749	5,127	6,749	5,127
<b>Total State and Local Government financial assistance</b>	<b>6,749</b>	<b>5,127</b>	<b>6,749</b>	<b>5,127</b>



**4 Fees and charges**

	Consolidated		Parent	
	2017	2016	2017	2016
	\$'000	\$'000	\$'000	\$'000
<b>Course Fees and Charges</b>				
Fee-paying onshore overseas students	293,348	238,328	290,421	235,220
Fee-paying offshore overseas students	3,075	2,768	2,338	1,972
Continuing education	1,262	1,388	1,262	1,388
Fee-paying domestic postgraduate students	15,687	16,597	13,496	13,607
Fee-paying domestic undergraduate students	3,266	4,310	3,266	4,310
Fee-paying domestic non-award students	2,140	1,795	2,140	1,795
Other domestic course fees and charges	9,881	9,483	9,881	9,483
Income from third party course providers	-	1,213	-	1,213
<b>Total Course Fees and Charges</b>	<b>328,659</b>	<b>275,882</b>	<b>322,804</b>	<b>268,988</b>
<b>Other Non-Course Fees and Charges</b>				
Parking fees	7,511	6,619	7,593	6,627
Student accommodation	1,309	1,180	1,309	1,180
Student Services and Amenities Fees from students	34(j) 4,179	4,066	4,179	4,066
Service fees and other charges	6,023	8,151	7,052	9,106
<b>Total Other Fees and Charges</b>	<b>19,022</b>	<b>20,016</b>	<b>20,133</b>	<b>20,979</b>
<b>Total Fees and Charges</b>	<b>347,681</b>	<b>295,898</b>	<b>342,937</b>	<b>289,967</b>

Accounting Policy

Fees, charges and student HELP payments are recognised as revenue in the year to which the prescribed course or service relates.

**5 Investment revenue**

	Consolidated		Parent	
	2017	2016	2017	2016
	\$'000	\$'000	\$'000	\$'000
<b>Interest income</b>				
Bank deposits	5,477	4,821	5,243	4,554
Interest on loans to subsidiaries	-	-	3,885	3,931
Other interest income	2,793	3,849	2,793	3,849
<b>Total interest income</b>	<b>8,270</b>	<b>8,670</b>	<b>11,921</b>	<b>12,334</b>
Dividends	9	12	9	12
<b>Total investment revenue</b>	<b>8,279</b>	<b>8,682</b>	<b>11,930</b>	<b>12,346</b>

Accounting Policy

Interest revenue is recognised as it is earned. Dividend revenue is recognised as received.

Finance lease income, which is included in other interest income above, 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.

**6 Consultancy and contracts**

	Consolidated		Parent	
	2017	2016	2017	2016
	\$'000	\$'000	\$'000	\$'000
Consultancy	6,134	6,575	4,095	2,534
Contract research	17,031	15,278	17,035	15,278
<b>Total consultancy and contracts</b>	<b>23,165</b>	<b>21,853</b>	<b>21,130</b>	<b>17,812</b>

Accounting Policy

Contract research 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.

**7 Other revenue**

	Consolidated		Parent	
	2017	2016	2017	2016
	\$'000	\$'000	\$'000	\$'000
Child care fees	5,156	4,763	-	-
Commission income	1,198	2,186	1,198	2,186
Donations and bequests	10,157	7,554	8,152	7,554
Education and training revenue	2,995	3,394	-	-
Food sales, hotel and retail	11,126	12,087	-	-
Recoveries	4,499	1,663	16,946	12,328
Rental charges	28,923	25,116	31,964	33,980
Royalties, trademarks and licences	563	524	568	508
Scholarships and prizes	1,038	555	2,988	555
Sports and event fees	10,039	9,667	-	-
Other revenue and income	4,621	7,200	3,896	2,157
<b>Total other revenue</b>	<b>80,315</b>	<b>74,709</b>	<b>65,712</b>	<b>59,268</b>

Accounting Policy*(i) Other revenue and income*

Other revenue and income includes donations, bequests and income from on-campus non-academic services including food, childcare, retail, hotel and sports facilities. Such income is recognised when the Group becomes entitled to receive the revenue and the revenue can be reliably measured.

*(ii) Rental income*

Income from operating leases is recognised in the income statement on a straight-line basis over the lease term, taking into account any lease incentives provided to the lessee and minimum known rental increases over the term of the lease. Lessor lease assets and liabilities (notes 18 and 24) reflect the timing differential between cash receipts and rental income recognition over the life of the lease.

**Macquarie University**  
**Notes to the Financial Statements**  
**For the Year Ended 31 December 2017**

**8 Employee related expenses**

	Consolidated		Parent	
	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
<b>Academic</b>				
Salaries	<b>207,860</b>	193,272	<b>207,860</b>	193,826
Contributions to superannuation and pension schemes				
Contribution to funded schemes <sup>1</sup>	<b>29,073</b>	27,668	<b>29,073</b>	26,923
Contribution to unfunded schemes <sup>2</sup>	<b>590</b>	659	<b>590</b>	659
Payroll tax	<b>13,279</b>	12,305	<b>13,279</b>	11,863
Workers' compensation	<b>585</b>	478	<b>585</b>	365
Long service leave expense	<b>3,919</b>	6,485	<b>3,919</b>	6,479
Annual leave expense	<b>1,731</b>	630	<b>1,731</b>	634
<b>Total academic</b>	<b>257,037</b>	241,497	<b>257,037</b>	240,749
<b>Non-academic</b>				
Salaries	<b>267,463</b>	250,329	<b>186,057</b>	168,841
Contributions to superannuation and pension schemes				
Contribution to funded schemes <sup>1</sup>	<b>34,639</b>	30,787	<b>26,069</b>	23,044
Contribution to unfunded schemes <sup>2</sup>	<b>568</b>	634	<b>568</b>	634
Payroll tax	<b>14,533</b>	11,948	<b>12,052</b>	10,275
Workers' compensation	<b>1,032</b>	850	<b>508</b>	321
Long service leave expense	<b>3,330</b>	4,849	<b>3,016</b>	4,101
Annual leave expense	<b>5,322</b>	6,195	<b>2,791</b>	866
<b>Total non-academic</b>	<b>326,887</b>	305,592	<b>231,061</b>	208,082
<b>Total employee related expenses</b>	<b>583,924</b>	547,089	<b>488,098</b>	448,831
Deferred superannuation expense	<b>271</b>	936	<b>271</b>	936
<b>Total employee related expenses, including deferred Employee Benefits for Superannuation</b>	<b>584,195</b>	548,025	<b>488,369</b>	449,767

Refer to note 23 for policies on employee benefits.

<sup>1</sup> Funded schemes include UniSuper and Self-Managed Super Funds.

<sup>2</sup> Unfunded schemes include the State Authorities Superannuation Scheme (SASS), State Authorities Non-contributory Superannuation Scheme (SANCS) and State Superannuation Scheme (SSS). Cash payments to these schemes relating to employer contributions for current employees are shown in this note.

Reimbursement arrangements relating to SASS, SANCS and SSS from the Commonwealth and State Government under the Higher Education Superannuation Program (HESP) are explained in note 33(a) and quantified in note 34(i). In accordance with Department of Education and Training Guidelines, these cash payments are not included in income or expenses.

## 9 Depreciation and amortisation

	Note	Consolidated		Parent	
		2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
<b>Depreciation</b>					
Buildings		33,653	30,797	33,653	30,797
Plant and equipment <sup>1</sup>		19,615	20,945	18,407	19,918
Infrastructure		4,756	4,869	4,756	4,869
Library Collection - General		1,609	963	1,609	963
Leasehold improvements		354	576	354	576
<b>Total depreciation</b>	19	<b>59,987</b>	<b>58,150</b>	<b>58,779</b>	<b>57,123</b>
<b>Amortisation</b>					
Patents and trademarks		31	35	31	35
IT software <sup>2</sup>		4,306	6,926	3,926	3,579
Digital library collections		2,718	7,897	2,718	7,897
<b>Total amortisation</b>	20	<b>7,055</b>	<b>14,858</b>	<b>6,675</b>	<b>11,511</b>
<b>Total depreciation and amortisation</b>		<b>67,042</b>	<b>73,008</b>	<b>65,454</b>	<b>68,634</b>

Refer to note 19 for policies on depreciation and note 20 for policies on amortisation.

<sup>1</sup> Includes motor vehicles

<sup>2</sup> Includes impairment losses in 2016

## 10 Borrowing costs

	Consolidated		Parent	
	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
Interest on University-issued bonds	17,125	17,125	17,125	17,125
Other interest	1,479	1,921	2,721	3,033
<b>Total borrowing costs expensed</b>	<b>18,604</b>	<b>19,046</b>	<b>19,846</b>	<b>20,158</b>

### Accounting Policy

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, in which case the borrowing costs directly attributable to the acquisition, construction or production of the asset is capitalised as part of the cost of that asset). No interest relating to qualifying assets was capitalised during 2017 (2016: nil).



**11 Impairment of assets**

	Note	Consolidated		Parent	
		2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
Third party receivables	14(b)	1,092	534	664	468
Available-for-sale financial assets		38	-	38	-
<b>Total impairment of assets</b>		<b>1,130</b>	<b>534</b>	<b>702</b>	<b>468</b>

Refer to note 14 for accounting policy on impairment of third party receivables, and to note 16 for the accounting policy on impairment of available-for-sale financial assets.

**12 Other expenses**

	Consolidated		Parent	
	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
Advertising, marketing and promotions	12,761	12,648	11,498	10,378
Agents commission	22,979	18,885	19,563	15,110
Audit fees, bank charges, legal costs and insurance	9,913	8,800	5,790	6,358
Computing, IT and software	16,909	9,822	16,139	9,484
Contributions to subsidiaries	-	-	12,731	21,959
General consumables and materials	25,418	19,997	16,125	10,339
Non-capitalised equipment	6,933	6,858	5,421	4,300
Payments to research partners	15,524	15,475	15,524	15,475
Printing, postage and stationery	3,764	2,736	2,349	1,857
Rental, hire and other leasing fees	11,769	10,156	11,862	9,022
Security	4,922	4,373	4,434	3,880
Subscriptions and copyright	10,387	9,844	10,179	9,594
Travel and training	20,668	19,126	20,447	19,249
Tuition services	4,867	5,106	43,036	35,812
Utilities and cleaning	19,316	15,073	17,368	13,321
Miscellaneous expenses	10,698	10,414	5,189	3,898
<b>Total other expenses</b>	<b>196,828</b>	<b>169,313</b>	<b>217,655</b>	<b>190,036</b>

Accounting Policy*(i) Operating leases and rental expenses*

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the income statement on a straight-line basis, over the period of the lease, taking into account any lease incentives received from the lessor and known minimum rental increases over the term of the lease. Lessee lease assets and liabilities (notes 18 and 24) reflect the timing differential between cash payments and rental expense recognition over the life of the lease.

## 13 Cash and cash equivalents

	Consolidated		Parent	
	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
Cash at bank and on hand	50,981	52,711	31,256	40,084
Short term deposits	137,568	242,153	137,568	242,153
<b>Total cash and cash equivalent in the statement of financial position and statement of cash flows</b>	<b>188,549</b>	<b>294,864</b>	<b>168,824</b>	<b>282,237</b>

Accounting Policy

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term and highly liquid investments with original maturities of 90 days or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Consolidated cash and cash equivalents have a weighted average interest of 2.12% at 31 December 2017 (2016: 2.42%).

## (a) Restricted Funds

Included in the cash at bank and on hand is an amount of \$122k as at 31 December 2017 (2016: \$122k) 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 \$116k as at 31 December 2017 (2016: \$121k) for the purpose of meeting the objectives of the Nippon Foundation Fund.

## 14 Receivables

	Note	Consolidated		Parent	
		2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
<b>Current</b>					
Related parties		-	-	7,404	5,028
Other debtors		25,488	30,401	12,732	16,617
Student debtors		4,600	5,090	4,600	5,090
Less: Allowance for impaired receivables	14(b)	(1,939)	(1,381)	(1,136)	(711)
<b>Total net receivables</b>		<b>28,149</b>	<b>34,110</b>	<b>23,600</b>	<b>26,024</b>
Accrued income		10,570	8,502	1,009	1,310
Finance lease receivables	14(c)	559	516	559	516
Deferred contribution for superannuation	33(f)	32,954	26,505	32,954	26,505
<b>Total current receivables</b>		<b>72,232</b>	<b>69,633</b>	<b>58,122</b>	<b>54,355</b>
<b>Non-current</b>					
Finance lease receivables	14(c)	21,194	21,887	21,194	21,887
Deferred contribution for superannuation	33(f)	476,772	494,001	476,772	494,001
Other receivables		5,425	4,813	875	875
Less: Allowance for impaired receivables	14(b)	(4,137)	(3,831)	-	-
<b>Total non-current receivables</b>		<b>499,254</b>	<b>516,870</b>	<b>498,841</b>	<b>516,763</b>
<b>Total receivables</b>		<b>571,486</b>	<b>586,503</b>	<b>556,963</b>	<b>571,118</b>

## 14 Receivables (continued)

### Accounting Policy

Trade receivables are initially recognised and subsequently measured at invoiced amount, which is materially the same as both amortised cost and fair value, due to their short-term nature. 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 uncollectable 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.

The creation and release of the allowance for impaired receivables has been included in Note 11 'Impairment of assets' in the Income Statement. Amounts charged to the allowance account are generally written off when there is no expectation of recovering additional cash.

### (a) Receivables past due but not impaired

The ageing analysis of receivables past due but not impaired is shown below. These receivables relate to a number of independent customers including current students for whom there is no recent history of default.

	Consolidated		Parent	
	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
< 3 months	4,913	5,760	2,446	3,055
3 to 6 months	4,723	3,366	3,669	2,517
Over 6 months	921	2,059	626	2,047
<b>Total past due but not impaired receivables</b>	<b>10,557</b>	<b>11,185</b>	<b>6,741</b>	<b>7,619</b>

### (b) Impaired receivables

Movements in the provision for impaired receivables are as follows:

	Note	Consolidated		Parent	
		2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
At 1 January		5,212	5,120	711	934
Provision for impairment recognised during the year	11	1,092	539	664	468
Receivables written off during the year as uncollectible		(228)	(447)	(239)	(691)
<b>At 31 December</b>		<b>6,076</b>	<b>5,212</b>	<b>1,136</b>	<b>711</b>

The Group impairment total value as at 31 December 2017 comprises both current \$1.9m and non-current \$4.1m (2016: current \$1.4m and non-current \$3.8m).

### (c) Finance Lease Receivables

#### (i) Finance leases

### Accounting Policy

The University is lessor to a small number of long term leases of land to external organisations. These leases have been classified as finance leases as substantially all the risks and rewards of use of the land have been transferred to the lessee at inception of the lease.

Finance leases are recognised at the lease's inception at the lower of fair value of the leased asset and the present value of future minimum lease payments. The corresponding rent receivables, net of finance income, are included in receivables. Each lease receipt is allocated between the receivable and finance lease income.

**14 Receivables (continued)****(c) Finance Lease Receivables (continued)***(ii) Macquarie University Village*

The University 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 was written down to nil at 1 January 2007 on the basis that there is no future economic benefit to the University from the student accommodation.

The University 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.

*(iii) Macquarie University Research Park*

The University has issued a finance lease to a third party organisation over land in the Macquarie University Research Park. At the end of these lease periods, the building constructed by the lessees will revert to University ownership without consideration to the lessee.

*(iv) Future minimum lease payments to the University under all non-cancellable finance leases*

	Consolidated		Parent	
	2017	2016	2017	2016
	\$'000	\$'000	\$'000	\$'000
Within one year	1,995	1,996	1,995	1,996
Between one year and five years	7,978	7,978	7,978	7,978
Later than five years	43,829	46,254	43,829	46,254
Minimum lease payments	53,802	56,228	53,802	56,228
Less: Future finance charge	(32,049)	(33,825)	(32,049)	(33,825)
<b>Total future minimum lease payments</b>	<b>21,753</b>	<b>22,403</b>	<b>21,753</b>	<b>22,403</b>

**15 Inventories**

	Consolidated		Parent	
	2017	2016	2017	2016
	\$'000	\$'000	\$'000	\$'000
<b>Current</b>				
Medical supplies	4,255	4,573	-	-
Other inventories	828	987	318	281
<b>Total current inventories</b>	<b>5,083</b>	<b>5,560</b>	<b>318</b>	<b>281</b>

Accounting Policy

*Inventories are valued at the lower of cost and net realisable value.*



**16 Other financial assets**

	Note	Consolidated		Parent	
		2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
<b>Current</b>					
Held to maturity - term deposits		28,456	37,604	28,350	35,400
Restricted assets - Held to maturity - term deposits		4,709	4,699	4,709	4,699
<b>Total current other financial assets</b>		<b>33,165</b>	<b>42,303</b>	<b>33,059</b>	<b>40,099</b>
<b>Non-current</b>					
Available-for-sale investments		28,634	24,799	28,634	24,799
Investment in associate		418	418	-	-
Investment in subsidiaries					
- loan		-	-	110,886	99,751
- impairment		-	-	(41,589)	(41,589)
	17	-	-	69,297	58,162
Held to maturity - term deposits		-	375	-	-
<b>Total non-current other financial assets</b>		<b>29,052</b>	<b>25,592</b>	<b>97,931</b>	<b>82,961</b>
<b>Total other financial assets</b>		<b>62,217</b>	<b>67,895</b>	<b>130,990</b>	<b>123,060</b>

Funds are invested in accordance with the Macquarie University Act.

Accounting Policy
**(a) Classification**

The Group classifies its investments in the following categories: financial assets at fair value through the income statement (none held in 2017 and 2016), 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.

**(i) 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.

**(ii) 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.

**(iii) 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.

**(b) Recognition and de-recognition**

Financial assets are initially recognised at fair value plus transactions costs. 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.

**16 Other financial assets (continued)****(c) Subsequent measurement**

Loans and receivables and held-to-maturity investments are carried at historical cost, which is materially the same as both amortised cost and fair value calculated using the effective interest method. 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.

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 investment reserve. This reserve reflects the difference between the carrying cost and market value of available-for-sale investments.

**(d) Fair value**

Fair value valuation techniques and policies are discussed in note 32.

**(e) Impairment**

The Group assesses at each balance date whether there is objective evidence that a financial asset or group of financial assets is impaired. In the case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair value of a security below its cost is considered in determining whether the security is impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss - measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit 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.

Refer to note 17(a)(iii) for details of the impairment assessment on the loan investment in a subsidiary, MUH Operations No. 2 Pty Ltd.

**(f) Restricted assets**

When the University is granted statutory funds, these funds will be used for specific purposes. 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 \$2.7m (2016: \$2.7m) held by the University solely for the purposes of meeting the objectives of the Nippon Foundation and \$2.0m (2016: \$2.0m) for the Numismatic Fund.

The only change in these balances during the year was the capitalisation of a portion of interest earned by the Nippon Foundation Fund.

**17 Investments in subsidiaries**

	Consolidated		Parent	
	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
<b>Non-current</b>				
<i>Investment in MUH Operations No. 2 Pty Ltd</i>				
- investment: Class B Funding Shares	-	-	70,000	70,000
- impairment	-	-	(46,701)	(46,701)
<b>Total non-current investment in subsidiaries</b>	-	-	<b>23,299</b>	23,299

**Accounting Policy**

Investments in all wholly owned subsidiaries are initially recorded at cost. The University assesses at each reporting date whether there is objective evidence that the investment is impaired.

## 17 Investments in subsidiaries (continued)

### (a) Equity and loan investment in MUH Operations No. 2 Pty Ltd

The parent entity has a loan and equity investment in MUH Operations No. 2 Pty Ltd, reflected in notes 16 and 17 of these accounts.

#### (i) Background

Since the inception of MUH Operations No. 2 Pty Ltd (the 'Hospital'), a subsidiary, in 2010, the University has offered an evergreen loan facility to the Hospital for the purposes of providing capital and working capital start-up funds to support both the Hospital's goal to provide the highest quality of patient care and also to provide world class facilities and research environments for the University to meet its medical research and teaching agenda. The loan facility limit is \$120m.

During 2013, \$70m of debt issued by the University to the Hospital was converted to an equity investment in the Hospital by issue of \$70m of Class B Funding shares in consideration for \$70m of debt.

#### (ii) Rental arrangements with the Hospital

The Hospital leases premises from the University. To date, these rental charges have been capitalised into the loan balance, driving the increase in the loan balance. Recognising this, during 2016 University management varied the lease contracts, granting a three-year rent-free period from 1 January 2016 to 31 December 2018. This decision was taken to support the Hospital to transition to a sustainable financial position, by relieving it temporarily of the burden of rental charges.

This support from the parent is valued at \$9.5m in 2017 (2016: \$16.7m). Notional rent for this amount is included within Other Revenue, with a contra-amount included in Other Expenses.

#### (iii) Impairment assessment

At 31 December 2017 management identified indicators that the loan and equity investments in the Hospital may be impaired.

The loan investment of \$110.9m (2016: \$99.8m) was 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 the Hospital relating to the loan balance at 31 December 2017, over the expected remaining life of the loan. Inputs into the modelling included a 10-year plan reviewed by the Board of the Hospital in December 2017, to which management applied a number of judgements based on actual history of performance against plan by the Hospital. These judgements included modelling the impact on the 10-year plan of varying the key financial drivers of the Hospital (being occupancy, revenue growth per patient day and nursing hours per patient day). Management has adopted a conservative approach to these judgements. The discount rate applicable to the loan as at 31 December 2017 of 3.69% (2016: 3.76%) was used to discount the cash flows.

The equity investment of \$70m was assessed for impairment in accordance with AASB 136 *Impairment of Assets*. The assessment used the same 10-year plan and management judgements noted above and modelled the discounted cash flows expected to be available to equity holders from the operations of the Hospital, and included a terminal value. A discount rate was selected based on the weighted average cost of capital of comparable organisations within the Australian private health-care sector.

The models indicated that the level of equity and loan impairment allowance remained appropriate, and no changes were required in 2017.

The fair value of the equity and loan (being the historic cost less impairment allowance) is shown in notes 16 and 17.

## 18 Other non-financial assets

	Consolidated		Parent	
	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
<b>Current</b>				
Prepayments	17,461	16,050	15,508	14,520
Lease asset - lessee	131	613	131	613
Lease asset - lessor	2,113	2,212	1,995	2,256
<b>Total current other non-financial assets</b>	<b>19,705</b>	<b>18,875</b>	<b>17,634</b>	<b>17,389</b>
<b>Non-current</b>				
Lease asset - lessee	1,244	-	1,244	-
Lease asset - lessor	17,760	19,898	17,314	21,506
<b>Total non-current other non-financial assets</b>	<b>19,004</b>	<b>19,898</b>	<b>18,558</b>	<b>21,506</b>
<b>Total other non-financial assets</b>	<b>38,709</b>	<b>38,773</b>	<b>36,192</b>	<b>38,895</b>

Refer to note 7(ii) for policies on operating lease income and note 12 for policies on operating lease costs.

## (a) Operating lease commitment - as lessor

Future minimum lease payments under non-cancellable operating leases:

	Consolidated		Parent	
	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
Within one year	27,917	36,339	24,427	35,910
Between one year and five years	78,961	81,538	117,142	110,510
Later than five years	52,552	30,495	124,134	110,171
	<b>159,430</b>	<b>148,372</b>	<b>265,703</b>	<b>256,591</b>

Accounting Policy

Future minimum lease payments under non-cancellable operating leases are shown undiscounted, and inclusive of GST liability.

Macquarie 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.



**19 Property, plant and equipment**

Parent	Construction in progress	Land	Buildings	Plant and equipment <sup>1</sup>	Leasehold improvements	Library General	Library Special	Works of Art	Infrastructure	Total
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>At 1 January 2016</b>										
- Cost	34,998	-	9,462	197,868	2,949	5,890	-	-	51	251,218
- Valuation	-	495,080	1,067,247	-	-	-	6,272	21,105	89,242	1,678,946
Accumulated depreciation	-	-	(8,707)	(112,257)	(1,851)	(3,652)	-	-	(390)	(126,857)
<b>Net book amount</b>	<b>34,998</b>	<b>495,080</b>	<b>1,068,002</b>	<b>85,611</b>	<b>1,098</b>	<b>2,238</b>	<b>6,272</b>	<b>21,105</b>	<b>88,903</b>	<b>1,803,307</b>
<b>Year ended 31 December 2016</b>										
Opening net book amount	34,998	495,080	1,068,002	85,611	1,098	2,238	6,272	21,105	88,903	1,803,307
Additions	56,199	3,582	47,971	6,692	377	396	-	2,289	4,693	122,199
Recognised in Other Comprehensive income	-	-	-	-	-	-	-	-	-	-
- Revaluation surplus on ongoing property, plant and equipment	-	243,638	18,676	-	-	-	438	1,962	(1,144)	263,570
Disposals	-	-	-	(447)	(67)	-	-	-	-	(514)
Recognised in the income statement - Depreciation charge	-	-	(30,797)	(19,918)	(576)	(963)	-	-	(4,869)	(57,123)
Transfer between asset classes	(20,022)	-	6,271	10,142	-	-	-	-	3,609	-
<b>Closing net book amount</b>	<b>71,175</b>	<b>742,300</b>	<b>1,110,123</b>	<b>82,080</b>	<b>832</b>	<b>1,671</b>	<b>6,710</b>	<b>25,356</b>	<b>91,192</b>	<b>2,131,439</b>
<b>At 31 December 2016</b>										
- Cost	71,175	-	-	203,620	3,095	6,286	-	-	-	284,176
- Valuation	-	742,300	1,122,004	-	-	-	6,710	25,356	91,570	1,987,940
Accumulated depreciation	-	-	(11,881)	(121,540)	(2,263)	(4,615)	-	-	(378)	(140,677)
<b>Net book amount</b>	<b>71,175</b>	<b>742,300</b>	<b>1,110,123</b>	<b>82,080</b>	<b>832</b>	<b>1,671</b>	<b>6,710</b>	<b>25,356</b>	<b>91,192</b>	<b>2,131,439</b>

9

## 19 Property, plant and equipment (continued)

Parent	Construction in progress	Land	Buildings	Plant and equipment <sup>1</sup>	Leasehold improvements	Library General	Library Special	Works of Art	Infrastructure	Total
<b>Year ended 31 December 2017</b>										
Opening net book amount	71,175	742,300	1,110,123	82,080	832	1,671	6,710	25,356	91,192	2,131,439
Additions	111,966	-	15,746	-	305	5,786	1	2,582	-	136,386
Recognised in Other Comprehensive income - Revaluation surplus on property, plant and equipment	-	23,950	35,754	-	-	-	-	-	5,946	65,650
Disposals	(151)	-	(628)	(319)	(41)	-	-	-	-	(1,139)
Recognised in the income statement - Depreciation charge	-	-	(33,653)	(18,407)	(354)	(1,609)	-	-	(4,756)	(58,779)
Transfer between asset classes	(112,614)	-	98,940	6,601	-	-	-	-	7,073	-
<b>Closing net book amount</b>	<b>70,376</b>	<b>766,250</b>	<b>1,210,536</b>	<b>85,701</b>	<b>742</b>	<b>5,848</b>	<b>6,711</b>	<b>27,938</b>	<b>99,455</b>	<b>2,273,557</b>
<b>At 31 December 2017</b>										
- Cost	70,376	-	-	224,913	2,825	12,072	-	-	-	310,186
- Valuation	-	766,250	1,213,765	-	-	-	6,711	27,938	100,106	2,114,770
Accumulated depreciation	-	-	(3,229)	(139,212)	(2,083)	(6,224)	-	-	(651)	(151,399)
<b>Net book amount</b>	<b>70,376</b>	<b>766,250</b>	<b>1,210,536</b>	<b>85,701</b>	<b>742</b>	<b>5,848</b>	<b>6,711</b>	<b>27,938</b>	<b>99,455</b>	<b>2,273,557</b>

<sup>1</sup> Plant and equipment include motor vehicles.

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

	Note	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	Total \$'000
<b>Consolidated</b>											
<b>At 1 January 2016</b>											
- Cost		35,622	-	9,462	201,546	2,949	5,890	-	-	51	255,520
- Valuation		-	495,080	1,067,247	4,626	-	-	6,272	21,105	89,242	1,683,572
Accumulated depreciation		-	-	(8,707)	(117,727)	(1,851)	(3,651)	-	-	(390)	(132,326)
<b>Net book amount</b>		<b>35,622</b>	<b>495,080</b>	<b>1,068,002</b>	<b>88,445</b>	<b>1,098</b>	<b>2,239</b>	<b>6,272</b>	<b>21,105</b>	<b>88,903</b>	<b>1,806,766</b>
<b>Year ended 31 December 2016</b>											
Opening net book amount		35,622	495,080	1,068,002	88,445	1,098	2,239	6,272	21,105	88,903	1,806,766
Additions		57,309	3,582	47,971	8,526	377	396	-	2,289	4,693	125,143
Recognised in other comprehensive income		-	-	-	-	-	-	438	1,962	(1,144)	263,570
- Revaluation surplus on ongoing property, plant and equipment		-	243,638	18,676	-	-	-	-	-	-	(553)
Assets classified as held for sale and other disposals		-	-	-	(486)	(67)	-	-	-	-	-
Recognised in the income statement - Depreciation charge	9	-	-	(30,797)	(20,945)	(576)	(963)	-	-	(4,869)	(58,150)
Transfers		(21,548)	-	6,271	10,142	-	-	-	-	3,609	(1,526)
<b>Closing net book amount</b>		<b>71,383</b>	<b>742,300</b>	<b>1,110,123</b>	<b>85,682</b>	<b>832</b>	<b>1,672</b>	<b>6,710</b>	<b>25,356</b>	<b>91,192</b>	<b>2,135,250</b>
<b>At 31 December 2016</b>											
- Cost		71,383	-	-	212,484	3,095	6,286	-	-	-	293,248
- Valuation		-	742,300	1,122,004	-	-	-	6,710	25,356	91,570	1,987,940
Accumulated depreciation		-	-	(11,881)	(126,802)	(2,263)	(4,614)	-	-	(378)	(145,938)
<b>Net book amount</b>		<b>71,383</b>	<b>742,300</b>	<b>1,110,123</b>	<b>85,682</b>	<b>832</b>	<b>1,672</b>	<b>6,710</b>	<b>25,356</b>	<b>91,192</b>	<b>2,135,250</b>

## 19 Property, plant and equipment (continued)

Consolidated	Note	Construction in progress \$'000	Land \$'000	Buildings \$'000	Plant and equipment <sup>1</sup> \$'000	Leasehold improvements \$'000	Library General \$'000	Library Special \$'000	Works of Art Infrastructure \$'000	Total \$'000
Opening net book amount		71,383	742,300	1,110,123	85,682	832	1,672	6,710	91,192	2,135,250
Additions		112,274	-	-	16,025	305	5,785	1	2,582	136,972
Recognised in other comprehensive income		-	23,950	35,754	-	-	-	-	-	5,946
- Revaluation surplus on property, plant and equipment		(151)	-	(628)	(476)	(41)	-	-	-	(1,296)
Disposals	9	-	-	(33,653)	(19,615)	(354)	(1,609)	-	(4,756)	(59,987)
Recognised in the income statement - Depreciation charge		(113,087)	-	98,940	7,074	-	-	-	7,073	-
Transfer between asset classes		70,419	766,250	1,210,536	88,690	742	5,848	6,711	27,938	99,455
<b>Closing net book amount</b>		<b>70,419</b>	<b>766,250</b>	<b>1,210,536</b>	<b>88,690</b>	<b>742</b>	<b>5,848</b>	<b>6,711</b>	<b>27,938</b>	<b>2,276,589</b>
<b>At 31 December 2017</b>		<b>70,419</b>	<b>-</b>	<b>-</b>	<b>232,227</b>	<b>2,825</b>	<b>12,072</b>	<b>-</b>	<b>-</b>	<b>317,543</b>
- Cost		-	766,250	1,213,765	-	-	-	6,711	27,938	2,114,770
- Valuation		-	-	(3,229)	(143,537)	(2,083)	(6,224)	-	-	(155,724)
Accumulated depreciation		70,419	766,250	1,210,536	88,690	742	5,848	6,711	27,938	99,455
<b>Net book amount</b>		<b>70,419</b>	<b>766,250</b>	<b>1,210,536</b>	<b>88,690</b>	<b>742</b>	<b>5,848</b>	<b>6,711</b>	<b>27,938</b>	<b>2,276,589</b>

<sup>1</sup> Plant and equipment include motor vehicles.



**19 Property, plant and equipment (continued)****(a) Capital commitments**

Capital expenditure contracted for various building capital projects at the reporting date but not recognised as liabilities as at 31 December 2017 are as follows:

	Consolidated		Parent	
	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
Within one year	<b>73,657</b>	34,024	<b>73,657</b>	33,942
<b>Total capital commitments</b>	<b>73,657</b>	34,024	<b>73,657</b>	33,942

Accounting Policy

Capital commitments are shown undiscounted, and inclusive of GST liability.

**Property, plant and equipment policies***(i) Capitalisation thresholds*

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 purchase 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.

*(ii) Measurements by asset class*

- 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, utilising the state government approved Campus Concept Plan and other observable market inputs. Land, Building and Infrastructure are revalued annually, by an independent valuer. Additionally, revaluation adjustments may be made during the year, in accordance with paragraph (iii) below if there are significant changes in either expected use or duration of use for assets in these classes.
- The Library General Collection is recorded at fair value, on the basis of depreciated replacement value.
- The Works of Art, Library Special Collection are measured at fair value and are revalued every three years. They were all last revalued between November and December 2016.
- Plant and Equipment, Leasehold Improvements and Construction in Progress are measured at depreciated historic cost. There is no substantive difference between the fair value and the carrying value of these assets.
- 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.

*(iii) Fair value and revaluation adjustments*

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 carrying amount is adjusted to the revalued amount of the asset.

**19 Property, plant and equipment (continued)****Property, plant and equipment policies (continued)**

Increases in the carrying amounts arising on revaluation of property, plant and equipment are recognised in other comprehensive income and accumulated in equity under the heading of Asset revaluation reserve. Decreases that reverse previous increases of the same asset class are recognised in other comprehensive income, to the extent of the remaining reserve attributable to the asset. All other decreases are charged to the income statement.

*(iv) Depreciation*

Property, plant and equipment are depreciated only when they are completed and ready for use. Depreciation is calculated on a straight-line basis, net of an asset's residual value, over its expected useful life. Standard applicable rates by asset type are:

<b>Asset</b>	<b>2017 and 2016</b>
Construction in progress	N/A
Land	N/A
Buildings	40 years
Plant and equipment	3 - 10 years
Leasehold improvements	Term of lease
Library Collections: General	5 years
Library Collections: Special	N/A
Works of Art	N/A
Infrastructure	21 years

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

The carrying amount of an asset held at depreciated historic cost is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

## 20 Intangible Assets

	Note	Parent			Consolidated				
		Patents \$'000	IT software \$'000	Digital library collections \$'000	Total \$'000	Patents \$'000	IT software \$'000	Digital library collections \$'000	Total \$'000
<b>At 1 January 2016</b>									
- Cost		1,620	14,366	38,925	54,911	1,621	18,215	38,925	58,761
- Accumulated amortisation and impairment		(138)	(4,561)	(18,462)	(23,161)	(138)	(4,701)	(18,462)	(23,301)
<b>Net book amount</b>		<b>1,482</b>	<b>9,805</b>	<b>20,463</b>	<b>31,750</b>	<b>1,483</b>	<b>13,514</b>	<b>20,463</b>	<b>35,460</b>
Year ended 31 December 2016									
Opening net book amount		1,482	9,805	20,463	31,750	1,483	13,514	20,463	35,460
Additions		341	4,766	7,707	12,814	341	5,575	7,707	13,623
Impairment losses		-	-	-	-	-	(3,121)	-	(3,121)
Amortisation charge	9	(35)	(3,579)	(7,897)	(11,511)	(35)	(3,805)	(7,897)	(11,737)
Disposals		(86)	-	-	(86)	(86)	-	-	(86)
<b>Closing net book amount</b>		<b>1,702</b>	<b>10,992</b>	<b>20,273</b>	<b>32,967</b>	<b>1,703</b>	<b>12,163</b>	<b>20,273</b>	<b>34,139</b>
<b>At 31 December 2016</b>									
- Cost		1,876	18,590	46,631	67,097	1,877	23,249	46,631	71,757
- Accumulated amortisation and impairment		(174)	(7,598)	(26,358)	(34,130)	(174)	(11,086)	(26,358)	(37,618)
<b>Net book amount</b>		<b>1,702</b>	<b>10,992</b>	<b>20,273</b>	<b>32,967</b>	<b>1,703</b>	<b>12,163</b>	<b>20,273</b>	<b>34,139</b>
Year ended 31 December 2017									
Opening net book amount		1,702	10,992	20,273	32,967	1,703	12,163	20,273	34,139
Additions		518	7,814	3,647	11,979	517	7,909	3,647	12,073
Amortisation charge	9	(31)	(3,926)	(2,718)	(6,675)	(31)	(4,306)	(2,718)	(7,055)
Disposals		(269)	-	-	(269)	(269)	(150)	-	(419)
<b>Closing net book amount</b>		<b>1,920</b>	<b>14,880</b>	<b>21,202</b>	<b>38,002</b>	<b>1,920</b>	<b>15,616</b>	<b>21,202</b>	<b>38,738</b>
<b>At 31 December 2017</b>									
- Cost		2,123	26,470	50,279	78,872	2,123	30,981	50,279	83,383
- Accumulated amortisation and impairment		(203)	(11,590)	(29,077)	(40,870)	(203)	(15,365)	(29,077)	(44,645)
<b>Net book amount</b>		<b>1,920</b>	<b>14,880</b>	<b>21,202</b>	<b>38,002</b>	<b>1,920</b>	<b>15,616</b>	<b>21,202</b>	<b>38,738</b>

**20 Intangible Assets (continued)**Accounting Policy**Intangible assets policies***(i) Patents*

Patents are recorded at cost and amortised over their useful life.

*(ii) IT software*

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

*(iii) Digital library collections*

Digital library collections are capitalised when the license includes perpetual access rights to the information purchased. Such assets are recorded at historical cost and amortised over their useful life.

*(iv) Amortisation*

Amortisation is calculated on a straight line basis over the assets' estimated useful lives, which are reviewed regularly. Standard applicable rates by asset type are:

<b>Asset</b>	<b>2017</b>	<b>2016</b>
Patents	20 years	20 years
IT software	3-10 years	3-10 years
Digital library collections	10 years	5 years

*(v) Impairment*

Intangible assets are reviewed for impairment wherever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised in Note 11 for the amount by which the asset's carrying amount exceeds its recoverable amount, being the higher of the asset's fair value less costs of disposal, and its value in use.

**21 Trade and other payables**

		<b>Consolidated</b>		<b>Parent</b>	
	<b>Note</b>	<b>2017</b>	2016	<b>2017</b>	2016
		<b>\$'000</b>	\$'000	<b>\$'000</b>	\$'000
<b>Current</b>					
Related parties		-	-	<b>2,797</b>	1,722
Third parties		<b>44,512</b>	39,266	<b>31,004</b>	23,453
Accrued expenses		<b>45,674</b>	45,273	<b>40,074</b>	38,988
OS-HELP Liability to Australian Government	34(h)	<b>32</b>	1,630	<b>32</b>	1,630
<b>Total current trade and other payables</b>		<b>90,218</b>	86,169	<b>73,907</b>	65,793
<b>Total trade and other payables</b>		<b>90,218</b>	86,169	<b>73,907</b>	65,793

Accounting Policy

Trade accounts payable are recognised when the University becomes obliged to make future payments as a result of purchases or other obligations. These liabilities 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.

Total trade and other payables include \$3.8m (2016: \$1.5m) denominated in currencies other than Australian dollars.



**22 Borrowings**

	Note	Consolidated		Parent	
		2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
<b>Current</b>					
Unsecured subsidiary loans	22(a)	-	-	54,310	44,900
Unsecured bank loans (student accommodation)	22(b)	1,477	1,379	1,477	1,379
Secured lease liabilities		139	135	-	-
<b>Total current borrowings</b>		<b>1,616</b>	<b>1,514</b>	<b>55,787</b>	<b>46,279</b>
<b>Non-current</b>					
Unsecured University-issued bonds	22(c)	249,328	249,078	249,328	249,078
Unsecured bank loans (evergreen facility)	22(d)	-	100,000	-	100,000
Unsecured bank loans (student accommodation)	22(b)	2,108	3,575	2,108	3,575
Secured lease liabilities		246	385	-	-
<b>Total non-current borrowings</b>		<b>251,682</b>	<b>353,038</b>	<b>251,436</b>	<b>352,653</b>
<b>Total borrowings</b>		<b>253,298</b>	<b>354,552</b>	<b>307,223</b>	<b>398,932</b>

Accounting Policy

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.

All borrowings are interest bearing. The carrying amounts of borrowings at the date of statement of financial position are approximate to their fair value. Refer to note 31 for details regarding the Group and parent entity's exposure to interest rate changes and contractual repricing dates.

**(a) Subsidiary loans**

Several subsidiaries with surplus cash balances have entered into an unsecured loan agreement with the University. Loan tranches are invested by the University and returns on these investments are paid to the lending subsidiary.

**(b) Borrowings in respect of assets**

In 2000 the University entered into a 20 year commercial bank loan with a fixed interest rate of 7.035% to fund the construction of student accommodation. The loan is unsecured and is denominated in AUD. The balance of the loan outstanding as at 31 December 2017 was \$3.6 million which comprises both current \$1.5m and non-current \$2.1m (2016: \$5.0 million which comprises current \$1.4m and non-current \$3.6m).

**(c) University-issued bonds**

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 fair value of bonds at reporting date was \$282.3m (2016: \$289.2m). Refer to note 32 for Fair Value Measurement.

**(d) Evergreen facility**

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 2017, nil was drawn down and \$200 million remained available to be drawn (2016: \$100 million was drawn down and \$100 million remained available to be drawn). The loans are denominated in AUD.

**22 Borrowings (continued)****(e) Other financing facilities**

There was no formal overdraft facility in place as at 31 December 2017. There were unused credit card facilities with Australia and New Zealand Banking Group totaling \$4.9 million (2016: \$5.2 million) at the year end.

**(f) Reconciliation of liabilities arising from financing activities**

	Consolidated				Parent			
	2016	Cashflow	Other	2017	2016	Cashflow	Other	2017
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Current borrowings	1,514	-	102	1,616	46,279	9,410	98	55,787
Non-current borrowings	353,038	(101,642)	286	251,682	352,653	(101,368)	151	251,436
<b>Total liabilities from financing activities</b>	<b>354,552</b>	<b>(101,642)</b>	<b>388</b>	<b>253,298</b>	<b>398,932</b>	<b>(91,958)</b>	<b>249</b>	<b>307,223</b>

**23 Provisions**

	Note	Consolidated		Parent	
		2017	2016	2017	2016
		\$'000	\$'000	\$'000	\$'000
<b>Current provisions expected to be settled wholly within 12 months</b>					
Employee benefits					
Annual leave		35,122	31,713	29,280	25,747
Long service leave		12,765	12,254	12,310	11,636
Other employee related costs		2,187	547	2,187	397
Deferred benefits for superannuation	33(f)	32,954	26,505	32,954	26,505
Other provisions		-	168	-	-
Subtotal		<b>83,028</b>	71,187	<b>76,731</b>	64,285
<b>Current provisions expected to be settled wholly after more than 12 months</b>					
Employee benefits					
Annual leave		5,193	3,786	4,983	3,554
Long service leave		25,289	23,731	24,678	22,844
Subtotal		<b>30,482</b>	27,517	<b>29,661</b>	26,398
<b>Total current provisions</b>		<b>113,510</b>	98,704	<b>106,392</b>	90,683
<b>Non-current provisions</b>					
Employee benefits					
Long service leave		16,876	17,818	14,032	14,853
Deferred benefits for superannuation	33(f)	478,904	496,301	478,904	496,301
Make Good		579	470	579	470
<b>Total non-current provisions</b>		<b>496,359</b>	514,589	<b>493,515</b>	511,624
<b>Total provisions</b>		<b>609,869</b>	613,293	<b>599,907</b>	602,307

Refer to note 33(f) for ageing of net liability and reimbursement rights relating to Deferred Benefits for Superannuation.

**23 Provisions (continued)**Accounting Policy**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 that these liabilities will be settled wholly within twelve months of the reporting period, they are recognised in the Trade and Other Payables note.*

*(ii) Long-term obligations*

*The liabilities for long-term benefits such as annual leave and long service leave are recognised in current provisions for employee benefits if:*

- a) it is expected to be settled wholly within twelve months of the reporting period and*
- b) there is no unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Such liabilities are recognised as non-current if either of the above criteria do not apply.*

*Long term liabilities are 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.*

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

*(iii) Post-employment benefits - please refer to Note 33***Other provisions**

*Provisions 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 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.*

*(i) Termination benefits - included in Note 23 Other employee related costs*

*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.*

## 24 Other liabilities

	Consolidated		Parent	
	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
<b>Current</b>				
Advances	437	465	349	348
Prepaid income	58,770	59,789	57,079	58,369
Lease liability - lessor	474	694	474	694
<b>Total current other liabilities</b>	<b>59,681</b>	<b>60,948</b>	<b>57,902</b>	<b>59,411</b>
<b>Non-current</b>				
Lease liability - lessee	3,618	1,972	3,618	1,972
Lease liability - lessor	347	821	347	821
<b>Total non-current other liabilities</b>	<b>3,965</b>	<b>2,793</b>	<b>3,965</b>	<b>2,793</b>
<b>Total other liabilities</b>	<b>63,646</b>	<b>63,741</b>	<b>61,867</b>	<b>62,204</b>

Prepaid income predominantly relates to student fees received for courses that have yet to be delivered.

Refer to note 7(ii) for policies on operating lease income and note 12 for policies on operating lease costs.

## (a) Operating lease commitments - 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	
	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
Within one year	7,648	7,608	6,910	6,967
Between one year and five years	17,225	16,690	15,352	15,000
Later than five years	15,712	19,441	15,712	19,441
<b>Total future minimum lease payments</b>	<b>40,585</b>	<b>43,739</b>	<b>37,974</b>	<b>41,408</b>

Accounting Policy

Lease payments are shown undiscounted, and inclusive of GST liability.



## 25 Key Management Personnel Disclosures

### (a) 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

Ms Deidre Anderson (until April 2017)  
 Mr Tim Beresford (until December 2017)  
 Professor Stephen Brammer (appointed January 2017)  
 Professor S Bruce Dowton  
 Ms Nicole Gower  
 Professor Simon Handley  
 Professor Kevin Jameson  
 Professor Patrick McNeil  
 Professor Barbara Messerle  
 Professor Martina Mollering  
 Mr Robin Payne  
 Professor Sakkie Pretorius  
 Professor David Wilkinson

#### (ii) University Council Members

The Hon Michael Egan AO – Chancellor  
 Professor S Bruce Dowton – Vice-Chancellor and President  
 Ms Elizabeth Crouch – Deputy Chancellor  
 Professor Mariella Herberstein – Chair of Academic Senate  
 Ms Cissy Shen (appointed June 2017)  
 Mr Brendan Crotty  
 Mr Chum Darvall  
 Professor Catherine Dean (until December 2017)  
 Ms Leanne Denby  
 The Hon Patricia Forsythe  
 Ms Deborah Hadwen  
 Professor Richard Howitt (until December 2017)  
 Mr Gregory Jones  
 Professor Deborah Kane (until December 2017)  
 Ms Louise Mason (appointed January 2017)  
 The Hon Sandra Nori  
 Ms Jingmin Qian  
 Mr John Wigglesworth  
 Mr Frank Zipfinger  
 Mr Kieren Ash (until May 2017)

**25 Key Management Personnel Disclosures (continued)****(b) Remuneration of Council Members and Executives**

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

	Parent	
	2017	2016
<b>Remuneration of executive officers</b>		
\$10,000 to \$19,999	-	1
\$90,000 to \$99,999	-	1
\$120,000 to \$129,999	-	1
\$150,000 to \$159,999	1	-
\$320,000 to \$329,999	-	1
\$340,000 to \$349,999	-	2
\$350,000 to \$359,999	2	-
\$360,000 to \$369,999	1	1
\$370,000 to \$379,999	2	2
\$380,000 to \$389,999	1	-
\$410,000 to \$419,999	-	1
\$420,000 to \$429,999	-	2
\$430,000 to \$439,999	1	-
\$440,000 to \$449,999	-	1
\$470,000 to \$479,999	2	1
\$490,000 to \$499,999	1	1
\$500,000 to \$509,999	1	-
\$860,000 to \$869,999	-	1
\$980,000 to \$989,999	1	-
	<b>13</b>	<b>16</b>

The University has performed a review of transactions with entities in which the Council members of the University and members of the University Executive have declared their interest via the University Register of Interests. Management has determined that these transactions have occurred at arm's length and on terms and conditions no more favourable than those which it is expected the University would have adopted for a normal employee, customer or supplier relationship.

**(c) Key management personnel compensation**

	Parent	
	2017	2016
	\$'000	\$'000
Salaries	5,788	5,917
Superannuation payments	472	629
Termination benefits	887	668
Other long-term benefits	200	-
	<b>7,347</b>	<b>7,214</b>

No short-term bonus payments were paid to key management personnel.

**(d) Loans to key management personnel**

During 2013 a Loan Agreement was signed between Macquarie University and Professor S B Dowton for acquiring a residence in Sydney. The loan has a facility limit of \$875,000, was drawn down in full in 2014 and remains fully drawn at the reporting date.

Interest of \$23k was payable for the year ended 31 December 2017 (2016: \$25k). No write downs or allowances for doubtful receivables have been recognised in relation to this loan in 2017 (2016: nil).

Pursuant to the Loan Agreement, the University uses this property for University functions, for a fee assessed at a fair value using comparable market rental for similar properties. The fee in 2017 was \$48k (2016: \$46k).

There are no other loans to key management personnel.

**26 Related Parties****(a) Parent entity**

The ultimate parent entity within the Group is Macquarie University, an entity established under NSW state legislation.

**(b) 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	Principal place of business	Class of Shares	Equity Holding	
			2017 %	2016 %
Access Macquarie Ltd	Australia	Limited by Guarantee	100	100
APAF Ltd	Australia	Limited by Guarantee	100	100
CMBF Ltd	Australia	Limited by Guarantee	100	100
COH Property Trust	Australia	Units	100	100
MGSM Limited	Australia	Limited by Guarantee	100	100
Macquarie University Clinical Associates Pty Ltd	Australia	Limited by Guarantee	100	100
Macquarie University Hong Kong Foundation Ltd	Hong Kong	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
MUH Operations No.2 Pty 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
Risk Frontiers Group Pty Ltd	Australia	Ordinary	-	100
U@MQ Ltd	Australia	Limited by Guarantee	100	100

Both Risk Frontiers Flood (Australia) Pty Ltd and Risk Frontiers Group Pty Ltd were sold during 2017.

**26 Related Parties (continued)****(c) Transactions with related parties**

The following transactions occurred with related parties in 2017:

	Revenue \$'000	Expenses \$'000	Receivables/ Investments \$'000	Payables/ Loans \$'000
Access Macquarie Ltd	4,573	10,713	1,645	7,486
APAF Ltd	936	119	159	264
CMBF Ltd	223	602	-	-
MGSM Ltd	14,192	31,529	1,354	39,309
MUH Operations No.2 Pty Ltd	11,946	11,388	93,257	1,640
U@MQ Ltd	1,338	2,911	654	8,355
Macquarie University Clinical Associates Pty Ltd	2,750	3,970	2,931	53
Macquarie University Hong Kong Foundation Ltd	1,950	-	-	-
	<b>37,908</b>	<b>61,232</b>	<b>100,000</b>	<b>57,107</b>

The receivables / investments value of \$93.3m with MUH Operations No. 2 Pty Ltd includes equity with a carrying value of \$23.3m (see note 17) and a loan with a carrying value of \$69.3m (see note 16).

The following material transactions occurred with related parties in 2016:

	Revenue \$'000	Expenses \$'000	Receivables/ Investments \$'000	Payables \$'000
Access Macquarie Ltd	1,847	10,740	2,136	9,608
APAF Ltd	873	130	175	354
CMBF Ltd	120	3,016	-	-
MGSM Ltd	9,278	25,372	1,704	29,417
MUH Operations No.2 Pty Ltd	21,054	17,059	81,918	282
U@MQ Ltd	1,965	4,337	486	6,962
Macquarie University Clinical Associates Pty Ltd	-	-	71	-
	<b>35,137</b>	<b>60,654</b>	<b>86,490</b>	<b>46,623</b>

The receivables / investments value of \$81.9m with MUH Operations No. 2 Pty Ltd includes equity with a carrying value of \$23.3m (see note 17) and a loan with a carrying value of \$58.2m (see note 16).

**(d) Loans to related parties**

	Note	2017 \$'000	2016 \$'000
<b>Loan to MUH Operations No. 2 Pty Ltd</b>			
Beginning of the year	16	58,162	56,231
Net loans advanced/ (repaid)		7,250	(2,000)
Interest charged	5	3,885	3,931
<b>End of year</b>	16	<b>69,297</b>	<b>58,162</b>



**27 Remuneration of Auditors**

	Consolidated		Parent	
	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
<b>Audit and review of the Financial Statements</b>				
Fees paid to Audit Office of NSW				
Audit fees for parent entity/ group entity	681	669	358	348
Audit fees for Restricted Funds	4	4	4	4
<b>Total paid for audit and review</b>	<b>685</b>	<b>673</b>	<b>362</b>	<b>352</b>
<b>Other audit and assurance services</b>				
Fees paid to Audit Office of NSW				
Audit of regulatory returns	14	14	14	14
<b>Total paid for audit and assurance</b>	<b>14</b>	<b>14</b>	<b>14</b>	<b>14</b>
<b>Total remuneration for audit and assurance related services</b>	<b>699</b>	<b>687</b>	<b>376</b>	<b>366</b>

**28 Contingencies****(a) Bank Guarantees**

The University has a bank guarantee facility of \$28.4m (2016: \$28.4m) of which \$7.4m (2016: \$4.0m) was unused at the reporting date. The bank guarantees primarily relate to the provision of security for a workers' compensation insurance program.

**(b) Contingent liabilities**

At the reporting date, the University had a number of legal claims outstanding which it is currently evaluating. Management has assessed that none of these claims would result in material financial exposure for the University nor require specific disclosure in the financial statements.

Along with many other public-sector institutions, the University is responding to a request from the Department of Planning and Environment in relation to certain building compliance matters. Further analysis is being undertaken during 2018 to determine the extent, if any, of any remediation works that might be required.

The Group does not have any other contingent liabilities (2016: Nil).

**29 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.

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

	Consolidated		Parent	
	2017	2016	2017	2016
	\$'000	\$'000	\$'000	\$'000
Net result for the period	48,179	45,194	40,249	43,438
Depreciation and amortisation	67,042	72,332	65,454	68,634
Net (gain) / loss on sale of non-current assets	767	296	595	347
Net loss on impairment of non-current assets	1,129	-	701	468
Macquarie University Hospital rent and interest	-	-	(3,885)	(20,123)
Macquarie University Hospital contribution	-	-	-	16,192
Change in operating assets and liabilities:				
(Increase) / decrease in trade debtors	3,849	(7,394)	2,670	(2,137)
(Increase) / decrease in inventories	477	(175)	(37)	63
(Increase) in other operating assets	-	(4,705)	-	1,747
Increase / (decrease) in trade creditors	6,971	12,240	4,158	7,360
Increase / (decrease) in other operating liabilities	(348)	11,186	8,821	6,927
Increase / (decrease) in provision for employee entitlements	7,416	2,576	8,439	(961)
Increase / (decrease) in other provisions	59	(275)	(109)	-
<b>Net cash provided by operating activities</b>	<b>135,541</b>	<b>131,275</b>	<b>127,056</b>	<b>121,955</b>

**31 Financial Risk Management****(a) Objectives and policies**

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 University has adopted an Investment Policy, approved by the Finance and Facilities Committee (a Committee of Council) that establishes a policy framework for the management of financial risk. The Finance and Facilities Committee reviews the University financial risk and financial asset performance at each of its meetings.

**(b) 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. Refer to note 21 for the amount of Trade and Other Payables held in non AUD currency at year end.

*(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 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. Refer to note 22 for details. Interest rate risk relates to investments. All other financial assets and liabilities are non-interest bearing.

*(iv) Summarised sensitivity analysis*

Sensitivity analysis was produced by altering the relevant balance for +/-10% change in the foreign exchange and other price risk, and +/-1% in the interest rate risk identified. The results of this analysis did not give rise to any material change in the balances. Given the results of this analysis and the risk assessment noted in the above paragraphs, sensitivity analysis did not give rise to any material change in the balances affected by the risks identified above for the consolidated or parent entity.

**31 Financial Risk Management (continued)****(c) Credit risk**

The maximum exposure to credit risk to recognised financial assets at the reporting date, 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 are disclosed in note 22.

The carrying amount of financial assets (as contained in the table in sub note 31(d) below) represents the Group's maximum exposure to credit risk.

**(d) Liquidity risk**

The University manages liquidity risk by monitoring forecast cash flows and maintains sufficient cash to maintain short term flexibility and enable the University to meet financial commitments in a timely manner.

**Consolidated**

		Less than 1 year		1 to 5 years		5+ years		Total	
		2017	2016	2017	2016	2017	2016	2017	2016
Note	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial Liabilities:</b>									
Trade and other payables	21	(90,218)	(86,169)	-	-	-	-	(90,218)	(86,169)
Bonds	22	-	-	(249,328)	(249,078)	-	-	(249,328)	(249,078)
Bank Borrowings	22	(1,477)	(1,379)	(2,108)	(103,575)	-	-	(3,585)	(104,954)
Lease liabilities	22	(139)	(135)	(246)	(385)	-	-	(385)	(520)
<b>Total Financial Liabilities</b>		<b>(91,834)</b>	<b>(87,683)</b>	<b>(251,682)</b>	<b>(353,038)</b>	<b>-</b>	<b>-</b>	<b>(343,516)</b>	<b>(440,721)</b>
<b>Financial Assets:</b>									
<b>Total Financial Assets</b>		<b>257,995</b>	<b>426,631</b>	<b>31,273</b>	<b>4,807</b>	<b>18,975</b>	<b>19,455</b>	<b>308,243</b>	<b>450,893</b>
<b>Net Liquidity</b>		<b>166,161</b>	<b>338,948</b>	<b>(220,409)</b>	<b>(348,231)</b>	<b>18,975</b>	<b>19,455</b>	<b>(35,273)</b>	<b>10,172</b>

**Parent**

		Less than 1 year		1 to 5 years		5+ years		Total	
		2017	2016	2017	2016	2017	2016	2017	2016
Note	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial Liabilities:</b>									
Trade and other payables	21	(73,907)	(65,793)	-	-	-	-	(73,907)	(65,793)
Bonds	22	-	-	(249,328)	(249,078)	-	-	(249,328)	(249,078)
Bank Borrowings	22	(1,477)	(1,379)	(2,108)	(103,575)	-	-	(3,585)	(104,954)
<b>Total Financial Liabilities</b>		<b>(75,384)</b>	<b>(67,172)</b>	<b>(251,436)</b>	<b>(352,653)</b>	<b>-</b>	<b>-</b>	<b>(326,820)</b>	<b>(419,825)</b>
<b>Financial Assets:</b>									
<b>Total Financial Assets</b>		<b>224,407</b>	<b>397,242</b>	<b>31,273</b>	<b>4,433</b>	<b>18,556</b>	<b>77,617</b>	<b>274,236</b>	<b>479,292</b>
<b>Net Liquidity</b>		<b>149,023</b>	<b>330,070</b>	<b>(220,163)</b>	<b>(348,220)</b>	<b>18,556</b>	<b>77,617</b>	<b>(52,584)</b>	<b>59,467</b>

## 32 Fair Value Measurement

### (a) Fair value measurements

Due to the short-term nature of current receivables and current payables, their carrying value is assumed to approximate to fair value. The fair value of liabilities is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the University for similar financial instruments. The only balance where the carrying amount and aggregate fair values of financial liabilities differ at reporting date is borrowings, disclosed in Note 22 (c).

### (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.

	Description
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 2017.

#### Fair value measurements at 31 December 2017

Consolidated and Parent	Note	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
<b>Financial assets</b>					
Available-for-sale-investments	16	28,634	3,151	25,483	-
<b>Total financial assets</b>		<b>28,634</b>	<b>3,151</b>	<b>25,483</b>	<b>-</b>
<b>Non-financial assets</b>					
PPE					
Land	19	766,250	-	766,250	-
Buildings	19	1,210,536	-	430,419	780,117
Infrastructure	19	99,455	-	-	99,455
Library Special Collections	19	6,711	-	-	6,711
Works of Art	19	27,938	-	-	27,938
<b>Total non-financial assets</b>		<b>2,110,890</b>	<b>-</b>	<b>1,196,669</b>	<b>914,221</b>

#### Fair value measurements at 31 December 2016

Consolidated and Parent	Note	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
<b>Financial assets</b>					
Available-for-sale-investment	16	24,799	3,820	20,979	-
<b>Total financial assets</b>		<b>24,799</b>	<b>3,820</b>	<b>20,979</b>	<b>-</b>
<b>Non-financial assets</b>					
PPE					
Land	19	742,300	-	742,300	-
Buildings	19	1,110,123	-	175,863	934,260
Infrastructure	19	91,192	-	-	91,192
Library Special Collections	19	6,710	-	-	6,710
Works of Art	19	25,356	-	-	25,356
<b>Total non-financial assets</b>		<b>1,975,681</b>	<b>-</b>	<b>918,163</b>	<b>1,057,518</b>

**32 Fair Value Measurement (continued)****(b) Fair value hierarchy (continued)**

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.

**(c) Valuation techniques used to derive level 2 and level 3 fair values***(i) Borrowings*

The fair value of the bonds disclosed in Note 22 (c) are based on observable price quotations at the reporting date (Level 2).

*(ii) 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.

*(iii) Property, Plant and Equipment – off-campus buildings and tenanted on-campus buildings*

Off-campus buildings and tenanted on-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.

*(iv) Property, Plant and Equipment – on-campus non-tenanted buildings and infrastructure*

On-campus non-tenanted buildings and infrastructure is assessed annually by an independent expert valuer. As market information is not observable, other valuation techniques (including discounted replacement value) are used that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. These assets are classified as Level 3.

*(v) Library Special Collections*

The Library Special Collection is revalued every three years by an independent expert valuer. The collections are classified as Level 3 due to the limited number of external observable inputs.

*(vi) Works of Art*

Works of Art are revalued every three 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.

*(vii) Land*

Land is assessed annually by an independent expert valuer. Significant inputs include existing zoning rights, specific planned uses for each precinct of Campus Land (as described in the government approved Concept Plan), specific floor space maximums for several precincts, and market sale evidence. Discounts have been applied to reflect restricted use and the large land parcel size. Land is classified as Level 2.

**(d) Fair value measurements using significant unobservable inputs (level 3)**

The following table is a reconciliation of level 3 items for Buildings. Two tenanted on-campus buildings were reclassified from Level 3 to Level 2 in 2017, after reviewing the extent of observable inputs available.

A reconciliation of the other level 3 items (Library Special Collection, Infrastructure and Works of Art) is represented in Note 19.



**32 Fair Value Measurement (continued)****(d) Fair value measurements using significant unobservable inputs (level 3) (continued)****Consolidated and Parent**

	2017	2016
	\$'000	\$'000
Opening balance	934,260	958,238
Acquisitions	73,931	24,544
Transfers out of level 3	(236,775)	-
Recognised in profit or loss - depreciation	(24,256)	(27,559)
Recognised in other comprehensive income - unrealised gain/ (loss) on revaluation	32,957	(20,963)
Closing balance	<u>780,117</u>	<u>934,260</u>

*(i) Transfers between levels 2 and 3 and changes in valuation techniques*

There were no other transfers between levels 2 and 3 for the Group.

*(ii) Valuation inputs and relationships to fair value*

Buildings represent the majority of the assets classified within level 3. Remaining Useful Life is the largest unobservable input for this asset class. An increase/decrease in the term of useful life by +/- 5% would increase/decrease fair value by +/- \$39.0m.

\*There were no significant inter-relationship between unobservable inputs that materially affects fair value.

**33 Retirement benefit obligations**

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

**(a) Employee Benefits - Unfunded Defined Benefit Superannuation Liabilities**

*The University contributes to three closed state pension schemes within the State Authorities Superannuation Trustee Corporation, namely the State Authorities Superannuation Scheme (SASS), the State Superannuation Scheme (SSS) and the State Authorities Non-contributory Superannuation Scheme (SANCS), which are subject to reimbursement arrangements under the Higher Education Support Act 2003 in the proportion of 78:22 from the Commonwealth and the State Governments respectively. Cash contributions to these three schemes in 2017 and 2016, as well as reimbursements received from the Commonwealth and State Governments, are detailed in note 34(i) and are shown in the Statement of Cash Flows.*

*These schemes are defined benefit schemes, providing defined lump sum benefits based on years of service and final average salary.*

*A liability in respect of these plans is recognised in note 23, 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 and past service costs are not recognised in the Income Statement or Statement of Comprehensive Income, due to the government reimbursement arrangements noted above. Instead, a debtor is shown in note 14, to the same value of the liability in note 23, reflecting the funds owing from the Federal and State Governments to cover the unfunded element of the three schemes.*

**33 Retirement benefit obligations (continued)****(b) Fund specific disclosure***State Authorities Superannuation Trustee Corporation*

The Pooled Funds hold in trust the investments of the State Authorities Superannuation Scheme (SASS), State Authorities Non-contributory Superannuation Scheme (SANCS) and State Superannuation Scheme (SSS) which are now closed NSW public sector superannuation defined benefit schemes.

The University does not expect to make contributions to any Pooled Fund Schemes in 2018 (2017: Nil) aside from normal payments made under the Superannuation Guarantee Levy for those employees who are members of these funds, and minor payments for recently retired pensioners with a pensionable salary at exit that is higher than the expected notional salary as calculated by the scheme administrators.

The weighted average duration of the defined benefit obligation is 10.7 years (2016: 10.9 years).

*Professorial Superannuation Fund*

The Professorial Superannuation Fund (PSF) is closed to new members and provides a combination of an accumulation benefit and a defined benefit. The University expects to make \$0.3m in contributions in 2018 (2017: Nil) 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 2017	32,954	32,497	94,333	484,085	643,869
Defined benefit obligations - 31 December 2016	33,489	33,343	97,468	538,865	703,165

**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 2017	1,432	1,365	3,690	7,562	14,049
Defined benefit obligations - 31 December 2016	1,484	1,415	3,834	8,120	14,853

**(c) Categories of plan assets****Pooled Funds - key assumptions**

The analysis of the plan assets at the end of the reporting period is as follows:

	2017 (%)		2016 (%)	
	Active Market	No Active Market	Active Market	No Active Market
Cash and Cash Equivalents	5.0	5.0	5.0	1.0
Equity instruments	43.0	8.0	45.0	10.0
Debt instruments	-	11.0	-	8.0
Property	2.0	7.0	2.0	7.0
Other	1.0	18.0	1.0	21.0
<b>Total</b>	<b>51.0</b>	<b>49.0</b>	<b>53.0</b>	<b>47.0</b>

**33 Retirement benefit obligations (continued)****(c) Categories of plan assets (continued)**

The principal assumptions used for the purposes of the actuarial valuations were as follows:

	2017	2016
	%	%
Discount rate	2.7	2.8
Expected return on plan assets	7.4	7.4
Expected rates of salary increase	2.5 - 3.5	2.5 - 3.5
Expected rates of CPI increase	2.3 - 2.5	1.8 - 2.5

**Professorial Superannuation Fund - key assumptions**

The analysis of the plan assets at the end of the reporting period is as follows:

	2017 (%)		2016 (%)	
	Active Market	No Active Market	Active Market	No Active Market
Cash and Cash Equivalents	16.6	-	15.5	-
Equity instruments	53.9	-	52.6	-
Debt instruments	-	14.8	-	22.6
Other	-	14.6	-	9.3
<b>Total</b>	<b>70.5</b>	<b>29.4</b>	<b>68.1</b>	<b>31.9</b>

The principal assumptions used for the purposes of the actuarial valuations were as follows:

	2017	2016
	%	%
Discount rate	2.5	2.6
Expected rates of salary increase	3.0	3.0
Pension growth rate	3.0	3.0

**(d) 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	1.0%	Decrease by 9.5%	Increase by 11.3%
Rate of CPI increase	0.5%	Increase by 5.6%	Decrease by 5.1%
Rate of salary increase	0.5%	Increase by 0.2%	Decrease by 0.2%
Rate of pensioner mortality	0.5%	Decrease by 1.1%	Increase by 1.2%

### 33 Retirement benefit obligations (continued)

#### (d) Actuarial assumptions and sensitivity (continued)

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	0.5%
Salary/ pension growth rate	0.5%	Increase by 3.4%	Decrease by 4.7%

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.

#### (e) Statement of financial position amounts

	Note	\$'000 SASS	\$'000 SANCS	\$'000 SSS	\$'000 PSF	\$'000 Total
<b>Net liability reconciliation - 2017</b>						
Defined benefit obligation		36,727	5,547	523,263	14,049	579,586
Fair value of plan assets		(22,167)	29	(33,673)	(11,917)	(67,728)
<b>Net liability</b>	33(f)	<b>14,560</b>	<b>5,576</b>	<b>489,590</b>	<b>2,132</b>	<b>511,858</b>
<b>Reimbursement rights - 2017</b>						
Opening value of reimbursement right		13,944	5,079	501,483	-	520,506
Expected return on reimbursement rights		(729)	4	78	-	(647)
Remeasurements		1,345	493	(11,971)	-	(10,133)
<b>Closing value of reimbursement right</b>	33(f)	<b>14,560</b>	<b>5,576</b>	<b>489,590</b>	<b>-</b>	<b>509,726</b>
<b>Present value obligations - 2017</b>						
Opening defined benefit obligation		38,254	5,937	531,720	14,853	590,764
Current service cost		838	189	240	150	1,417
Interest expense		976	153	14,355	395	15,879
		<b>40,068</b>	<b>6,279</b>	<b>546,315</b>	<b>15,398</b>	<b>608,060</b>
<b>Remeasurements</b>						
Actuarial losses arising from changes in financial assumptions		162	33	5,124	97	5,416
Experience losses/(gains)		775	340	(1,674)	137	(422)
		<b>937</b>	<b>373</b>	<b>3,450</b>	<b>234</b>	<b>4,994</b>
<b>Contributions</b>						
Plan participants		424	-	125	-	549
		<b>424</b>	<b>-</b>	<b>125</b>	<b>-</b>	<b>549</b>
<b>Payments from plan</b>						
Benefits (paid)		(4,532)	(658)	(25,227)	(1,433)	(31,850)
Taxes, premiums and expenses (paid)		(170)	(447)	(1,400)	(150)	(2,167)
		<b>(4,702)</b>	<b>(1,105)</b>	<b>(26,627)</b>	<b>(1,583)</b>	<b>(34,017)</b>
<b>Closing defined benefit obligation</b>		<b>36,727</b>	<b>5,547</b>	<b>523,263</b>	<b>14,049</b>	<b>579,586</b>

## 33 Retirement benefit obligations (continued)

## (e) Statement of financial position amounts (continued)

	Note	\$'000 SASS	\$'000 SANCS	\$'000 SSS	\$'000 PSF	\$'000 Total
<b>Present value of plan assets - 2017</b>						
Opening fair value of plan assets		24,310	858	30,238	12,552	67,958
Interest income		600	12	820	305	1,737
		<u>24,910</u>	<u>870</u>	<u>31,058</u>	<u>12,857</u>	<u>69,695</u>
<b>Remeasurements</b>						
Actual gains/(losses) on plan assets, excluding amounts included in net interest expense		729	(4)	(78)	643	1,290
		<u>729</u>	<u>(4)</u>	<u>(78)</u>	<u>643</u>	<u>1,290</u>
<b>Contributions</b>						
Employers		806	210	29,195	-	30,211
Plan participants		424	-	125	-	549
		<u>1,230</u>	<u>210</u>	<u>29,320</u>	<u>-</u>	<u>30,760</u>
<b>Payments from plan</b>						
Benefits (paid)		(4,532)	(658)	(25,227)	(1,433)	(31,850)
Taxes, premiums and expenses (paid)		(170)	(447)	(1,400)	(150)	(2,167)
		<u>(4,702)</u>	<u>(1,105)</u>	<u>(26,627)</u>	<u>(1,583)</u>	<u>(34,017)</u>
<b>Closing fair value of plan assets</b>		<u>22,167</u>	<u>(29)</u>	<u>33,673</u>	<u>11,917</u>	<u>67,728</u>
<b>Net liability reconciliation - 2016</b>						
Defined benefit obligation		38,254	5,937	531,720	14,853	590,764
Fair value of plan assets		(24,310)	(858)	(30,238)	(12,552)	(67,958)
<b>Net liability</b>	33(f)	<u>13,944</u>	<u>5,079</u>	<u>501,482</u>	<u>2,301</u>	<u>522,806</u>
<b>Reimbursement rights - 2016</b>						
Opening value of reimbursement right		13,402	4,908	526,658	-	544,968
Expected return on reimbursement rights		(194)	25	391	-	222
Remeasurements		736	146	(25,566)	-	(24,684)
<b>Closing value of reimbursement right</b>	33(f)	<u>13,944</u>	<u>5,079</u>	<u>501,483</u>	<u>-</u>	<u>520,506</u>



**33 Retirement benefit obligations (continued)**
**(e) Statement of financial position amounts (continued)**

	Note	\$'000 SASS	\$'000 SANCS	\$'000 SSS	\$'000 PSF	\$'000 Total
<b>Present value obligations - 2016</b>						
Opening defined benefit obligation		39,571	6,333	554,710	15,221	615,835
Current service cost		1,054	220	274	327	1,875
Interest expense		1,078	170	15,647	450	17,345
		41,703	6,723	570,631	15,998	635,055
<b>Remeasurements</b>						
Actuarial losses arising from changes in financial assumptions		165	35	1,090	106	1,396
Experience losses/(gains)		19	13	(13,990)	462	(13,496)
		184	48	(12,900)	568	(12,100)
<b>Contributions</b>						
Plan participants		475	-	209	-	684
		475	-	209	-	684
<b>Payments from plan</b>						
Benefits (paid)		(4,190)	(749)	(26,276)	(1,386)	(32,601)
Taxes, premiums and expenses (paid)/received		82	(85)	56	(327)	(274)
		(4,108)	(834)	(26,220)	(1,713)	(32,875)
<b>Closing defined benefit obligation</b>		<b>38,254</b>	<b>5,937</b>	<b>531,720</b>	<b>14,853</b>	<b>590,764</b>
<b>Present value of plan assets - 2016</b>						
Opening fair value of plan assets		26,168	1,426	28,052	13,034	68,680
Interest income		702	31	777	329	1,839
		26,870	1,457	28,829	13,363	70,519
<b>Remeasurements</b>						
Actual gains/(losses) on plan assets, excluding amounts included in net interest expense		196	(25)	(391)	902	682
		196	(25)	(391)	902	682
<b>Contributions</b>						
Employers		877	260	27,811	-	28,948
Plan participants		475	-	209	-	684
		1,352	260	28,020	-	29,632
<b>Payments from plan</b>						
Benefits (paid)		(4,190)	(749)	(26,276)	(1,386)	(32,601)
Taxes, premiums and expenses (paid)/received		82	(85)	56	(327)	(274)
		(4,108)	(834)	(26,220)	(1,713)	(32,875)
<b>Closing fair value of plan assets</b>		<b>24,310</b>	<b>858</b>	<b>30,238</b>	<b>12,552</b>	<b>67,958</b>

## 33 Retirement benefit obligations (continued)

## (f) Ageing of net liability and reimbursement rights

	\$'000	\$'000	\$'000	\$'000	\$'000
	SASS	SANCS	SSS	PSF	Total
<b>Net liability 2017</b>					
Current	5,133	882	26,939	-	32,954
Non-current	9,427	4,694	462,651	2,132	478,904
<b>Total net liability</b>	<b>14,560</b>	<b>5,576</b>	<b>489,590</b>	<b>2,132</b>	<b>511,858</b>
<b>Reimbursement rights 2017</b>					
Current	5,133	882	26,939	-	32,954
Non-current	9,427	4,694	462,651	-	476,772
<b>Total reimbursement rights</b>	<b>14,560</b>	<b>5,576</b>	<b>489,590</b>	<b>-</b>	<b>509,726</b>

**Net liability 2016**

Current	5,666	942	26,881	-	33,489
Non-current	8,278	4,137	474,601	2,301	489,317
<b>Total net liability</b>	<b>13,944</b>	<b>5,079</b>	<b>501,482</b>	<b>2,301</b>	<b>522,806</b>

**Reimbursement rights 2016**

Current	5,666	942	26,881	-	33,489
Non-current	8,278	4,137	474,602	-	487,017
<b>Total reimbursement rights</b>	<b>13,944</b>	<b>5,079</b>	<b>501,483</b>	<b>-</b>	<b>520,506</b>

## (g) Amounts recognised in other statements

**Amounts recognised in Other Comprehensive Income**

	\$'000	\$'000
	PSF	PSF
	2017	2016
<b>Remeasurements</b>		
Actuarial losses arising from changes in financial assumptions	(97)	(106)
Actuarial losses arising from experience adjustments	(137)	(462)
Actual return on plan assets less interest income	643	902
<b>Total remeasurements in Other Comprehensive Income</b>	<b>409</b>	<b>334</b>

## (h) 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.

**34 Acqittal of Australian Government Financial Assistance**
**(a) Education - CGS and other Education grants**

	Commonwealth Grants Scheme#1		Indigenous Student Success Program#2		Access and Participation Fund		Disability Performance Funding#3		Promotion of Excellence in Learning and Teaching		Improving the Quality of Maths & Science Teaching Programs		Total		
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016			
<b>Parent Entity (University) Only</b>	<b>Note</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)		176,445	174,973	1,306	974	2,598	3,034	675	660	103	90	-	894	181,127	180,625
Net accrual adjustments		451	981	-	-	-	-	-	-	-	-	-	-	451	981
Revenue for the period	2	176,897	175,953	1,306	974	2,598	3,034	675	660	103	90	-	894	181,579	181,605
Surplus from the previous year		-	-	67	13	258	207	-	-	58	-	118	-	501	220
Total revenue including accrued revenue		176,897	175,953	1,373	987	2,856	3,241	675	660	161	90	118	894	182,080	181,825
Less expenses including accrued expenses		(176,897)	(175,953)	(1,373)	(920)	(2,822)	(2,983)	(675)	(660)	(85)	(32)	(118)	(776)	(181,970)	(181,324)
Surplus for the reporting period		-	-	-	67	34	258	-	-	76	58	-	118	110	501

#1 Includes the basic CGS grant amount, CGS – Regional Loading, CGS – Enabling Loading, Allocated Places, Non Designated Courses and CGS - Special Advances from Future Years.

#2 Indigenous Student Success Program has replaced the Indigenous Commonwealth Scholarships Program and the Indigenous Support Program as of 1 January 2017. Prior year programs should be combined and reported in Indigenous Student Success Program for 2016.

#3 Disability Performance Funding includes Additional Support for Students with Disabilities and Australian Disability Clearing house on Education & Training.

## 34 Acquitment of Australian Government Financial Assistance (continued)

## (b) Higher education loan programmes (excl OS-HELP)

	Government payments		HECS-HELP (Australian payments only)		FEE-HELP#4		SA-HELP		Total	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Parent Entity (University) Only</b>										
Cash Payable/(Receivable) at the beginning of the year	2,365	1,612	410	452	-	(9)	2,775	2,055		
Financial assistance received in cash during the reporting period	161,116	154,590	34,572	36,376	2,144	1,998	197,832	192,964		
Cash available for the period	163,481	156,202	34,982	36,828	2,144	1,989	200,607	195,019		
Revenue earned	(161,838)	(153,837)	(35,081)	(36,418)	(2,144)	(1,989)	(199,063)	(192,244)		
Cash Payable/(Receivable) at the end of the year	1,643	2,365	(99)	410	-	-	1,544	2,775		

2

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

**34 Accittal of Australian Government Financial Assistance (continued)**
**(c) Department of Education and Training Research#5**

	Research Training Program#6		Research Support Program#7		Total 2016
	2017	2016	2017	2016	
Note	\$'000	\$'000	\$'000	\$'000	\$'000
Parent Entity (University) Only	26,180	24,481	15,384	15,060	39,541
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the program)	-	-	-	-	-
Net accrual adjustments	-	-	-	-	-
Revenue for the period	26,180	24,481	15,384	15,060	39,541
Surplus/(deficit) from the previous year	8,447	6,858	193	93	6,951
Total revenue including accrued revenue	34,627	31,339	15,577	15,153	46,492
Less expenses including accrued expenses	(31,258)	(22,892)	(15,577)	(14,960)	(37,852)
Surplus for reporting period	3,369	8,447	-	193	8,640

#5 The reported surpluses for Australian Postgraduate Award of \$ 3.4 million for 2017 is expected to be rolled over for future use by the Group.

#6 Research Training Program has replaced Australian Postgraduate Awards, International Postgraduate Research Scholarships and Research Training Scheme in 2017. 2016 data for the programs that have been replaced should be reported in the Research Training Program comparatives.

#7 Research Support Program has replaced Joint Research Engagement, JRE Engineering Cadetships, Research Block Grants and Sustainable Research Excellence in Universities in 2017. 2016 data for the programs that have been replaced should be reported in the Research Support Program comparatives.

**(d) Total Higher Education Provider Research Training Program expenditure#8**

	Total domestic students 2017	Total overseas students 2017
	\$'000	\$'000
Research Training Program Fees offsets	15,659	1,763
Research Training Program Stipends	11,040	127
Research Training Program Allowances	1,312	1,357
<b>Total for all types of support</b>	<b>28,011</b>	<b>3,247</b>

#8 Please refer to the Commonwealth Scholarship Guidelines for expenditure definitions for the Research Training Program.





34 **Acquittal of Australian Government Financial Assistance (continued)**

(g) **Other Australian Government Financial Assistance**

**Parent Entity (University) Only**

Cash received during the reporting period

Cash spent during the reporting period

Net cash received

Cash surplus/(deficit) from the previous period

Cash surplus/(deficit) for reporting period

Note	2017 \$'000	2016 \$'000
	30,614	28,482
	<u>(30,330)</u>	<u>(25,654)</u>
	284	2,828
	<u>11,291</u>	<u>8,464</u>
	<u>11,575</u>	<u>11,292</u>

(h) **OS-HELP**

**Parent Entity (University) Only**

Cash received during the reporting period

Cash spent during the reporting period

Net cash received/(reimbursed)

Cash surplus from the previous period

Cash surplus for the reporting period

Note	2017 \$'000	2016 \$'000
	1,853	2,552
	<u>(3,451)</u>	<u>(1,635)</u>
	<u>(1,598)</u>	<u>917</u>
21	<u>1,630</u>	<u>713</u>
	<u>32</u>	<u>1,630</u>

**34 Acquitment of Australian Government Financial Assistance (continued)**

**(i) Higher Education Superannuation Program (HESP)**

Cash received from Commonwealth government during the reporting period  
 Cash received from State government during the reporting period  
 Cash available  
 Cash surplus / (deficit) from the previous period  
 Cash available for current period  
 Contributions to specified defined benefit funds  
 Cash surplus/(deficit) for this period

	2017	2016
	\$'000	\$'000
	22,630	20,674
	<b>6,383</b>	5,831
	<b>29,013</b>	26,505
	-	-
	<b>29,013</b>	26,505
	<b>(29,013)</b>	<b>(26,505)</b>
	-	-

**(j) Student Services and Amenities Fee**

**Parent Entity (University) Only**  
 Unspent revenue from previous period  
 SA-HELP revenue earned  
 Student Services and Amenities Fees from students  
 Total revenue expendable in period  
 Student services expenses during period  
 Unspent student services revenue

	2017	2016
	\$'000	\$'000
	-	-
	2,144	1,989
	<b>4,179</b>	4,066
	<b>6,323</b>	6,055
	<b>(6,323)</b>	<b>(6,055)</b>
	-	-

**Note**

4

### 35 Reclassification of comparative information

During 2017 the University undertook a review of the classification of material items in the financial statements, in order to ensure the presentation of results continues to provide information that is reliable and relevant to users. The following five reclassifications led to an adjustment on the face of the Income Statement. There were no reclassifications that impacted the face of the Balance Sheet.

	2017		2016		Parent Consolidation Movement	Parent Movement	Details of Transfers
	Consolidated 2016	Parent 2016	Consolidated 2016	Parent 2016			
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
Medical services revenue	114,660	1,248	-	-	114,660	1,248	1 - new line for Medical Services
Other revenue	74,709	59,268	189,369	60,516	(114,660)	(1,248)	1 - move Medical Services to new line in Income Statement
Repairs and maintenance	24,787	20,751	14,875	10,839	9,912	9,912	2 - transfer Maintenance Contracts to this line from Other Expenses
Consultants and contractors	28,620	25,041	41,832	69,710	(13,212)	(44,669)	3- Research payments transferred out to Payments to Research Partners in Other Expenses
	-	-	-	-	(11,733)	(11,733)	4 - External teaching costs transferred out to Tuition Services in Other Expense
Medical consumables	52,985	479	-	-	52,985	479	5 - new line due to materiality - transfer from Other Expenses
Other Expense	169,313	190,036	218,998	155,758	49,685	(34,278)	4 - External teaching costs transferred in to Tuition Services from Consultants and Contractors
	-	-	-	-	1,479	32,936	3 - Research payments transferred in to Payments to Research Partners from Consultants and Contractors
	-	-	-	-	11,733	11,733	5 - transfer out of Medical Consumables from Other Expenses to new line in Income Statement
	-	-	-	-	(52,985)	(479)	2 - transfer out of Maintenance Contracts to Repairs and Maintenance
	-	-	-	-	(9,912)	(9,912)	

END OF AUDITED FINANCIAL STATEMENTS



## INDEPENDENT AUDITOR'S REPORT

### Macquarie University

To Members of the New South Wales Parliament

### Opinion

I have audited the accompanying financial statements of Macquarie University (the University), which comprise the Statement of appointed officers, Income statement and Statement of comprehensive income for the year ended 31 December 2017, the Statement of financial position as at 31 December 2017, 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.

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 2017, 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 2015
- comply with the 'Financial Statement Guidelines for Australian Higher Education Providers for the 2017 Reporting Period' (the Guidelines), issued by the Australian Government Department of Education and Training, pursuant to the *Higher Education Support Act 2003*, the *Higher Education Funding Act 1988* and the *Australian Research Council Act 2001*.

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

### Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of my report.

I am independent of the University in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants' (APES 110).

I have fulfilled my other ethical responsibilities in accordance with APES 110.

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles 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
- precluding the Auditor-General from providing non-audit services.

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



## University Council's Responsibilities for the Financial Statements

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

In preparing the financial statements, the Council is responsible for assessing the University's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting except where the University will be dissolved by an Act of Parliament or otherwise cease operations.

## Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

- obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the financial statements.

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at [http://www.auasb.gov.au/auditors\\_responsibilities/ar3.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar3.pdf). The description forms part of my auditor's report.

My opinion does *not* provide assurance:

- that the University carried out its activities effectively, efficiently and economically
- 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.



Ian Goodwin  
Acting Auditor-General of New South Wales

9 April 2018  
SYDNEY

# Index

## A

Academic Senate, 12, 89  
 access and inclusion initiatives, 23, 38  
 Access Macquarie Ltd, 51, 91, 92  
 accommodation, student, 24  
 accounts, payment of, 45  
 alternative pathways to university, 38  
 alumni relations, 20  
 appeals, academic, 43  
 audit, internal, 46, 47  
 Australian Proteome Analysis Facility Ltd, 51  
 awards, 26

## C

CALD engagement activities, 38  
 career services, student, 24  
 changes to Acts and subordinate legislation, 34  
 CMBF Ltd, 51  
 community engagement, 20  
 complaints, student, 43  
 completions, higher degree research, 14, 42  
 controlled entities (see Subsidiaries), 51  
 costs incurred in production of report,  
 inside back cover  
 cotutelle agreements, 15  
 Council, Macquarie University, 32, 33  
 credit card certification, 45

## D

degrees awarded, 7, 25  
 disability, people with a, 23, 37 – 39  
 diversity, 23, 38, 39

## E

employment equity and diversity, 39  
 engagement and advancement, 20  
 enrolments,  
 higher degree research, 14, 42  
 environmental regulation, 35

## F

financial performance, 50  
 fraud and corruption, see Statement  
 of attitude to, 44  
 freedom of information (see *Government  
 Information (Public Access) Act*), 48  
 funding, research, 14

## G

GIPA, see Government Information  
 (Public Access), 48  
 Global Leadership Program, 16  
 governance and management, 32, 33  
 grievances, see Student feedback  
 and consumer response, 43

## H

headcount, staff, 36  
 health and safety, 40  
 health and wellbeing, student, 24, 36  
 human resources, 36

## I

income, research, 14  
 Indigenous people, 38  
 infrastructure, 22  
 insurance, 41  
 internal audit and risk management  
 attestation statement, 47  
 investment performance, 4

## L

learning and teaching, 16  
 learning skills, 16, 24  
 letter of submission, 3

## M

Macquarie Entry, 38  
 Macquarie MD, 18  
 Macquarie University Incubator, 10  
 Macquarie University Clinical Associates Ltd, 51  
 Macquarie University Hospital, 18  
 Macquarie University Property  
 Investment Company, 51  
 MQ Health, 18  
 MQ Speed, 28  
 MUSE (Macquarie University  
 Spatial Experience), 22, 24  
 MGSM Ltd, 51  
 meetings, Council members' attendance at, 33  
 Message from the Vice-Chancellor, 5  
 MUH Operations No 2 Pty Ltd, 51

## O

Office of Corporate Engagement, 20  
 organisation chart, 13  
 overseas travel, see Promotion and travel, 45

## P

PACE (Professional and  
 Community Engagement), 7, 8, 9, 16, 27, 28  
 partnerships, research, 14  
 payment of accounts, 45  
 principal activities, 33  
 principal office bearers, 12  
 privacy, 34, 44  
 promotion and travel, 45  
 public interest disclosures, 44  
 publications, research, 14

## R

rankings, 27  
 remuneration, senior executive, 37  
 research, 14  
 retro-paid loss premium, 41  
 returns on investments, 4  
 review of operations, 33  
 risk analysis, 40, 44, 46  
 risk management, 46

## S

safety, see health and safety, 40  
 salary movements, 50  
 scholarships, 17, 18, 38  
 staff, 22, 36, 38  
 statement of attitude to fraud and corruption, 44  
 statement on digital information security, 44  
 statement on workforce diversity  
 achievements, 23  
 student experience, 16, 24, 43  
 student feedback, 43  
 student headcount, 25  
 Student Ombudsman, 43  
 superannuation, 59, 67

## T

teaching, see learning and teaching, 16

## U

U@MQ Ltd, 51  
 University Council, 32

## W

Walanga Muru, 38  
 work health and safety, 40  
 workers compensation, 40, 41

#### **CONTACT US**

**Location:** Balaclava Road, North Ryde Sydney Australia

**Postal address:** Macquarie University NSW 2109 Australia

**Business hours:** Monday – Friday, 9am – 5pm

**T:** +61 (2) 9850 7111

**F:** +61 (2) 9850 7433

**mq.edu.au**

External costs incurred in the production of this report totalled \$1980 (exc GST)

ISSN 0728–9480

© Macquarie University 2017

For copies of the Annual Report contact Group Marketing on +61 (2) 9850 7378 or email [macquariemarketing@mq.edu.au](mailto:macquariemarketing@mq.edu.au)

The report is also available on the University's website at [mq.edu.au/about/annual-reports](http://mq.edu.au/about/annual-reports)



ABN 90 952 801 237

This document has been prepared by Group Marketing, Macquarie University. The information in this document is correct as at the date of publication.





**MACQUARIE**  
University

Macquarie University  
New South Wales 2109  
T: +61 (2) 9850 7111

[mq.edu.au](http://mq.edu.au)

CRICOS Provider 00002J  
FIS3316

