

INDEPENDENT AUDITOR'S REPORT



Auditor General

INDEPENDENT AUDITOR'S REPORT

To the Parliament of Western Australia

CURTIN UNIVERSITY OF TECHNOLOGY

Report on the Financial Statements

I have audited the accounts and financial statements of the Curtin University of Technology.

The financial statements comprise the Statement of Financial Position as at 31 December 2014, the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and Notes comprising a summary of significant accounting policies and other explanatory information.

University Council's Responsibility for the Financial Statements

The University Council is responsible for keeping proper accounts, and the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards and the Treasurer's Instructions, and for such internal control as the University Council determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

As required by the Auditor General Act 2006, my responsibility is to express an opinion on the financial statements based on my audit. The audit was conducted in accordance with Australian Auditing Standards. Those Standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the University's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the University Council, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In my opinion, the financial statements are based on proper accounts and present fairly, in all material respects, the financial position of the Curtin University of Technology at 31 December 2014 and its financial performance and cash flows for the year then ended. They are in accordance with Australian Accounting Standards and the Treasurer's Instructions.

Report on Controls

I have audited the controls exercised by the Curtin University of Technology during the year ended 31 December 2014.

Controls exercised by the Curtin University of Technology are those policies and procedures established by the University Council to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions.

University Council's Responsibility for Controls

The University Council is responsible for maintaining an adequate system of internal control to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of public and other property, and the incurring of liabilities are in accordance with the Financial Management Act 2006 and the Treasurer's Instructions, and other relevant written law.

Auditor's Responsibility

As required by the Auditor General Act 2006, my responsibility is to express an opinion on the controls exercised by the Curtin University of Technology based on my audit conducted in accordance with Australian Auditing and Assurance Standards.

An audit involves performing procedures to obtain audit evidence about the adequacy of controls to ensure that the University complies with the legislative provisions. The procedures selected depend on the auditor's judgement and include an evaluation of the design and implementation of relevant controls.

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

Opinion

In my opinion, the controls exercised by the Curtin University of Technology are sufficiently adequate to provide reasonable assurance that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions during the year ended 31 December 2014.

Report on the Key Performance Indicators

I have audited the key performance indicators of the Curtin University of Technology for the year ended 31 December 2014.

The key performance indicators are the key effectiveness indicators and the key efficiency indicators that provide information on outcome achievement and service provision.

University Council's Responsibility for the Key Performance Indicators

The University Council is responsible for the preparation and fair presentation of the key performance indicators in accordance with the Financial Management Act 2006 and the Treasurer's Instructions and for such controls as the University Council determines necessary to ensure that the key performance indicators fairly represent indicated performance.

Auditor's Responsibility

As required by the Auditor General Act 2006, my responsibility is to express an opinion on the key performance indicators based on my audit conducted in accordance with Australian Auditing and Assurance Standards.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

An audit involves performing procedures to obtain audit evidence about the key performance indicators. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the key performance indicators. In making these risk assessments the auditor considers internal control relevant to the University Council's preparation and fair presentation of the key performance indicators in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the relevance and appropriateness of the key performance indicators for measuring the extent of outcome achievement and service provision.

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

Opinion

In my opinion, the key performance indicators of the Curtin University of Technology are relevant and appropriate to assist users to assess the University's performance and fairly represent indicated performance for the year ended 31 December 2014.

Independence

In conducting this audit, I have complied with the independence requirements of the Auditor General Act 2006 and Australian Auditing and Assurance Standards, and other relevant ethical requirements.

Matters Relating to the Electronic Publication of the Audited Financial Statements and Key Performance Indicators

This auditor's report relates to the financial statements and key performance indicators of the Curtin University of Technology for the year ended 31 December 2014 included on the University's website. The University's management is responsible for the integrity of the University's website. This audit does not provide assurance on the integrity of the University's website. The auditor's report refers only to the financial statements and key performance indicators described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these financial statements or key performance indicators. If users of the financial statements and key performance indicators are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial statements and key performance indicators to confirm the information contained in this website version of the financial statements and key performance indicators.



COLIN MURPHY
AUDITOR GENERAL FOR WESTERN AUSTRALIA
Perth, Western Australia
19 March 2015

FINANCIAL REPORT 2014

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CERTIFICATIONS

CERTIFICATION OF THE FINANCIAL STATEMENTS

The accompanying financial statements of Curtin University of Technology have been prepared in compliance with the relevant provisions of the Financial Management Act 2006 from proper accounts and records to present fairly the financial transactions for the financial year ended 31 December 2014 and the financial position as at 31 December 2014.

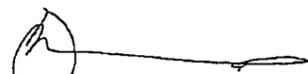
At the date of signing, we are not aware of any circumstances which would render any particulars included in the financial statements misleading or inaccurate.



Colin Beckett
Chancellor



Deborah Terry
Vice-Chancellor



David Menarry
Chief Finance Officer

Dated this 18th day of March 2015

CERTIFICATION OF THE FINANCIAL STATEMENTS REQUIRED BY THE DEPARTMENT OF EDUCATION AND TRAINING

We declare that the amount of Australian Government financial assistance expended during the financial year ended 31 December 2014 was for the purpose(s) for which it was intended and that Curtin University of Technology has complied with applicable legislation, contracts, agreements and program guidelines in making expenditure.

Curtin University of Technology charged Student Services and Amenities Fees strictly in accordance with the Higher Education Support Act 2003 and the Administration Guidelines made under the Act. Revenue from the fee was spent strictly in accordance with the Act and only on services and amenities specified in subsection 19-38(4) of the Act.



Colin Beckett
Chancellor



Deborah Terry
Vice-Chancellor

Dated this 18th day of March 2015

STATEMENT OF COMPREHENSIVE INCOME

for the year ended 31 December 2014

	Note	2014 \$'000	2013 \$'000
Revenue from Continuing Operations			
Australian Government financial assistance:			
Australian Government grants	4	329,460	306,053
HELP – Australian Government payments	4	162,465	143,967
State and Local Government financial assistance	5	13,993	13,590
HECS-HELP – student payments		27,636	26,868
Fees and charges	6	218,967	217,596
Investment revenue	7	32,115	27,965
Royalties, trademarks and licences	8	38,945	34,569
Consultancy and contracts	9	35,089	32,766
Other revenue	10	30,977	45,915
Total Revenue from Continuing Operations		889,647	849,289
Net (loss)/gain on disposal of non-current assets	16	(7)	1,501
Total Income from Continuing Operations		889,640	850,790
Expenses from Continuing Operations			
Employee related expenses	11	505,096	486,315
Depreciation and amortisation	12	46,303	39,752
Repairs and maintenance	13	18,284	14,213
Finance costs	14	3,965	4,105
Impairment of assets	15	1,569	(123)
Deferred superannuation expense	11	398	505
Other expenses	17	264,307	243,624
Total Expenses from Continuing Operations		839,922	788,391
Net result for the Year		49,718	62,399
Other Comprehensive Income			
Items that may be reclassified to profit or loss:			
Net investment revaluation gain/(loss)	30(a)	11,453	32,635
Total Comprehensive Income		61,171	95,034

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

STATEMENT OF FINANCIAL POSITION

for the year ended 31 December 2014

	Note	2014 \$'000	2013 \$'000
ASSETS			
Current Assets			
Cash and cash equivalents:			
Unrestricted	19(a)	36,115	49,005
Restricted	19(b)	1,874	1,822
Trade and other receivables	20	27,225	22,730
Inventories	21	98	1,655
Other financial assets:			
Unrestricted	22	812	1,088
Restricted	23	109,055	89,268
Other non-financial assets	24	33,545	29,898
Total Current Assets		208,724	195,466
Non-Current Assets			
Trade and other receivables	20	64,065	60,788
Other financial assets – unrestricted	22	415,507	412,602
Property, plant and equipment	25	799,226	759,069
Total Non-Current Assets		1,278,798	1,232,459
Total Assets		1,487,522	1,427,925
LIABILITIES			
Current Liabilities			
Trade and other payables	26	17,206	13,864
Borrowings	27	1,767	2,292
Provisions	28	61,565	84,110
Other liabilities	29	72,945	62,789
Total Current Liabilities		153,483	163,055
Non-Current Liabilities			
Borrowings	27	56,349	58,116
Provisions	28	103,144	93,379
Total Non-Current Liabilities		159,493	151,495
Total Liabilities		312,976	314,550
Net Assets		1,174,546	1,113,375
EQUITY			
Reserves	30	127,266	100,802
Retained earnings	30	1,047,280	1,012,573
Total Equity		1,174,546	1,113,375

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

STATEMENT OF CHANGES IN EQUITY

for the year ended 31 December 2014

	Note	Reserves \$'000	Retained Earnings \$'000	Total Equity \$'000
Balance at 1 January 2013		57,851	960,490	1,018,341
Net result for the year		–	62,399	62,399
Other comprehensive income for the year	30(a)	32,635	–	32,635
Transfers from retained earnings	30(b)	28,033	(28,033)	–
Transfers to retained earnings	30(b)	(17,717)	17,717	–
Balance at 31 December 2013	30	100,802	1,012,573	1,113,375
Net result for the year		–	49,718	49,718
Other comprehensive income for the year	30(a)	11,453	–	11,453
Transfers from retained earnings	30(b)	35,448	(35,448)	–
Transfers to retained earnings	30(b)	(20,437)	20,437	–
Balance at 31 December 2014	30	127,266	1,047,280	1,174,546

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

STATEMENT OF CASH FLOWS

for the year ended 31 December 2014

	Note	2014 \$'000	2013 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Australian Government grants received	4(g)	492,745	455,131
State and Local Government financial assistance		13,993	13,590
HECS-HELP – student payments		27,636	26,440
Fees and charges		219,687	221,206
Royalties, trademarks and licences		39,837	31,903
Consultancy and contract research		36,341	34,331
Interest received		2,597	4,682
Dividends received		1,532	1,320
Distributions received		24,228	17,731
Other		30,796	49,071
GST refunds received		12,526	11,346
Payments			
Payments for employee benefits		(517,189)	(481,927)
Payments to suppliers		(295,113)	(269,375)
Interest and other costs of finance paid		(3,982)	(4,125)
Net Cash Provided by Operating Activities	40(b)	85,634	111,324
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for property, plant and equipment		(88,782)	(77,313)
Proceeds on sale of property, plant and equipment		195	3,468
Payments for investments		(69,699)	(107,605)
Proceeds on redemption of investments		62,106	43,642
Net Cash Used in Investing Activities		(96,180)	(137,808)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings		(2,292)	(2,308)
Proceeds from borrowings		–	–
Cash (Used in)/Provided by Financing Activities		(2,292)	(2,308)
Net increase/(decrease) in cash and cash equivalents		(12,838)	(28,792)
Cash and cash equivalents at the beginning of the financial year		50,827	79,619
Cash and Cash Equivalents at the End of the Year	40(a)	37,989	50,827

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

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2014

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for the year ended 31 December 2014

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

This general purpose financial report has been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board (AASB), the requirements of the Department of Education and Training, applicable sections of the *Financial Management Act 2006* and applicable Western Australian Government Treasurer's Instructions.

The financial statements and notes thereto comply with Australian Accounting Standards, some of which contain requirements specific to not-for-profit entities that are inconsistent with International Financial Reporting Standards requirements.

Date of authorisation for issue

The financial statements were authorised for issue by the members of the University Council on 18 March 2015.

Historical cost convention

The financial statements have been prepared under the historical cost convention except for certain financial assets which are reported at fair value (refer to Note 33).

Accrual basis of accounting

The financial statements, except for cash flow information, are prepared using the accrual basis of accounting.

Critical accounting estimates

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the University's accounting policies. The estimates and underlying assumptions are reviewed on an ongoing basis. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 2.

The financial report is presented in Australian dollars and all values are rounded to the nearest thousand dollars (\$'000).

(b) Not-for-profit status

For the purpose of the application of Australian Accounting Standards and Interpretations, the University is considered to be a not-for-profit entity.

(c) Principles of consolidation

Consolidated financial statements are prepared by combining the financial statements of all entities that comprise the consolidated entity, being the University (the parent entity) and any controlled entities, in accordance with AASB 127 "Consolidated and Separate Financial Statements" and modified by Treasurer's Instruction 1105 "Consolidated Financial Statements".

Consolidated financial statements are not required as there are no material controlled entities.

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Revenue recognition

Revenue from the sale of goods and disposal of other assets and the rendering of services is recognised when the University has passed control and the significant risks and rewards of ownership have passed to the buyer of the goods or other assets, or when a service has been provided to a customer.

Student fees

Student fees are recognised when the University has provided the service(s) to the student.

Commonwealth supported student income

Income for Commonwealth Supported students is recognised when the University has provided the service(s) to the student.

Research income

Research grants from governments are recognised as revenue when the University obtains control over the asset comprising the contributions. When the University does not have control of the contribution, does not have the right to receive the contribution or, in the case of reciprocal grants, has not fulfilled grant conditions, the grant contribution is treated as deferred income as a liability in the Statement of Financial Position.

Reciprocal research income from other entities is recognised as revenue when the University has provided the service to the customer. Non-reciprocal research income from other entities is recognised as revenue when the University obtains control over the asset comprising the contributions.

Unspent non-reciprocal research grant funds at the end of each financial year are recognised by way of a Research Grants Reserve (refer to Note 30(b)). This reserve is released as expenditure is incurred.

Other government grants

Other grants from government are recognised as revenue when the University obtains control over the asset comprising the contributions. When the University does not have control over the contribution, does not have the right to receive the contribution or, in the case of reciprocal grants, has not fulfilled grant conditions, the grant contribution is treated as deferred income as a liability in the Statement of Financial Position.

Consultancy fees

Consultancy fees are recognised as revenue when the University has provided the service(s) to the customer.

Royalties

Revenue from royalties is recognised when the University has provided the service(s) to the customer through their use of the University's intellectual property.

Other contributions revenue

Donations, gifts and other non-reciprocal contributions are recognised as revenue when the University obtains control over the assets comprising the contributions.

Contributions of assets are recognised at their fair value. Contributions of services are only recognised when a fair value can be reliably determined and the services would be purchased if not donated.

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 December 2014

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(e) Property, plant and equipment

All property, plant and equipment with a cost of greater than \$5,000 (excluding GST) is recorded as a non-current asset at cost, less subsequent depreciation and impairment.

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of that asset.

Assets acquired at no cost or for nominal consideration are initially recognised at their fair value at the date of acquisition.

Gains and losses on disposals are determined by comparing the disposal proceeds with the carrying amount and are included in the Statement of Comprehensive Income.

(f) Depreciation of non-current assets

All non-current assets having a limited useful life are depreciated or amortised over their estimated useful lives, in a manner which reflects the consumption of their future economic benefits.

Depreciation is calculated on a straight-line basis from the time the asset becomes available for use. Estimated useful lives are as follows:

• Land	Not depreciated
• Buildings	Lower of 50 years or remaining useful life
• Leasehold land and improvements	Lower of 50 years or remaining lease period
• Computing equipment	3 years
• Other equipment and furniture	8 years
• Motor vehicles	5 years
• Works of art	Not depreciated

Land and works of art controlled by the University are classified as non-current assets. They are anticipated to have indeterminate useful lives since their service potential is not, in any material sense, consumed. As such, no amount for depreciation is recognised.

Assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

Library collection

The total cost of the last three years' acquisition of library books and journals is considered to represent an acceptable carrying value of the library collection. In each year, that year's cost of acquisition is added onto the carrying value and the earliest year's cost of acquisition within the carrying value is written-off as an acceptable estimate of the depreciation of the library collection for the current year.

(g) Impairment of property, plant and equipment

Where the recoverable amount of an asset is less than its carrying amount, the carrying amount is reduced to the recoverable amount. That reduction is an impairment loss, which is recognised as an expense to the Statement of Comprehensive Income. In most cases recoverable amount is based on "value in use" and is determined as the depreciated replacement cost of the asset.

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(h) Intangible assets

An intangible asset shall be recognised if, and only if:

- (i) it is probable that expected future economic benefits are attributable to the asset and will flow to the University; and
- (ii) the cost of the asset can be measured reliably.

Intangible assets are recognised when the ongoing benefit to the University has been demonstrated and a useful life established.

(i) Leases

In accordance with AASB 117 "Leases", leased assets classified as "finance leases" are recognised as assets. The amount initially brought to account as an asset is the present value of minimum lease payments. An equivalent finance lease liability is brought to account at the same time.

Finance leased assets are amortised on a straight-line basis over the estimated useful life of the asset.

Finance lease payments are allocated between interest expense and reduction of lease liability over the term of the lease. The interest expense is determined by applying the interest rate implicit in the lease to the outstanding lease liability at the beginning of each lease payment period.

Operating lease payments are recognised as an expense in the Statement of Comprehensive Income on a basis which reflects the pattern in which economic benefits from the leased asset are consumed.

(j) Inventories

Inventories are valued at the lower of cost and net realisable value. Costs are assigned by the method most appropriate to each particular class of inventory, with the majority being measured on a weighted average cost basis.

(k) Receivables

Current accounts receivable are recognised at nominal amounts receivable as they are due for settlement no more than 30 days from the date of recognition. Non-current accounts receivable are recognised at fair value.

Collectibility of receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written-off as bad debts. A provision for impaired receivables is raised when there is objective evidence that the University may not be able to collect the debt.

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 December 2014

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(l) Investments

In accordance with AASB 139 "Financial Instruments" investments, other than unlisted shares, are classified as available-for-sale and gain and losses arising from changes in fair value are recognised directly in other comprehensive income until the security is disposed of or is determined to be impaired, at which time the cumulative gain or loss previously recognised in equity is transferred to the Net Result for the period.

Any decline in the fair value of previously impaired available-for-sale investments is to be recognised in the Net Result for the period. Any increase in the fair value of previously impaired available-for-sale debt investments is to be recognised in the Net Result for the period to extent of the initial impairment and thereafter taken to the Investments Revaluation Reserve. Any increase in the fair value of previously impaired available-for-sale equity investments is to be recognised in the Investment Revaluation Reserve in Equity.

Included within the unlisted shares are investments in a number of unlisted companies which were established to commercialise intellectual property. Unlisted shares are stated at historical cost unless there has been a permanent diminution in value, in which event a recoverable amount write-down is made. The University's associates (refer Note 43) have not been equity accounted for in the University's financial statements because they are not considered material.

Interest revenue and other investment income is recognised when earned.

(m) Joint research activities

The University participates in a number of joint research activities, such as Cooperative Research Centres. The University recognises within its financial statements: the assets that it controls, the liabilities that it incurs, the expenses that it incurs and its share of the income that it earns from the Joint research activities.

(n) Loans receivable

Loans receivable are initially recognised at fair value, net of transaction costs incurred. Loans are subsequently measured at amortised cost.

Loans receivable are classified as current assets unless the counterparty has an unconditional right to defer settlement of the asset for at least 12 months after the reporting date, in which case they are classified as non-current.

(o) Payables

Payables, including accruals (expenses incurred but not yet billed), are recognised when the University becomes obliged to make future payments as a result of a purchase of assets or services received. Payables are generally settled within a 30 day term.

(p) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost.

Borrowings are removed from the Statement of Financial Position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in other income or other expenses.

Borrowings are classified as current liabilities unless the University has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date, in which case they are classified as non-current.

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(q) Employee benefits

Annual leave

This benefit is recognised at the reporting date in respect of employees' service up to that date and is measured at the amounts expected to be paid when the liabilities are settled, including anniversary increments and anticipated salary increases. Annual leave that is not expected to be settled wholly within 12 months after the end of the reporting period and is therefore considered to be 'other-long-term employee benefits'. The provision for annual leave is classified as a current liability as the University does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

Long service leave

Long service leave is not expected to be settled wholly within 12 months after the end of the reporting period. When assessing expected future payments, 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.

Unconditional long service leave provisions are classified as current liabilities as the University does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

The liability for conditional long service leave expected to be settled more than 12 months from the reporting date is recognised in the provision for employee benefits as a non-current liability and is measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date.

Superannuation

The University contributes to a number of superannuation schemes including both defined contribution and defined benefit schemes.

Payments to defined contribution schemes are charged as an expense as they fall due. The University's obligation is limited to these contributions.

Defined benefit schemes provide a defined lump sum benefit to scheme members based on years of service and final average salary. A defined benefit liability is included in the Statement of Financial Position equal to the present value of the defined benefit obligation at the reporting date (less any past service costs not yet recognised) less the fair value of scheme assets at the reporting date.

The cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out on an annual basis. Actuarial gains and losses are recognised in other comprehensive income. Where appropriate the University has adopted the multi employer provisions of AASB 119 "Employee Benefits". This is currently relevant to the Unisuper Defined Benefit scheme.

Unfunded superannuation

An arrangement exists between the Commonwealth Government and the Western Australian Government to meet the unfunded liability for the University's beneficiaries of the State Superannuation Schemes on an emerging cost basis. The unfunded liabilities have been recognised in the Statement of Financial Position under Provisions, with a corresponding asset recognised under Receivables. The recognition of both the asset and the liability concurrently does not affect the year end net asset position of the University. The liability and equivalent receivable are measured actuarially on an annual basis.

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 December 2014

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(q) Employee benefits (continued)

Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts an offer of benefits in exchange for the termination of employment. The University 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 AASB137 "Provisions, Contingent Liabilities and Contingent Assets" when it is demonstrably committed to terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal.

Accrued or prepaid salaries

Accrued salaries represent the amount due to staff but unpaid at the end of the financial period, as the end of the last pay period for that financial year does not always coincide with the end of the financial period. The University considers that the nominal carrying amount approximates net fair value.

If the payroll is paid on a date prior to the end of the financial year, the amount prepaid which overlaps the year end is treated as a current asset.

(r) Foreign currency

Transactions denominated in a foreign currency are translated at the rates in existence at the dates of the transactions. Foreign currency monetary items, which include cash, receivables and payables, are translated at exchange rates current at the reporting date. Exchange gains and losses are brought to account in the Net Result.

(s) Taxes

Income tax

Curtin University is exempt from income tax as per Subdivision 50-B of the Income Tax Assessment Act 1997.

Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of GST except:

- Where the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, then the GST is recognised as part of the cost of acquisition or as part of the expense item as applicable; and
- Receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of 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 component of cash flows arising from investing activities, which is recoverable from or payable to the taxation authority, is classified as an operating cash flow.

Fringe benefits tax

The University is liable to pay Fringe Benefits Tax, and it is included in 'Other Expenses' in the Statement of Comprehensive Income.

Payroll tax

The University is liable to pay Payroll Tax, and it is included in 'Employee related expenses' in the Statement of Comprehensive Income.

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(t) Other expenses

Finance costs

Finance (or borrowing) costs expense is recognised on an accrual basis.

Finance costs for qualifying assets are capitalised net of any investment income earned on the unexpended portion of the borrowings. Other finance costs are expensed when incurred.

Repairs and maintenance

All repairs and maintenance expenditure is charged to the Statement of Comprehensive Income during the financial period in which it is incurred.

Research and development

Research and development costs, other than costs that meet the criteria for recognition as an intangible asset arising from development, are expensed to the Statement of Comprehensive Income as incurred.

(u) Comparative figures

Comparative figures have been, where appropriate, reclassified so as to be comparable with the figures presented in the current financial year.

(v) Fair value

Fair value measurement of investments and other financial assets are based on quoted prices in an active market. If the market for a financial asset is not active (including unlisted securities), the University establishes fair value by using valuation techniques that maximise the use of relevant data. These include reference to the estimated price in an orderly transaction that would take place between market participants at the measurement date. Other valuation techniques used are the cost approach and the income approach based on the characteristics of the asset and the assumptions made by market participants.

(w) Externally operated campuses

The University provides its educational services through a number of campuses and other locations. The three campuses outside of Western Australia are managed and operated by third parties through contractual arrangements with the University. The University has no ownership or financial interest in these third party companies other than by way of the contractual arrangements.

OPERATOR	CAMPUS
Colleges of Business and Technology (NSW) Pty Ltd (100% subsidiary of Navitas Limited)	Sydney, New South Wales, Australia
Curtin Education Centre Pte Ltd (90% subsidiary of Navitas Limited)	Singapore
Curtin (Malaysia) Sdn Bhd	Miri, Sarawak, Malaysia

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 December 2014

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(x) New Accounting Standards and Interpretations

Certain new Accounting Standards and Interpretations have been published that are not mandatory for the 31 December 2014 reporting period.

The University's assessment of the new Standards and Interpretations that have been finalised is that there is no significant impact to the University's financial statements. Relevant Standards are as follows:

- AASB 11 – Joint Arrangements; and
- AASB 12 – Disclosure of Interests in Other Entities

Note disclosures have been amended to reflect the new Standards.

2 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Critical accounting estimates and assumptions

The key assumptions made concerning the future, and other key sources of estimating uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are:

- Provision for impairment of receivables;
- Superannuation benefits and associated assets/liabilities;
- Discount and cost escalation rates used in estimating non-current provisions – discount rates are based on market yields on government bonds;
- Assessing impairment of assets including receivables, property, plant and equipment and investments; and
- Estimating useful lives of non-current assets – the useful life reflects the consumption of the assets' future economic benefits.

(b) Critical judgements in applying the University's accounting policies

The judgements that have been made in the process of applying accounting policies that have the most significant effect on the amounts recognised in the financial report include:

- Estimating the useful life of key assets;
- Impairment of property, plant and equipment;
- Impairment of receivables;
- Impairment of other financial assets (including investments); and
- Recognition of intangible assets.

3 DISAGGREGATED INFORMATION

	Revenue		Results		Assets	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Geographical						
Australia	872,205	832,923	37,221	50,925	1,474,934	1,416,333
Asia	14,616	13,891	9,715	9,057	9,806	9,157
Other	2,826	2,475	2,782	2,417	2,782	2,435
Total	889,647	849,289	49,718	62,399	1,487,522	1,427,925

	Note	2014 \$'000	2013 \$'000
4 AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE INCLUDING AUSTRALIAN GOVERNMENT LOANS PROGRAMS (HELP)			
(a) Commonwealth Grants Scheme (CGS) and Other Grants	45(a)		
Commonwealth Grants Scheme		231,099	218,971
Indigenous Support Program		1,427	1,641
Disability Support Program		63	66
Partnership and Participation Program		5,579	4,884
Total Commonwealth Grants Scheme and Other Grants		238,168	225,562
(b) Higher Education Loan Programs	45(b)		
HECS-HELP		134,311	120,220
FEE-HELP		25,595	21,296
SA-HELP		2,559	2,451
Total Higher Education Loan Programs		162,465	143,967
(c) Scholarships	45(c)		
Australian Postgraduate Awards		6,778	6,528
Indigenous Access Scholarships		75	61
International Postgraduate Research Scholarships		537	545
Commonwealth Education Costs Scholarships		92	101
Commonwealth Accommodation Scholarships		55	80
Total Scholarships		7,537	7,315
(d) Department of Education and Training Research	45(d)		
Joint Research Engagement Program		9,131	8,820
JRE Engineering Cadetship		114	74
Sustainable Research Excellence		1,992	1,974
Research Training Scheme		16,464	16,294
Research Infrastructure Block Grants		2,975	2,865
Total Department of Education and Training Research Grants		30,676	30,027
(e) Australian Research Council (ARC) Grants			
(i) Discovery	45(e)(i)		
Project		6,453	5,775
Fellowships		4,318	3,903
Total Discovery		10,771	9,678
(ii) Linkages	45(e)(ii)		
Infrastructure		1,905	2,029
Projects		2,137	2,283
Total Linkages		4,042	4,312
(iii) Other	45(e)(iii)		
Projects		457	34
Total Other		457	34

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 December 2014

	Note	2014 \$'000	2013 \$'000
4 AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE INCLUDING AUSTRALIAN GOVERNMENT LOANS PROGRAMS (HELP) (CONTINUED)			
(f) Other Australian Government financial assistance			
Non-capital			
CRC Cooperative Research Centres Funding		7,334	6,654
CSIRO Flagship Collaborative Research Program		454	1,364
National Drug Law Enforcement Research Fund		150	102
NHMRC Grants		2,851	1,939
Other Commonwealth Research Income		7,850	8,743
Other Teaching Grants		444	463
Other Commonwealth Grants		16,484	5,926
Research funds from other universities		1,490	1,503
		37,057	26,694
Capital			
CRC Cooperative Research Centres Funding		–	70
CSIRO Flagship Collaborative Research Program		11	–
Other Commonwealth Research Income		464	1,419
Other Commonwealth Grants		180	932
Research funds from other universities		97	11
		752	2,432
Total Other Australian Government Financial Assistance		37,809	29,126
Total Australian Government Financial Assistance		491,925	450,021
Reconciliation			
Australian Government grants [a+c+d+e+f]		329,460	306,053
HECS-HELP payments		134,311	120,220
FEE-HELP payments		25,595	21,296
SA-HELP payments		2,559	2,451
		162,465	143,967
Total Australian Government Financial Assistance		491,925	450,020
(g) Australian Government grants received – cash basis			
CGS and Other Department of Education and Training Grants	45 (a)	239,817	227,846
Higher Education Loan Programs	45 (b)	162,600	147,442
Scholarships	45 (c)	7,615	5,029
Department of Education and Training Research	45 (d)	30,676	30,027
ARC grants – Discovery	45 (e)(i)	10,371	8,709
ARC grants – Linkages	45 (e)(ii)	3,640	3,027
ARC grants – Other	45 (e)(iii)	457	34
Other government grants		29,787	26,197
Total Australian Government Grants Received – Cash Basis		484,963	448,311
OS-Help (Net)	45 (f)	1,659	464
Superannuation Supplementation	45 (g)	6,123	6,356
Total Australian Government Funding Received – Cash Basis		492,745	455,131

	Note	2014 \$'000	2013 \$'000
5 STATE AND LOCAL GOVERNMENT FINANCIAL ASSISTANCE			
Non-capital			
Local Government		20	266
State Government		13,771	13,055
		13,791	13,321
Capital			
State Government		202	269
Total State and Local Government Financial Assistance		13,993	13,590
6 FEES AND CHARGES			
Course Fees and Charges			
Fee-paying onshore overseas students		159,164	157,576
Fee-paying offshore overseas students		7,564	6,542
Continuing education		1,789	1,806
Fee-paying domestic postgraduate students		13,687	13,217
Fee-paying domestic undergraduate students		–	2
Fee-paying domestic non-award students		14,901	18,611
Total Course Fees and Charges		197,105	197,754
Other Non-Course Fees and Charges			
Examination fees		1	110
Late fees		237	378
Library fines		102	114
Parking fees		3,837	3,472
Registration fees		194	236
Ancillary fees		249	267
Student accommodation		10,114	9,785
Student services and amenities fees		4,128	2,586
Other fees and charges		3,000	2,894
Total Other Non-Course Fees and Charges		21,862	19,842
Total Fees and Charges		218,967	217,596
7 INVESTMENT REVENUE			
Distributions and dividends from available-for-sale investments		26,112	19,974
Gain/(loss) on disposal of available-for-sale investments		594	406
Cumulative gain/(loss) reclassified from equity on disposal of available-for-sale investments		2,965	3,105
Interest received		2,444	4,480
Total Investment Revenue		32,115	27,965
8 ROYALTIES, TRADEMARKS AND LICENCES			
Royalties		38,945	34,569
Total Royalties, Trademarks and Licences		38,945	34,569

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 December 2014

	Note	2014 \$'000	2013 \$'000
9 CONSULTANCY AND CONTRACTS			
Consultancy		11,954	13,686
Contract research		23,135	19,080
Total Consultancy and Contracts		35,089	32,766
10 OTHER REVENUE			
Trading income		10,349	14,372
Donations		798	1,611
Rental income		7,794	7,946
Non-government grants ¹		9,283	12,540
Insurance claims		569	6,644
Staff salary recoveries		1,637	2,052
Proceeds from sale of minor equipment		50	52
Conference income		271	387
Other		226	311
Total Other Revenue		30,977	45,915
Revenue from sale of goods ²		3,509	6,619
Cost of sales:			
Opening inventory		1,544	1,507
Purchases:		966	4,628
Closing inventory		-	(1,544)
Cost of goods sold ³		2,510	4,591
Gross margin before selling and administrative expenses		999	2,028

¹ Non-government grants include revenue for scholarships, sponsorships, training workshops and other sundry income

² Revenue from sale of goods is included under "Trading Income"

³ Costs of goods sold are included under "Other Expenses – Inventory used and sold" (see Note 17)

⁴ Inventory of \$0.556 million was sold as part of the disposal of the Bookshop (see Note 18). The proceeds were recorded against Inventory used and sold.

	Note	2014 \$'000	2013 \$'000
11 EMPLOYEE-RELATED EXPENSE			
Academic			
Salaries		208,239	204,070
Contribution to superannuation and pension schemes		30,094	29,260
Long service leave		3,330	5,698
Annual leave		15,778	12,599
Payroll tax		14,771	13,187
Worker's compensation		706	237
Total Academic		272,918	265,051
Non-Academic			
Salaries		176,064	169,745
Contribution to superannuation and pension schemes		25,479	24,454
Long service leave		3,354	5,373
Annual leave		14,418	10,982
Payroll tax		12,312	10,732
Worker's compensation		551	(22)
Total Non-Academic		232,178	221,264
Total Employee-Related Expenses		505,096	486,315
Deferred superannuation expense	38 (b)	398	505
Total Employee Related Expenses including Deferred Government Employee Benefits for Superannuation		505,494	486,820
12 DEPRECIATION AND AMORTISATION			
Buildings		27,450	24,348
Leasehold land and improvements		209	209
Computing equipment		2,118	1,705
Other equipment and furniture		9,699	6,884
Motor vehicles		203	172
Library collection		6,624	6,434
Total Depreciation Expense		46,303	39,752
13 REPAIRS AND MAINTENANCE			
Building repairs		5,098	4,915
General infrastructure maintenance		12,096	8,422
Parks and Gardens		1,090	876
Total Repairs and Maintenance		18,284	14,213
14 FINANCE COSTS			
Interest on borrowings		3,965	4,105
Less: Amount capitalised		-	-
Total Borrowing Costs		3,965	4,105

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 December 2014

	Note	2014 \$'000	2013 \$'000
15 IMPAIRMENT OF ASSETS			
Bad debts written off/(recoveries)		(7)	(17)
Movement in provision for impaired receivables		813	27
Impairment less impairment reversal of other financial assets		763	(133)
Total Impairment of Assets		1,569	(123)
16 NET LOSS/(GAIN) ON DISPOSAL OF NON-CURRENT ASSETS			
Carrying amount of disposed non-current assets			
Property, plant and equipment		202	1,967
Proceeds from disposal of non-current assets			
Property, plant and equipment		(195)	(3,468)
Net Loss/(Gain) on Disposal of Non-current Assets		7	(1,501)
17 OTHER EXPENSES			
Advertising, marketing and promotional		7,761	7,369
Agency staff costs		7,627	4,832
Books		4,781	3,501
Computer peripherals and parts		19,435	19,321
Consumables		12,336	12,036
Contract work		52,272	46,619
Exchange rate (gains)/losses		(35)	7
Fees and commissions		19,283	19,796
Financial assistance provided/research support		4,396	3,780
Graduations		925	1,119
Hospitality		3,055	2,937
Insurance		3,076	2,765
Inventory used and sold		3,571	5,934
Lease and rental		4,401	4,111
Non-capitalised equipment		8,359	6,790
Occupational health, safety and welfare		523	735
Partner service fees		15,402	13,169
Postage and courier		963	1,212
Publications		666	796
Scholarships, grants and prizes		42,483	37,012
Security		473	338
Staff development and training		4,284	4,504
Staff recruitment		4,664	2,117
Subscriptions		6,519	6,160
Telecommunications		2,026	2,226
Travel		14,746	14,497
Utilities and cleaning		17,433	17,348
Other		2,882	2,593
Total Other Expenses		264,307	243,624

18 DISCONTINUED OPERATIONS

Disposal of Curtin Bookshop

The University operated the Curtin Bookshop until 15 April 2014, at which point the operations transferred to The University Co-operative Bookshop Limited. There was no significant financial impact from the transfer. Because the financial results of the Bookshop operations prior to disposal are not material, they have not been classified separately on the face of the Statement of Comprehensive Income as Discontinued Operations.

	Note	2014 \$'000	2013 \$'000
19 CASH AND CASH EQUIVALENTS			
(a) Cash and Cash Equivalents – Unrestricted			
Cash at bank and on hand ¹		21,115	31,505
Fixed Term Deposits ²		15,000	17,500
Total Cash and Cash Equivalents – Unrestricted		36,115	49,005
(b) Cash and Cash Equivalents – Restricted			
Trust cash at bank ¹		112	65
Trust Fixed Term Deposit ²		1,762	1,757
Total Cash and Cash Equivalents – Restricted		1,874	1,822
Total Cash and Cash Equivalents		37,989	50,827

¹ Cash on hand is non-interest bearing. Cash at bank is subject to variable interest rates (refer Note 31).

² Deposits are interest bearing at variable interest rates (refer Note 31)

20 TRADE AND OTHER RECEIVABLES

Current			
Student receivables		8,255	5,076
Less: Provision for impaired receivables		(979)	(321)
		7,276	4,755
General receivables		16,109	14,562
Less: Provision for impaired receivables		(215)	(60)
		15,894	14,502
Deferred government contribution for unfunded superannuation	38(b)	4,055	3,473
Total Current		27,225	22,730
Non-Current			
Deferred government contribution for unfunded superannuation	38(b)	64,065	60,788
Total Receivables		91,290	83,518

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 December 2014

	Note	2014 \$'000	2013 \$'000
20 TRADE AND OTHER RECEIVABLES (CONTINUED)			
Impaired receivables			
As at 31 December 2014, current receivables for student fees with a nominal value of \$0.979 million (2013: \$0.321 million) were impaired. The amount of the provision was \$0.979 million (2013: \$0.321 million).			
The ageing of these receivables is as follows:			
Less than 12 months		492	69
Greater than 12 months		487	252
		979	321
As at 31 December 2014, current receivables for student fees of \$1.440 million (2013: \$3.541 million) were past due date but not impaired.			
The ageing of these receivables is as follows:			
Less than 12 months		1,169	3,541
Greater than 12 months		271	–
		1,440	3,541
Movements in the provision for impaired student fees receivables are as follows:			
Balance at start of year		321	249
Provision for impairment recognised during the year		658	72
Receivables written-off during the year as uncollectible		–	–
Unused amount reversed		–	–
Balance at end of year		979	321
As at 31 December 2014, current general receivables with a nominal value of \$0.215 million (2013: \$0.06 million) were impaired.			
The ageing of these receivables is as follows:			
Less than 12 months		138	–
Greater than 12 months		77	60
		215	60
As at 31 December 2014, current general receivables of \$10.752 million (2013: \$10.779 million) were past due date but not impaired.			
The ageing of these receivables is as follows:			
Less than 12 months		10,722	10,717
Greater than 12 months		30	62
		10,752	10,779

	Note	2014 \$'000	2013 \$'000
20 TRADE AND OTHER RECEIVABLES (CONTINUED)			
Movements in the provision for impaired general receivables are as follows:			
Balance at start of year		60	105
Receivables written-off during the year as uncollectible		–	–
Provision for impairment recognised during the year		155	–
Unused amount reversed		–	(45)
Balance at end of year		215	60
21 INVENTORIES			
Inventories held for resale:			
Merchandise ¹		–	1,544
Inventories not held for resale:			
General stores		98	111
Total Inventories		98	1,655
¹ The Curtin Bookshop operations and assets were disposed during the year (refer Note 18).			
22 OTHER FINANCIAL ASSETS - UNRESTRICTED			
Current			
Loans receivable			
Interest bearing loans		24	613
Other loans		788	475
Total Current Other Financial Assets		812	1,088
Non-Current			
Available-for-Sale			
Funds under management (at fair value)		413,647	410,052
Unlisted shares and warrants (at cost)		1,837	2,502
Loans receivable			
Interest bearing loans		23	48
Total Non-Current Other Financial Assets		415,507	412,602
Total Other Financial Assets – Unrestricted		416,319	413,690

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 December 2014

	Note	2014 \$'000	2013 \$'000
23 OTHER FINANCIAL ASSETS - RESTRICTED			
Current Available-for-Sale			
Restricted funds under management			
Research activities		75,731	60,720
Donations and prizes		26,789	23,200
Trusts		6,535	5,348
Total Restricted Funds Under Management (at fair value)		109,055	89,268
Total Restricted Other Financial Assets		109,055	89,268

Restricted funds are held as cash (refer Note 19(b)) or invested as managed funds.

All available-for-sale financial assets are denominated in Australian currency. For an analysis of the credit risk and sensitivity of available-for-sale financial assets to price and interest rate risk, refer to Note 31.

	Note	2014 \$'000	2013 \$'000
24 OTHER NON-FINANCIAL ASSETS			
Current			
Prepayments		25,996	18,380
Accrued income		7,549	11,518
Total Other Non-Financial Assets		33,545	29,898

	Note	2014 \$'000	2013 \$'000
25 PROPERTY, PLANT AND EQUIPMENT			
Land ¹			
At cost		78,998	78,998
Accumulated impairment		–	–
		78,998	78,998
Buildings			
At cost		784,236	747,643
Accumulated depreciation and impairment		(203,815)	(176,364)
		580,421	571,279
Leasehold land and improvements			
At cost		5,423	5,423
Accumulated depreciation		(1,864)	(1,655)
		3,559	3,768
Work in progress			
At cost		49,195	29,685
Computing equipment			
At cost		16,953	16,531
Accumulated depreciation		(10,548)	(12,367)
		6,405	4,164
Other equipment and furniture			
At cost		112,532	96,770
Accumulated depreciation		(62,975)	(58,592)
		49,557	38,178
Motor vehicles			
At cost		1,317	1,544
Accumulated depreciation		(843)	(879)
		474	665
Library collections			
At cost		24,691	26,253
Accumulated depreciation		(6,624)	(6,434)
		18,067	19,819
Works of art			
At cost		12,550	12,513
Total Property, Plant and Equipment		799,226	759,069

¹ Parts of the sites upon which the University is located at, in particular the Bentley and Kalgoorlie campuses, are vested in the University by the Government of Western Australia.

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 December 2014

25 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Reconciliations of the carrying amounts of property, plant and equipment at the beginning and end of the current financial year are set out below.

	Land \$'000	Buildings \$'000	Leasehold land and improvements \$'000	Work in progress \$'000	Computing equipment \$'000	Other equipment and furniture \$'000	Motor vehicles \$'000	Library collection \$'000	Works of art \$'000	Total \$'000
2014										
Carrying amount at start of year	78,998	571,279	3,768	29,685	4,164	38,178	665	19,819	12,513	759,069
Additions	–	405	–	70,687	2,736	7,896	29	4,872	37	86,662
Cost of Disposals	–	–	–	–	(3,932)	(5,507)	(256)	–	–	(9,695)
Impairment loss reversals on disposals	–	–	–	–	–	–	–	–	–	–
Accumulated depreciation on disposals	–	–	–	–	3,938	5,316	239	–	–	9,493
Transfers in/(out)	–	36,187	–	(51,177)	1,617	13,373	–	–	–	–
Depreciation charge	–	(27,450)	(209)	–	(2,118)	(9,699)	(203)	(6,624)	–	(46,303)
Carrying amount at end of year	78,998	580,421	3,559	49,195	6,405	49,557	474	18,067	12,550	799,226

	Land \$'000	Buildings \$'000	Leasehold land and improvements \$'000	Work in progress \$'000	Computing equipment \$'000	Other equipment and furniture \$'000	Motor vehicles \$'000	Library collection \$'000	Works of art \$'000	Total \$'000
2013										
Carrying amount at start of year	80,356	554,628	3,977	23,030	2,098	26,037	542	19,799	12,296	722,763
Additions	–	782	–	53,390	1,926	14,847	329	6,454	297	78,025
Cost of disposals	(1,652)	(11,335)	–	–	(182)	(2,835)	(220)	–	(117)	(16,341)
Impairment loss reversals on disposals	294	8,010	–	–	–	–	–	–	–	8,304
Accumulated depreciation on disposals	–	3,323	–	–	182	2,379	186	–	–	6,070
Transfers in/(out)	–	40,219	–	(46,735)	1,845	4,634	–	–	37	–
Depreciation charge	–	(24,348)	(209)	–	(1,705)	(6,884)	(172)	(6,434)	–	(39,752)
Carrying amount at end of year	78,998	571,279	3,768	29,685	4,164	38,178	665	19,819	12,513	759,069

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 December 2014

	Note	2014 \$'000	2013 \$'000
26 TRADE AND OTHER PAYABLES			
Current			
Trade payables		17,206	13,864
27 BORROWINGS			
Current			
Treasury loans – secured		1,767	2,292
Non-Current			
Treasury loans – secured		56,349	58,116
Total Borrowings		58,116	60,408

Treasury Loans

The University has the following loans with the WA Treasury Corporation:

	Average Interest rate	Maturity date	Principal outstanding	
			2014 \$'000	2013 \$'000
Capital works				
- quarterly principal and variable rate interest repayments	5.41%	15.10.2017	48	81
Muresk Campus housing				
- fixed rate interest only quarterly repayments with the loan principal to be repaid at date of maturity	6.50%	15.07.2018	2,050	2,050
Bentley Campus housing				
- fixed rate interest only quarterly repayments with the loan principal to be repaid at date of maturity	7.05%	15.01.2018	16,800	16,800
- quarterly principal and variable rate interest repayments	5.41%	15.10.2017	182	310
Goldfields Arts Centre				
- quarterly principal and variable rate interest repayments	5.69%	15.10.2014	–	586
Chemistry Centre of WA building				
- monthly principal and fixed rate interest repayments	6.77%	01.07.2029	35,000	36,364
- monthly principal and fixed rate interest repayments	5.11%	01.07.2029	4,036	4,217
Total Treasury Loans			58,116	60,408

27 BORROWINGS (CONTINUED)

Financing facilities available

At reporting date, the following financing facilities had been negotiated and were available:

Total facilities:

Note	2014 \$'000	2013 \$'000
- Treasury Loans	58,116	60,408

Facilities used at reporting date:

Note	2014 \$'000	2013 \$'000
- Treasury Loans	58,116	60,408

Facilities unused at reporting date:

Note	2014 \$'000	2013 \$'000
- Treasury Loans	–	–

Assets pledged as security

The University has not pledged any assets as security against the borrowings. The loans are secured by a State Government Treasurer's Guarantee.

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 December 2014

27 BORROWINGS (CONTINUED)

Fair value

The carrying amounts and fair values of borrowings at balance date are:

	2014		2013	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
	\$'000	\$'000	\$'000	\$'000
Capital works				
- quarterly principal and variable rate interest repayments	48	49	81	85
Muresk campus housing				
- fixed rate interest only quarterly repayments with the loan principal to be repaid at date of maturity	2,050	2,342	2,050	2,304
Bentley campus housing				
- fixed rate interest only quarterly repayments with the loan principal to be repaid at date of maturity	16,800	19,217	16,800	19,169
- quarterly principal and variable rate interest repayments	182	188	310	324
Goldfields Arts Centre				
- quarterly principal and variable rate interest repayments	-	-	586	601
Chemistry Centre of WA building				
- monthly principal and fixed rate interest repayments	35,000	43,515	36,364	41,320
- monthly principal and fixed rate interest repayments	4,036	4,533	4,217	4,303
Total Treasury Loans	58,116	69,844	60,408	68,106

The fair value of the loans have been prepared assuming hypothetical settlement dates of 31 December 2014 and 31 December 2013.

28 PROVISIONS

Current

Employee benefits provisions

	Note	2014 \$'000	2013 \$'000
Annual leave ¹		37,272	32,985
Long service leave ²		12,814	23,999
Employment on-costs		3,256	3,418
Redundancy costs		4,064	20,140
Superannuation:			
- Deferred employee benefits for unfunded superannuation	38(b)	4,055	3,473
- Other University pension liabilities	38(a)	104	95
Total Current Provisions		61,565	84,110

Non-current

Employee benefits provisions

Long service leave		35,931	29,999
Employment on-costs		2,335	1,800
Superannuation:			
- Deferred employee benefits for unfunded superannuation	38(b)	64,065	60,788
- Other University pension liabilities	38(a)	813	792
Total Non-current Provisions		103,144	93,379

Total Provisions

164,709 177,489

Movements in Other Provisions

Movements in each class of provision during the financial year other than employee benefits, are set out below:

Employment on-costs provision

Balance at beginning of year	5,218	4,867
Addition/(reduction) in provisions recognised	2,793	2,165
Reduction arising from payments	(2,420)	(1,814)
Balance at end of year	5,591	5,218

Redundancy costs provision

Balance at beginning of year	20,140	3,806
Addition/(reduction) in provisions recognised	483	16,593
Reduction arising from payments	(16,559)	(259)
Balance at end of year	4,064	20,140

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 December 2014

	Note	2014 \$'000	2013 \$'000
28 PROVISIONS (CONTINUED)			
¹ Annual leave (including employment on-costs)			
Annual leave liabilities (including employment on-costs) have been classified as current as there is no unconditional right to defer settlement for at least 12 months after balance sheet date. Actual settlement of the current liabilities is expected to occur as follows:			
Within 12 months of the end of the reporting period		26,880	24,635
More than 12 months after the end of the reporting period		12,815	10,329
		39,695	34,964
² Long service leave (including employment on-costs)			
Long service leave liabilities have been classified as current where there is no unconditional right to defer settlement for at least 12 months after balance sheet date. Actual settlement of the current liabilities is expected to occur as follows:			
Within 12 months of the end of the reporting period		5,441	8,312
More than 12 months after the end of the reporting period		8,206	17,126
		13,647	25,438
29 OTHER LIABILITIES			
Current			
Income received in advance		36,518	33,635
Accrued expenses		28,018	21,984
Monies held in trust		8,409	7,170
Total Other Liabilities		72,945	62,789

	Note	2014 \$'000	2013 \$'000
30 EQUITY			
Reserves			
Investments revaluation reserve	30(a)	51,535	40,082
Research grants reserve	30(b)	75,731	60,720
Total Reserves		127,266	100,802
Retained earnings		1,047,280	1,012,573
(a) Investments revaluation reserve			
The investments revaluation reserve arises on the revaluation of available-for-sale financial assets. Where a revalued financial asset is sold, that portion of the reserve which relates to that financial asset and is effectively realised, is recognised in the Net Result. Where a revalued financial asset is impaired, the portion of the reserve which relates to that financial asset is transferred to the Net Result.			
<i>Movement in reserve</i>			
Balance at beginning of year		40,082	7,447
Unrealised valuation gain/(loss)		15,566	32,719
Realised (gain)/loss on sale of financial assets		(3,371)	(217)
Impairment reversal/(impairment) of financial assets		(742)	133
Movement for the year		11,453	32,635
Balance at end of year		51,535	40,082
(b) Research grants reserve			
Non-reciprocal research grants are required by Accounting Standards to be recognised as income when the University obtains control over the asset comprising the contributions. This reserve is provided for the balance of unspent research grants at the end of each financial year.			
Balance at beginning of year		60,720	50,404
Transfer to reserves		35,448	28,033
Transfers from reserves		(20,437)	(17,717)
Balance at end of year		75,731	60,720

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 December 2014

31 FINANCIAL INSTRUMENTS

	WEIGHTED AVERAGE EFFECTIVE INTEREST RATE %	NON- INTEREST BEARING \$'000	VARIABLE INTEREST RATE \$'000	FIXED INTEREST RATE \$'000	TOTAL CARRYING AMOUNT \$'000	MATURITY PROFILE			FOREIGN EXCHANGE RISK SENSITIVITY ²				INTEREST RATE RISK SENSITIVITY				PRICE RISK SENSITIVITY ³				CREDIT RISK \$'000	
						LESS THAN 1 YEAR \$'000	1-5 YEARS \$'000	MORE THAN 5 YEARS \$'000	-10%		+10%		-200 BPS		+200 BPS		-15%		+15%			
									NET RESULT \$'000	OTHER EQUITY \$'000	NET RESULT \$'000	OTHER EQUITY \$'000	NET RESULT \$'000	OTHER EQUITY \$'000	NET RESULT \$'000	OTHER EQUITY \$'000	NET RESULT \$'000	OTHER EQUITY \$'000	NET RESULT \$'000	OTHER EQUITY \$'000		
2014																						
Financial assets																						
Cash and cash equivalents	2.78%	6	37,983	–	37,989	37,989	–	–	–	–	–	–	–	(1,473)	–	1,473	–	–	–	–	–	–
Receivables	–	23,170	–	–	23,170	23,170	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	23,170
Loans receivable	0.31%	788	47	–	835	812	23	–	–	–	–	–	–	(1)	–	1	–	–	–	–	–	788
Unlisted securities (unrestricted)	–	1,837	–	–	1,837	–	1,837	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Funds under management (unrestricted) ^{1,4}	0.0005%	411,729	1,918	–	413,647	93	23,756	389,798	–	5,109	–	(5,109)	(2)	–	2	–	(509)	(61,561)	138	61,931	1,918	–
Funds under management (restricted) ⁴	–	109,055	–	–	109,055	–	–	109,055	–	–	–	–	–	–	–	–	(134)	(16,230)	37	16,328	–	–
Total financial assets		546,585	39,948	–	586,533	62,064	25,616	498,853	–	5,109	–	(5,109)	(1,476)	–	1,476	–	(643)	(77,791)	175	78,259	25,876	–
Financial liabilities																						
Payables	–	17,206	–	–	17,206	17,206	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Borrowings	6.72%	–	230	57,886	58,116	1,767	26,758	29,592	–	–	–	–	4	–	(4)	–	–	–	–	–	–	–
Total financial liabilities		17,206	230	57,886	75,322	18,973	26,758	29,592	–	–	–	–	4	–	(4)	–	–	–	–	–	–	–
2013																						
Financial Assets																						
Cash and cash equivalents	2.96%	20	50,807	–	50,827	50,827	–	–	–	–	–	–	–	(2,189)	–	2,189	–	–	–	–	–	–
Receivables	–	19,257	–	–	19,257	19,257	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	19,257
Loans receivable	3.11%	475	661	–	1,136	1,088	48	–	–	–	–	–	–	(8)	–	8	–	–	–	–	–	475
Unlisted securities (unrestricted)	–	2,502	–	–	2,502	–	2,502	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Funds under management (unrestricted) ^{1,4}	0.003%	407,791	2,261	–	410,052	–	57,692	352,361	–	4,163	–	(4,163)	(12)	–	12	–	(6,716)	(54,831)	236	61,311	2,261	–
Funds under management (restricted) ⁴	–	89,268	–	–	89,268	–	–	89,268	–	–	–	–	–	–	–	–	(1,462)	(11,937)	51	13,347	–	–
Total Financial Assets		519,313	53,729	–	573,042	71,172	60,242	441,629	–	4,163	–	(4,163)	(2,209)	–	2,209	–	(8,178)	(66,768)	287	74,658	21,993	–
Financial Liabilities																						
Payables	–	13,864	–	–	13,864	13,864	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Borrowings	6.70%	–	978	59,430	60,408	2,292	26,379	31,737	–	–	–	–	30	–	(30)	–	–	–	–	–	–	–
Total Financial Liabilities		13,864	978	59,430	74,272	16,156	26,379	31,737	–	–	–	–	30	–	(30)	–	–	–	–	–	–	–

¹ Funds under management mainly comprise investments in unit-based funds. Credit risk exposure relates only to funds under management not in unit-based funds.

² A positive number indicates an increase in operating surplus and equity where the Australian dollar weakens against the foreign currency.

³ Net Result would not be affected if prices increased by 15% as the equity investments are classified as available-for-sale with gains recognised directly in equity. However, Net result would be affected if prices decreased by 15% with further decreases in value of previously impaired available – for – sale assets recognised in the Net Result.

⁴ Funds under management in unit-based funds receive income by way of distributions and do not attract interest.

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 December 2014

32 FINANCIAL RISK MANAGEMENT

Financial instruments held by the University are cash and cash equivalents, receivables, available-for-sale financial assets, borrowings and payables. The University has exposure to financial risks. The University's overall risk management program focuses on managing the risks identified below.

(a) Market Risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in market prices. Components of market risk to which the University is exposed are:

(i) Interest Rate Risk

The University is exposed to interest rate risk from its use of interest bearing financial assets and liabilities. Non-derivative interest bearing assets are predominantly short term liquid assets, i.e. cash, cash deposits, interest-bearing loans advanced and some funds under management. The University's main interest rate liability risk arises from borrowings issued at fixed rates, which give exposure to fair value interest rate risk, and from borrowings at a variable interest rate, which give rise to cash flow interest rate risk. The University manages its borrowings in accordance with targeted interest rate, liquidity and debt portfolio maturity profiles. Notes 27 and 31 provide further detail.

Note 31 details the University's sensitivity to a 200 basis point increase or decrease in interest rates assuming the change took place at the beginning of the financial year and held constant throughout the reporting period. There is no significant exposure to interest rate risks.

(ii) Foreign Currency Risk

The University is exposed to foreign currency risk when income from overseas operations, such as royalties and offshore partner fees, is received in foreign currency.

The University manages this risk by conducting its contracts and business in Australian dollars where it is commercially practical to do so. Furthermore, the University seeks to hedge any material, highly probable, foreign currency transactions by way of permitted instruments with appropriate counterparties. The University does not undertake speculative positions on movements in foreign currency exchange rates.

The University holds available-for-sale investments whose underlying assets include some investments denominated in foreign currency which are unhedged.

At 31 December 2014, the University held no foreign currency forward exchange contracts.

(iii) Price Risk

Price risk arises when there is a possibility of decline in the value of investments. It refers to the risk that the value of an investment will fluctuate due to changes in market prices. Investments include unlisted securities and funds under management. Note 31 details the University's sensitivity to a 15% increase or decrease in prices at reporting date on its funds under management. At reporting date, if the inputs to valuation of funds under management had been 15% higher, Equity would have been \$78.259 million higher (2013: \$74.658 million) and the Net Result would have been \$0.175 million (2013: \$0.287 million) higher due to the reversal of previously impaired available-for-sale debt investments. However, if the inputs to the valuation of the funds under management had been 15% lower, the devaluation would have reduced the Equity Reserve by \$77.791 million (2013: \$66.768 million) and the impairment loss that would have been recognised through the Net Result on previously impaired assets would have been \$0.643 million (2013: \$8.178 million).

The University's sensitivity to price risk has increased over the period due to the higher fair value of equity investments held and additional investments made during the year.

32 FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit Risk

Credit risk is the risk that a contracting entity will not complete its obligations under a financial instrument resulting in a financial loss to the University. The University has exposure to credit risk and financial loss on financial assets included in the Statement of Financial Position, comprising trade and other receivables, and other financial assets.

Procedures are in place to minimise exposure to credit risk associated with students and other debtors. The credit risk on funds under management and derivative financial instruments is limited as the counterparties are generally either with banks or investment grade fund managers. For an analysis of credit risk of the University refer to Note 31.

The University's funds under management subject to credit risk has reduced and certain zero coupon bonds held are endowed with capital protection mechanisms. At reporting date, some previously impaired available-for-sale debt investments increased in value resulting in reversal of impairments to the Net Result of \$0.113 million, (2013: \$0.133 million).

(c) Liquidity Risk

Liquidity risk refers to the risk of financial loss to the University as a result of insufficient funds being available to meet its short and long term liabilities.

The University manages liquidity risk by maintaining adequate cash and cash equivalent balances, monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

33 FAIR VALUE

(a) Fair Value Measurements

The fair values of financial assets and financial liabilities shown in Note 31 are determined as follows:

- Due to the short-term nature of current trade and other receivables and payables, their carrying value is assumed to approximate fair value and, based on credit history, it is expected that the receivables that are neither past due date nor impaired will be received when due.
- Available-for-sale equity financial assets are traded on an active market. Hence, the fair value of these investments is based on quoted market prices at the reporting date (Level 1). The fair value of available-for-sale debt financial assets are determined based on market prices of financial assets with similar maturity and risk profiles due to the illiquidity of these financial assets (Level 2).
- Unlisted shares are measured at cost as their fair value cannot be measured reliably. Unlisted shares are not traded on an active market.
- The fair value of loans to related entities are estimated for disclosure purposes by discounting the future contractual cash flows at the University's weighted average interest rate of cash and cash equivalents.
- The fair value of borrowings is based on cash flows discounted using borrowing rates provided by the Western Australian Treasury Corporation. The rates vary between 5% to 8% depending on the purpose of the borrowing (2013: 5% to 7%). The fair value of the borrowings equals the carrying amount including additional charges and adjustments provided by the Western Australian Treasury Corporation, had the University terminated the loans at 31 December of each year.

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 December 2014

33 FAIR VALUE (CONTINUED)

	2014	2013	2014	2013	2014 Fair Value Hierarchy			2013 Fair Value Hierarchy		
	Carrying amount \$'000	Carrying amount \$'000	Fair value \$'000	Fair value \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets										
Cash and cash equivalents	37,989	50,827	37,989	50,827	–	–	–	–	–	–
Receivables	23,170	19,257	23,170	19,257	–	–	–	–	–	–
Loans advanced	835	1,136	815	1,544	–	–	–	–	–	–
Unlisted securities (unrestricted)	1,837	2,502	1,837	2,502	–	–	–	–	–	–
Funds under management (unrestricted)	413,647	410,052	413,647	410,052	411,729	1,918	–	407,800	2,252	–
Funds under management (restricted)	109,055	89,268	109,055	89,268	109,055	–	–	89,268	–	–
Total Financial Assets	586,533	573,042	586,513	573,450	520,784	1,918	–	497,068	2,252	–
Financial Liabilities										
Payables	17,206	13,864	17,206	13,864	–	–	–	–	–	–
Borrowings	58,116	60,408	69,844	68,106	69,844	–	–	68,106	–	–
Total Financial Liabilities	75,322	74,272	87,050	81,970	69,844	–	–	68,106	–	–

(c) Valuation Techniques

The Fair Value Hierarchy reflects the following level of inputs used in measuring the fair value of financial assets and financial liabilities:

Level 1: The fair value of assets and liabilities are determined based on quoted market prices (unadjusted) in active markets for identical assets or liabilities. The fair valuation of borrowings is primarily based on the net present value of the borrowing using the variable rate for lending at year end. Where the variable rate is lower than the fixed rate, the fair value is greater than the face value.

Level 2: The fair value of assets and liabilities have been determined from inputs other than quoted prices that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (derived from prices); this includes directly held fixed income securities of the University (classified as Funds under Management) being derived from observable market data.

Level 3: Inputs for the Assets or Liabilities that are not based on observable market data.

34 REMUNERATION OF MEMBERS OF THE ACCOUNTABLE AUTHORITY AND SENIOR OFFICERS

(a) Remuneration of Members of the Accountable Authority

Names of people who were members of the Accountable Authority during the financial year
For the purposes of the Financial Management Act 2006, the University Council is the Accountable Authority of the University.

Members Appointed by Governor in Council

Mr Chris Bennett
Mr Kim Bridge
Ms Cathryn Carver (commenced 11 November 2014)
Mr Michael Lishman
Mr Keith Spence
Dr Michael Stanford, Pro Chancellor

Co-opted Members

Mr Colin Beckett, Chancellor
Mr Steve Scudamore
Mr Gene Tilbrook

Member Nominated by the Minister for Education and Training

Ms Sue Wilson

Members who are members of bodies that represent the interests of the University in places other than the University's principal campus

Vacant

Member who is the Chief Executive Officer

Professor Colin Stirling, Acting Vice-Chancellor
(ceased 16 February 2014)
Professor Deborah Terry, Vice-Chancellor
(commenced 17 February 2014)

Member who is a member of the Academic Board elected by and from the Academic Board

Associate Professor Linley Lord

Members Elected by Full-time Academic Staff

Professor Sue Fyfe (commenced 1 April 2014 and ceased 31 July 2014)
Professor Dale Pinto (commenced 22 August 2014)
Professor Glenda Scully

Members Elected by Students

Ms Cairney Lucks (elected 1 January 2014 and ceased 31 December 2014)
Ms Eva Przenioslo (ceased 31 December 2014)

Member Elected by Full-time General Staff

Mr Andy Sharp

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 December 2014

34 REMUNERATION OF MEMBERS OF THE ACCOUNTABLE AUTHORITY AND SENIOR OFFICERS (CONTINUED)

Remuneration of Members of the Accountable Authority

The number of members of the Accountable Authority whose total fees, salaries, superannuation and other benefits for the financial year, fall within the following bands were:

	2014 Number	2013 Number
Nil – \$10,000	6	7
\$10,001 – \$20,000	4	5
\$20,001 – \$30,000	–	1
\$30,001 – \$40,000	1	–
\$60,001 – \$70,000	2	1
\$80,001 – \$90,000	1	–
\$130,001 – \$140,000	–	1
\$160,001 – \$170,000	–	1
\$170,001 – \$180,000	–	1
\$200,001 – \$210,000	1	–
\$240,001 – \$250,000	–	1
\$250,001 – \$260,000	2	–
\$280,001 – \$290,000	–	1
\$580,001 – \$590,000	1	–
\$590,001 – \$600,000	–	1
\$640,001 – \$650,000	1	–
\$650,001 – \$660,000	–	1
	2014 \$'000	2013 \$'000
Aggregate Remuneration of Members of the Accountable Authority ^(a)	2,268	2,445

^(a) Includes accrued leave

(b) Remuneration of Members of Senior Officers

The number of Senior Officers other than Senior Officers reported as Members of the Accountable Authority, whose total of fees, salaries, superannuation and other benefits for the financial year, fall within the following bands were:

	2014 Number	2013 Number
Nil – \$10,000	1	–
\$80,001 – \$90,000	1	–
\$100,001 – \$110,000	–	1
\$140,001 – \$150,000	–	1
\$230,001 – \$240,000	–	1
\$270,001 – \$280,000	–	1
\$300,001 – \$310,000	–	1
\$310,001 – \$320,000	1	–
\$330,001 – \$340,000	–	1
\$340,001 – \$350,000	1	2
\$350,001 – \$360,000	–	1
\$360,001 – \$370,000	1	1

34 REMUNERATION OF MEMBERS OF THE ACCOUNTABLE AUTHORITY AND SENIOR OFFICERS (CONTINUED)

	2014 Number	2013 Number
\$370,001 – \$380,000	1	1
\$380,001 – \$390,000	1	–
\$390,001 – \$400,000	1	–
\$400,001 – \$410,000	1	–
\$430,001 – \$440,000	–	1
\$440,001 – \$450,000	1	1
\$460,001 – \$470,000	1	1
\$470,001 – \$480,000	1	–
\$480,001 – \$490,000	2	–
	2014 \$'000	2013 \$'000
Aggregate Remuneration of Senior Officers ^(a)	5,051	4,544

^(a) Includes accrued leave

35 REMUNERATION OF AUDITORS

During the year, the following fees (excluding GST) were payable for services provided by the auditor of the University and non-related audit firms:

	2014 \$'000	2013 \$'000
(a) Audit and review of the Financial Statements		
Fees paid to the Office of the Auditor General	277	273
(b) Other audit and assurance services ¹		
Fees paid to the Office of the Auditor General	13	13
AQIS Canberra	1	3
Casilli Holdings Pty Ltd	19	9
Council of Ambulance Authorities Inc	3	–
QAP	–	2
Quantum Assurance	8	–
SAI Global Limited	6	5
Sutherland Rose Pty	4	–
SV McLean	–	4
Total fees paid for other audit services	54	36
Total Remuneration of Auditors	331	309

¹ Other audit and assurance services are related to compliance audits and research project audits.

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 December 2014

36 CONTINGENT LIABILITIES AND CONTINGENT ASSETS

(a) Contingent Liabilities

Legal Actions

The University is exposed to legal actions that arise in the course of the University's normal operations. The University does not believe that these legal actions, if successful, would result in material loss. There are no other contingent liabilities.

(b) Contingent Assets

The University had no contingent assets at the reporting date.

37 COMMITMENTS

	2014 \$'000	2013 \$'000
(a) Capital commitments		
Capital expenditure contracted for at the reporting date but not recognised as liabilities is as follows:		
Property, Plant and Equipment		
Within one year	44,145	18,027
Later than one year	8,070	482
Total	52,215	18,509
(b) Lease commitments		
Operating leases		
A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership. Operating leases at the University are related to computer leases, network leases, motor vehicle leases and building leases.		
Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:		
Within one year	9,653	9,519
Between one and five years	16,722	12,699
Later than five years	27,252	28,564
Total future minimum lease payments	53,627	50,782
(c) Other expenditure commitments		
Commitments in relation to purchase orders are payable as follows:		
Within one year	16,027	16,270

37 COMMITMENTS (CONTINUED)

	2014 \$'000	2013 \$'000
(d) Loans commitment to related parties		
Loans committed at the reporting date but not recognised as liabilities are as follows:		
Within one year	100	660
Between one and five years	–	100
Later than five years	–	–
Total	100	760

All the above commitments are inclusive of GST.

38 DEFINED BENEFIT SUPERANNUATION PLANS

(a) Curtin University pension obligations

Until 30 June 2006, a group of former employees was entitled, on retirement, death or disablement, to defined benefits under the Curtin University Superannuation Scheme. In some circumstances the scheme provided pension benefits. All members of the Scheme had retired, and had either received a pension or were entitled to receive a pension at a future date under certain circumstances. The scheme was wound up on 30 June 2006. Some former members of the wound-up Scheme entered into a contractual relationship direct with the University. The University now provides benefits to those individuals, consistent with their entitlements under the wound-up scheme. The University meets the benefits directly as they fall due.

	2014 \$'000	2013 \$'000
Reconciliation of the Present Value of the Defined Benefit Obligation		
Present value of defined benefit obligations at beginning of the year	887	1,020
Current service cost	–	–
Interest cost	38	33
Actuarial loss/(gain)	86	(79)
Benefits paid	(94)	(87)
Present value of defined benefit obligations at end of the year	917	887
Reconciliation of the Fair Value of Assets		
Fair value of assets at beginning of the year	–	–
Employer contributions	94	87
Benefits paid	(94)	(87)
Fair value of assets at end of the year	–	–
Reconciliation of the Assets and Liabilities Recognised in the Statement of Financial Position		
Present value of defined benefit obligation	917	887
Fair value of assets	–	–
Net liability	917	887

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 December 2014

38 DEFINED BENEFIT SUPERANNUATION PLANS (CONTINUED)

	2014 \$'000	2013 \$'000
Liability recognised in the Statement of Financial Position as:		
Current	104	95
Non-current	813	792
	917	887
Expense Recognised in the Statement of Comprehensive Income		
Interest cost	38	33
Actuarial loss/(gain)	86	(79)
Superannuation expense/(benefit)	124	(46)

Assets

There are no assets held specifically to meet the University's obligations with regard to this liability.

Nature of asset/liability

The University has recognised a liability in the Statement of Financial Position under Provisions in respect of its defined benefit superannuation arrangements. The University has no legal obligation to settle this liability with an immediate contribution or additional one-off contributions. The University intends to continue to meet the cost of the benefits as they fall due.

(b) Government Employees Superannuation Board (GESB)

Scheme Information

The Scheme operates under the State Superannuation Act 2000 (Western Australia) and the State Superannuation Regulations 2001 (Western Australia). GESB is the Scheme's Trustee and is responsible for the governance of the Scheme. As Trustee, GESB has a legal obligation to act solely in the best interests of the Scheme beneficiaries.

Pension Scheme members receive pension benefits on retirement, death or invalidity. The Fund Share of the pension benefit, which is based on the member's contributions plus investment earnings, may be commuted to a lump sum benefit. The University does not bear the cost associated with indexation of any pension arising from the Fund Share. The State share of the pension benefit, which is fully employer-financed, cannot be commuted to a lump sum benefit.

Some former Pension Scheme members have transferred to the Gold State Super Scheme. In respect of their transferred benefit, the members receive a lump sum benefit at retirement, death or invalidity which is related to their salary during their employment and indexed during any deferral period after leaving public sector employment.

The weighted average duration of the defined benefit obligation for the whole of the Pension Scheme is 9.6 years.

The following disclosures are in respect of the employer-financed benefits only. The Pension Scheme and Gold State Super Scheme have been combined in the Note disclosure to the right.

38 DEFINED BENEFIT SUPERANNUATION PLANS (CONTINUED)

	2014 \$'000	2013 \$'000
Reconciliation of the Present Value of the Defined Benefit Obligation		
Present value of defined benefit obligations at beginning of the year	64,260	73,586
Current service cost	–	–
Interest cost	2,554	2,194
Actuarial loss/(gain) arising from changes in financial assumptions	5,692	(6,094)
Actuarial loss/(gain) arising from liability experience	2,017	921
Benefits paid	(6,403)	(6,347)
Present value of defined benefit obligations at end of the year	68,120	64,260

These defined benefits obligations are wholly unfunded, such that there are no Assets. The University contributes any shortfall of reimbursement rights, as required, to meet the benefits paid (refer Note 11)

Reconciliation of the Fair Value of Scheme Assets

Fair value of scheme assets at beginning of the year	–	–
Employer contributions	6,403	6,347
Benefits paid	(6,403)	(6,347)
Fair value of scheme assets at end of the year	–	–

Reconciliation of the net liability recognised in the Statement of Financial Position

Present value of defined benefit obligations	68,120	64,260
Fair value of the scheme assets	–	–
Net liability	68,120	64,260
Fair value of reimbursement rights	68,120	64,260
Total net liability/(asset) in the Statement of Financial Position	–	–

Present value of defined benefit obligations/reimbursement rights is recognised as:

Current	4,055	3,473
Non-current	64,065	60,788
	68,120	64,261

Expense Recognised in the Statement of Comprehensive Income

Current service cost	–	–
Interest cost	2,554	2,194
Reimbursement rights adjustments	(2,156)	(1,689)
Deferred superannuation expense	398	505

Actuarial loss/(gain) recognised in Other Comprehensive Income

Actuarial loss/(gain) arising from changes in financial assumptions	5,692	(6,094)
Actuarial loss/(gain) arising from liability experience	2,017	921
Reimbursement rights adjustments	(7,709)	5,173
Net Actuarial loss/(gain) recognised on defined benefit obligations	–	–

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 December 2014

38 DEFINED BENEFIT SUPERANNUATION PLANS (CONTINUED)

Scheme Assets

There are no assets in the Pension Scheme to support the state share of the benefit or in the Gold State Super Scheme for current employees to support the transferred benefits. Hence, there is:

- No fair value of Scheme assets;
- No asset allocation of Scheme assets;
- No financial instruments issued by the employer;
- No assets used by the employer; and
- No asset-liability matching strategies.

Significant actuarial assumptions used in determining defined benefit obligation

% per annum	2014	2013
Discount rate (active members)	3.12%	4.17%
Discount rate (pensioners)	3.12%	4.17%
Expected salary increase rate	5.00%	5.00%
Expected pension increase rate	2.50%	2.50%

The discount rate is based on the Government bond maturing in April 2023. The decrement rates used (eg. mortality and retirement rates) are based on those used at the last actuarial valuation for the Schemes.

Historical Information	2014 \$'000	2013 \$'000	2012 \$'000	2011 \$'000	2010 \$'000
Present value of defined benefit obligation	68,120	64,261	73,586	72,242	66,210
Fair value of Scheme assets	–	–	–	–	–
Deficit in Scheme assets	68,120	64,261	73,586	72,242	66,210
Experience adjustments (gain)/loss – scheme assets	–	–	–	–	–
Experience adjustments (gain)/loss – scheme liabilities	2,017	921	(1,591)	928	1,484

The experience adjustment for Scheme liabilities represents the actuarial loss/(gain) due to a change in the liabilities arising from the Scheme's experience (eg. membership movements, unit entitlements) but excludes the effect of the changes in assumptions (eg. movements in the bond rate and changes in pensioner mortality assumptions).

	2015 \$'000	2014 \$'000
Expected Contributions		
Expected employer contributions	6,086	6,027

38 DEFINED BENEFIT SUPERANNUATION PLANS (CONTINUED)

Nature of asset/liability

The University has recognised a liability in the Statement of Financial Position under Provisions in respect of its defined benefit superannuation arrangements (refer Note 28).

An arrangement exists between the Australian Government and the Government of Western Australia to meet the unfunded liability for beneficiaries of the State Superannuation Schemes on an emerging cost basis. Accordingly, a corresponding asset is recognised under Receivables for the reimbursement rights (refer Note 20).

The recognition of both the asset and the liability consequently do not affect the year end net asset position of the University, therefore no sensitivity analysis is relevant.

(c) Unisuper Defined Benefit Plan

Scheme information

The UniSuper Defined Benefit Plan (DBP) is a multi-employer defined benefit plan under superannuation law. However, it is considered to be a multi-employer defined contribution plan under the Accounting Standard AASB 119 – Employee Benefits. This is because, where there are or may be insufficient funds to provide benefits payable, the Trustee must reduce the benefits payable on a fair and equitable basis. The employer's legal or constructive obligation is limited to the amount that it agrees to contribute to the funds and the actuarial and investment risks rest with the employee.

(d) Superannuation Employer contributions

Employer contributions for all superannuation plans of \$55.573 million (2013: \$53.714 million) were charged as an expense under employee benefits (refer Note 11) as they fell due.

39 EVENTS OCCURRING AFTER REPORTING DATE

No events have occurred after the reporting date that are likely to have a material impact on the financial report of the University.

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 December 2014

40 NOTES TO THE STATEMENT OF CASH FLOWS

	2014 \$'000	2013 \$'000
(a) Reconciliation to cash		
Cash at the end of the year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:		
Unrestricted cash and cash equivalents (Note 19(a))	36,115	49,005
Restricted cash and cash equivalents (Note 19(b))	1,874	1,822
Balance as per Statement of Cash Flows	37,989	50,827
(b) Reconciliation of net result to net cash provided by operating activities		
Net result for the year	49,718	62,399
Depreciation expense	46,303	39,752
Net loss/(gain) on disposal of non-current assets	7	(1,501)
Impairment of assets	1,569	(123)
Other non-cash items	(2,784)	(4,346)
Net exchange differences	(35)	7
Changes in assets and liabilities:		
(Increase)/decrease in trade and other receivables	(7,772)	11,180
(Increase)/decrease in inventories	1,557	426
(Increase)/decrease in other current assets	(3,647)	280
Increase/(decrease) in trade and other payables	3,342	3,086
Increase/(decrease) in provisions	(12,780)	13,097
Increase/(decrease) in other current liabilities	10,156	(12,933)
Net Cash provided by Operating Activities	85,634	111,324

41 NON-CASH FINANCING AND INVESTING ACTIVITIES

During the year, the University received and re-invested non-cash distributions net of fees from the available-for-sale investments of \$0.5m (2013: \$0.3m). The investment revenue was not reflected in the Statement of Cash Flows.

42 RELATED PARTIES

Transactions with specified accountable authority and senior officers

(a) Accountable authority and senior officers' remuneration and retirement benefits

Details of remuneration and retirement benefits are disclosed in Note 34.

(b) Other transactions with specified accountable authority and senior officers

University Council members, or their related entities, may conduct transactions with the University that occur within a normal employee, customer or supplier relationship on terms and conditions that are no more favourable than those with which it is reasonable to expect the University to adopt if it was dealing at arm's length in similar circumstances.

These transactions include the following and have been quantified below where the transactions are considered likely to be of interest to users of these financial statements:

Transaction Type	Related party	2014 \$'000	2013 \$'000
Purchases	Curtin Student Guild	4,579	4,053
Revenue	Curtin Student Guild	1,290	1,617
Receivable at 31 December	Curtin Student Guild	1,534	1,239
Payable at 31 December	Curtin Student Guild	2,900	2,586
(c) Loans to Related Parties			
Balance at beginning of year		475	188
Loans advanced		313	288
Loans repayment received		-	-
Interest charged		-	-
Interest received		-	-
Balance at end of year		788	475

The University invests in a number of unlisted companies which are established to commercialise intellectual property. Loans were advanced to some of these entities.

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 December 2014

43 JOINT OPERATIONS AND ASSOCIATES

Companies

Details of the University's significant associates at 31 December 2014 are listed below.

Name of entity	Country of incorporation	Carrying value of Investment		Equity holding	
		2014 \$'000	2013 \$'000	2014 %	2013 %
Associates					
HiSeis Pty Ltd	Australia	275	275	44	40
iCetana Pty Ltd	Australia	600	390	39	32

44 SUPPLEMENTARY FINANCIAL INFORMATION

	2014 \$'000	2013 \$'000
Write-offs		
Public property written off by the Minister during the financial year	–	–
Losses through theft, defaults and other causes		
Losses of public monies and, public and other property through theft or default	–	–
Amounts recovered	–	–

45 ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE

(a) Department of Education – CGS and Other Education Grants

	Commonwealth Grants Scheme ¹		Indigenous Support Program		Disability Support Program	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Financial assistance received in CASH during the reporting period	232,330	219,647	1,427	1,641	63	66
Net accrual adjustments	(1,231)	(676)	–	–	–	–
Revenue for the period	231,099	218,971	1,427	1,641	63	66
Surplus/(deficit) from the previous year	–	–	–	–	–	(62)
Total revenue including accrual revenue	231,099	218,971	1,427	1,641	63	4
Less expenses including accrual expenses	(231,099)	(218,971)	(1,427)	(1,641)	(186)	(4)
Surplus/(deficit) for reporting period	–	–	–	–	(123)	–

	Partnership & Participation Program ²		Total	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Financial assistance received in CASH during the reporting period	5,997	6,492	239,817	227,846
Net accrual adjustments	(418)	(1,608)	(1,649)	(2,284)
Revenue for the period	5,579	4,884	238,168	225,562
Surplus/(deficit) from the previous year	1,407	97	1,407	35
Total revenue including accrual revenue	6,986	4,981	239,576	225,597
Less expenses including accrual expenses	(4,644)	(3,574)	(237,356)	(224,189)
Surplus/(deficit) for reporting period	2,342	1,407	2,219	1,407

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

² Includes Equity Support Program

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 December 2014

45 ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE (CONTINUED)

(b) Higher Education Loan Programs (excl OS-HELP)

	HECS-HELP		FEE-HELP ³		SA-HELP	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Financial assistance received in CASH during the reporting period	134,353	123,106	25,188	21,909	3,059	2,427
Net accrual adjustments	(42)	(2,886)	407	(613)	(500)	24
Revenue for the period	134,311	120,220	25,595	21,296	2,559	2,451
Surplus/(deficit) from the previous year	–	–	–	–	–	–
Total revenue including accrual revenue	134,311	120,220	25,595	21,296	2,559	2,451
Less expenses including accrual expenses	(134,311)	(120,220)	(25,595)	(21,296)	(2,559)	(2,451)
Surplus/(deficit) for reporting period	–	–	–	–	–	–

	Total	
	2014 \$'000	2013 \$'000
Financial assistance received in CASH during the reporting period	162,600	147,442
Net accrual adjustments	(135)	(3,475)
Revenue for the period	162,465	143,967
Surplus/(deficit) from the previous year	–	–
Total revenue including accrual revenue	162,465	143,967
Less expenses including accrual expenses	(162,465)	(143,967)
Surplus/(deficit) for reporting period	–	–

³ Program is in respect of FEE-HELP for higher education only and excludes funds received in respect of VET FEE-HELP.

45 ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE (CONTINUED)

(c) Scholarships

	Australian Postgraduate Awards		Indigenous Access Scholarships		International Postgraduate Research Scholarships	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Financial assistance received/(refunded) in CASH during the reporting period	6,778	6,528	108	(28)	537	545
Net accrual adjustments	–	–	(33)	89	–	–
Revenue for the period	6,778	6,528	75	61	537	545
Surplus/(deficit) from the previous year	(533)	(558)	–	–	(363)	(120)
Total revenue including accrual revenue	6,245	5,970	75	61	174	425
Less expenses including accrual expenses	(7,026)	(6,503)	(75)	(61)	(1,002)	(788)
Surplus/(deficit) for reporting period	(781)	(533)	–	–	(828)	(363)

	Commonwealth Education Costs Scholarships ⁴		Commonwealth Accommodation Scholarships ⁴		Total	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Financial assistance received/(refunded) in CASH during the reporting period	101	(968)	91	(1,048)	7,615	5,029
Net accrual adjustments	(9)	1,069	(36)	1,128	(78)	2,286
Revenue for the period	92	101	55	80	7,537	7,315
Surplus/(deficit) from the previous year	–	–	–	–	(896)	(678)
Total revenue including accrual revenue	92	101	55	80	6,641	6,637
Less expenses including accrual expenses	(92)	(101)	(55)	(80)	(8,250)	(7,533)
Surplus/(deficit) for reporting period	–	–	–	–	(1,609)	(897)

⁴ Includes Grandfathered Scholarships, National Priority, National Accommodation Priority Scholarships and Indigenous Scholarships (ICECS, IECECS, ICAS and IECAS) respectively.

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 December 2014

45 ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE (CONTINUED)

(d) Department of Education Research

	Joint Research Engagement Program		JRE Engineering Cadetship		Sustainable Research Excellence	
	2014	2013	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assistance received in CASH during the reporting period	9,131	8,820	114	74	1,992	1,974
Net accrual adjustments	-	-	-	-	-	-
Revenue for the period	9,131	8,820	114	74	1,992	1,974
Surplus/(deficit) from the previous year	-	-	-	-	(317)	36
Total revenue including accrual revenue	9,131	8,820	114	74	1,675	2,010
Less expenses including accrual expenses	(9,131)	(8,820)	(114)	(74)	(1,992)	(2,327)
Surplus/(deficit) for reporting period	-	-	-	-	(317)	(317)

	Research Training Scheme		Research Infrastructure Block Grants		Total	
	2014	2013	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assistance received in CASH during the reporting period	16,464	16,294	2,975	2,865	30,676	30,027
Net accrual adjustments	-	-	-	-	-	-
Revenue for the period	16,464	16,294	2,975	2,865	30,676	30,027
Surplus/(deficit) from the previous year	-	-	-	-	(317)	36
Total revenue including accrual revenue	16,464	16,294	2,975	2,865	30,359	30,063
Less expenses including accrual expenses	(16,464)	(16,294)	(2,975)	(2,865)	(30,676)	(30,380)
Surplus/(deficit) for reporting period	-	-	-	-	(317)	(317)

45 ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE (CONTINUED)

(e) Australian Research Council Grants

(i) Discovery

	Projects		Fellowships ⁵		Total	
	2014	2013	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assistance received in CASH during the reporting period	6,053	4,806	4,318	3,903	10,371	8,709
Net accrual adjustments	400	969	-	-	400	969
Revenue for the period	6,453	5,775	4,318	3,903	10,771	9,678
Surplus/(deficit) from the previous year	139	1,714	2,106	787	2,244	2,501
Total revenue including accrual revenue	6,592	7,489	6,424	4,690	13,016	12,179
Less expenses including accrual expenses	(5,748)	(7,350)	(3,298)	(2,584)	(9,046)	(9,934)
Surplus/(deficit) for reporting period	844	139	3,126	2,106	3,970	2,245

⁵ Includes Early Career Researcher Award

(ii) Linkages

	Infrastructure		Projects		Total	
	2014	2013	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assistance received in CASH during the reporting period	1,280	1,610	2,360	1,417	3,640	3,027
Net accrual adjustments	625	419	(223)	866	402	1,285
Revenue for the period	1,905	2,029	2,137	2,283	4,042	4,312
Surplus/(deficit) from the previous year	1,297	980	(1,218)	(381)	79	599
Total revenue including accrual revenue	3,202	3,009	919	1,902	4,121	4,911
Less expenses including accrual expenses	(2,238)	(1,712)	(1,773)	(3,120)	(4,011)	(4,832)
Surplus/(deficit) for reporting period	964	1,297	(854)	(1,218)	110	79

(iii) Other

	Projects		Total	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
Financial assistance received in CASH during the reporting period	457	34	457	34
Net accrual adjustments	-	-	-	-
Revenue for the period	457	34	457	34
Surplus/(deficit) from the previous year	7	-	7	-
Total revenue including accrual revenue	464	34	464	34
Less expenses including accrual expenses	(231)	(27)	(231)	(27)
Surplus/(deficit) for reporting period	233	7	233	7

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 December 2014

45 ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE (CONTINUED)

(f) OS-HELP	2014 \$'000	2013 \$'000
Cash received during the reporting period	1,659	464
Cash spent during the reporting period	(1,659)	(464)
Net cash received	-	-
Cash surplus/(deficit) from the previous period	-	-
Cash surplus/(deficit) for the reporting period	-	-
(g) Higher Education Superannuation Program		
Cash received during the reporting period	6,123	6,356
University contribution in respect of current employees	398	505
Cash available	6,521	6,861
Cash surplus/(deficit) from the previous period	527	520
Cash available for current period	7,048	7,381
Contributions to specified defined benefit funds	(6,814)	(6,854)
Cash surplus/(deficit) for the reporting period	234	527
(h) Student Services and Amenities Fee		
Unspent/(overspent) revenue from previous period	683	309
SA-HELP revenue earned	2,559	2,452
Student services fees direct from students	4,120	2,574
Total revenue expendable in period	7,362	5,335
Student Services expenses during period	(6,680)	(4,652)
Unspent/(overspent) student services revenue	682	683

REPORT BY THE MEMBERS OF THE UNIVERSITY COUNCIL

The members of the University Council present their report for the year ended 31 December 2014

MEMBERS

The following persons were members of the Council of Curtin University of Technology during the year ended 31 December 2014:

Members appointed by Governor in Council

Mr Chris Bennett
 Mr Kim Bridge
 Ms Cathryn Carver (commenced 11 November 2014)
 Mr Michael Lishman
 Mr Keith Spence
 Dr Michael Stanford, Pro Chancellor

Member nominated by the Minister for Education and Training

Ms Sue Wilson

Member who is the Chief Executive Officer

Professor Colin Stirling, Acting Vice-Chancellor (ceased 16 February 2014)
 Professor Deborah Terry, Vice-Chancellor (commenced 17 February 2014)

Members elected by full-time academic staff

Professor Sue Fyfe (commenced 1 April 2014 and ceased 31 July 2014)
 Professor Dale Pinto (commenced 22 August 2014)
 Professor Glenda Scully

Member elected by full-time general staff

Mr Andy Sharp

Co-opted members

Mr Colin Beckett, Chancellor
 Mr Steve Scudamore
 Mr Gene Tilbrook

Members elected by the Alumni Association

Vacant

Members who are members of bodies that represent the interests of the University in places other than the University's principal campus

Vacant

Member who is a member of the Academic Board elected by and from the Academic Board

Associate Professor Linley Lord

Members elected by students

Ms Cairney Lucks (elected 1 January 2014 and ceased 31 December 2014)
 Ms Eva Przenioslo (ceased 31 December 2014)

REPORT BY THE MEMBERS OF THE UNIVERSITY COUNCIL

(continued) The members of the University Council present their report for the year ended 31 December 2014

REPORT BY THE MEMBERS OF THE UNIVERSITY COUNCIL

(continued) The members of the University Council present their report for the year ended 31 December 2014

Meetings of members

The number of meetings of the University Council and of each committee of Council held during the year ended 31 December 2014, and the number of meetings attended by each member were:

MEMBERS	MEETINGS OF COMMITTEES ¹													
	COUNCIL MEETINGS		AUDIT AND COMPLIANCE		GREATER CURTIN ²		EXECUTIVE		FINANCE		HEALTH AND SAFETY DUE DILIGENCE		LEGISLATIVE ³	
	ATTENDED	HELD	ATTENDED	HELD	ATTENDED	HELD	ATTENDED	HELD	ATTENDED	HELD	ATTENDED	HELD	ATTENDED	HELD
Mr Gary Angove (co-opted)			6	6										
Mr Colin Beckett, Chancellor ⁴	8	8			0	0			7	8				
Mr Chris Bennett	7	8	6	6					8	8				
Mr Kim Bridge	6	8												
Ms Cathryn Carver	0	1												
Mr Mario D'Orazio (co-opted)					0	0								
Professor Paul Fairall (co-opted)													0	0
Professor Sue Fyfe	2	2												
Mr Michael Lishman	6	8									2	2	0	0
Assoc Professor Linley Lord	7	8						7	8					
Ms Cairney Lucks	8	8												
Professor Dale Pinto	3	3											0	0
Ms Eva Przenioslo	6	8												
Mr Bernard Salt (co-opted)					0	0								
Mr Steve Scudamore ⁵	5	8						3	5	4	7			
Professor Glenda Scully	7	8												
Mr Andy Sharp	8	8									2	2		
Mr Keith Spence ⁵	8	8									2	2		
Dr Michael Stanford, Pro Chancellor	5	8						5	8	6	7			
Professor Deborah Terry ⁶	8	8			0	0		8	8	6	7	2	2	0
Mr Gene Tilbrook ⁴	5	8			0	0		5	8	7	7			
Ms Sue Wilson	8	8	6	6										

¹ The number of meetings held represents the number of regular and special meetings held during the time a member was a member of the Council or a committee of Council during the year. The number of meetings held does not include matters considered by circular resolution by respective committees, and site visits conducted by the Health and Safety Due Diligence Committee.

² The Greater Curtin Committee was disestablished by Council at its meeting on 6 August 2014

³ The Legislative Committee only meets when necessary

⁴ Also a member of the Curtin University Foundation Board

⁵ Also a member of the Kalgoorlie Campus Council

⁶ Also a member of the Curtin University Foundation Board and Kalgoorlie Campus Council

REPORT BY THE MEMBERS OF THE UNIVERSITY COUNCIL

(continued) The members of the University Council present their report for the year ended 31 December 2014

Principal activities

During the year, the principal and continuing activities of the University are:

- a. to provide courses of study appropriate to a university, and other tertiary courses, and to aid the advancement, development and practical application of knowledge;
- b. to encourage and participate in the development and improvement of tertiary education whether on a full or part-time basis; and
- c. to encourage and undertake research and to aid directly or indirectly the application of science and technology to industry.

No significant changes in the nature of the activities of the University occurred during the year.

Review of operations

The net result for the year ended 31 December 2014 was \$49.718 million (2013: \$62.399 million).

The operations of the University during the financial year are reviewed in the following accompanying sections of the Annual Report:

- Chancellor's Foreword
- Vice-Chancellor's Report
- Report on Operations
- 2014 Activity Highlights.

Significant changes in the State of Affairs

No significant changes in the University's state of affairs occurred during the year.

Matters subsequent to the end of the financial year

No events have occurred since balance date that are likely to have a material impact on the financial report of the University.

Likely developments and expected results of operations

The University will continue to further its objectives, consistent with the principal activities outlined above. To provide further detail would result in unreasonable prejudice.

Environmental regulation

The members of the University Council are not aware of any breaches of environmental regulations.

Relevant legislation that Curtin is subject to includes:

- Environmental Protection Act 1986 (WA)
- Environmental Protection Regulations 1987
- Environmental Protection (Controlled Waste) Regulations 2004
- Environmental Protection (Noise) Regulations 1997
- Environmental Protection (Unauthorised Discharges) Regulations 2004
- Contaminated Sites Act 2003 (WA)
- National Greenhouse and Energy Reporting Act 2007 (Cth)
- National Greenhouse and Energy Reporting Regulations 2008.

The University is committed to protecting, preserving as well as improving the environment in which the University operates.

REPORT BY THE MEMBERS OF THE UNIVERSITY COUNCIL

(continued) The members of the University Council present their report for the year ended 31 December 2014

Insurance of Members of Council and Officers

The University provides Directors and Officers Liability and Employers Practices Insurance and Supplementary Legal Expenses Cover through contracts with external insurance providers. The cover applies to Members of Council and Officers of the University.

Proceedings on behalf of Curtin University of Technology

No material legal proceedings were initiated by the University during 2014.

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



Colin Beckett

Chancellor

Curtin University of Technology, Bentley, Perth, WA

Dated this 18th day of March 2015