SECTION 4

DISCLOSURES AND LEGAL COMPLIANCE

AUDITOR GENERAL'S STATEMENT

Auditor General

INDEPENDENT AUDITOR'S REPORT

To the Parliament of Western Australia

EDITH COWAN UNIVERSITY

Report on the Financial Statements
I have audited the accounts and financial statements of the Edith Cowan University and the consolidated entity.

The financial statements comprise the Statement of Financial Position as at 31 December 2013, the Income Statement, Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows of the University and the consolidated entity 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 Edith Cowan University and the consolidated entity at 31 December 2013 and their financial performance and cash flows for the year then ended. They are in accordance with Australian Accounting Standards and the Treasurer's Instructions.

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AUDITOR GENERAL'S STATEMENT

Report on Controls
I have audited the controls exercised by the Edith Cowan University during the year ended 31 December 2013.

Controls exercised by the Edith Cowan University 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 Edith Cowan University 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 Edith Cowan University 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 2013.

Report on the Key Performance Indicators
I have audited the key performance indicators of the Edith Cowan University for the year ended 31 December 2013.

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.

AUDITOR GENERAL'S STATEMENT

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 Edith Cowan University are relevant and appropriate to assist users to assess the University's performance and fairly represent indicated performance for the year ended 31 December 2013.

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 Edith Cowan University for the year ended 31 December 2013 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
13 March 2014

CERTIFICATION OF FINANCIAL STATEMENTS

The accompanying financial statements of ECU and the accompanying consolidated financial statements have been prepared in compliance with the provisions of the *Financial Management Act 2006* (WA) from proper accounts and records to present fairly the financial transactions for the financial year ended 31 December 2013 and the financial position as at 31 December 2013.

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

The Hon Dr Hendy Cowan
Chancellor
6 March 2014

Professor Kerry O. Cox
Vice-Chancellor
6 March 2014

Mr Brad Francis
Chief Financial Officer
6 March 2014

CERTIFICATION OF FINANCIAL STATEMENTS REQUIRED BY COMMONWEALTH DEPARTMENT OF EDUCATION

I declare that:

- at the time of this certification there are reasonable grounds to believe that ECU will be able to pay its debts as and when they fall due; and
- the amount of Commonwealth financial assistance expended during the financial year ended 31 December 2013 was for the purpose(s) for which it was provided.

The Hon Dr Hendy Cowan
Chancellor
6 March 2014

Professor Kerry O. Cox
Vice-Chancellor
6 March 2014

Financial Statements

This financial report covers both Edith Cowan University as an individual entity and the consolidated entity consisting of Edith Cowan University and its subsidiary. The financial report is presented in the Australian currency.

The financial report was authorised for issue by the Council on 17th day of March 2014. The consolidated entity has the power to amend and reissue the financial statements.

	Note	Consolidated 2013 $000's	Consolidated 2012 $000's	Parent 2013 $000's	Parent 2012 $000's
Income from continuing operations					
Australian Government financial assistance					
Australian Government grants	2	**162,731**	167,994	**162,731**	167,994
HELP - Australian Government payment	2	**87,823**	76,575	**87,823**	76,575
State and Local Government financial assistance	3	**13,580**	11,796	**13,580**	11,796
HECS-HELP - Student payments		**11,677**	12,305	**11,677**	12,305
Fees and charges	4	**69,768**	70,308	**69,768**	70,308
Investment revenue	5	**11,657**	8,732	**11,657**	8,669
Royalties	6	**4,588**	7,018	**4,588**	4,022
Consultancy and contracts	7	**5,528**	6,251	**5,528**	6,251
Sale of goods		**3,817**	7,137	**3,817**	7,062
Other revenue	8	**10,559**	6,254	**10,559**	5,980
Total revenue from continuing operations		**381,728**	374,370	**381,728**	370,962
Gains on disposal of assets	9	**1,921**	2,531	**1,921**	2,568
Other investment income	5	**3,993**	771	**3,993**	771
Other income	8	**1,955**	1,002	**1,955**	1,002
Total income from continuing operations		**389,597**	378,674	**389,597**	375,303
Expenses from continuing operations					
Employee related expenses	10	**216,965**	214,543	**216,965**	211,913
Depreciation and amortisation	11	**23,600**	22,267	**23,600**	22,239
Repairs and maintenance	12	**9,146**	8,634	**9,146**	8,616
Borrowing costs	13	**4,068**	3,594	**4,068**	3,594
Impairment of assets	14	**-**	1,421	**-**	1,160
Investment losses	5	**7,547**	1,093	**7,547**	1,093
Cost of goods sold		**1,882**	3,708	**1,882**	3,708
Other expenses	15	**93,566**	97,755	**93,566**	95,112
Total expenses from continuing operations		**356,774**	353,015	**356,774**	347,435
Operating result before income tax		**32,823**	25,659	**32,823**	27,868
Income tax expense	16	**-**	(55)	**-**	-
Operating result from continuing operations		**32,823**	25,604	**32,823**	27,868
Operating result after income tax for the period		**32,823**	25,604	**32,823**	27,868

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

Edith Cowan University
Statement of Comprehensive Income
For the Year Ended 31 December 2013

	Note	Consolidated 2013 $000's	Consolidated 2012 $000's	Parent 2013 $000's	Parent 2012 $000's
Operating result after income tax for the period		**32,823**	25,604	**32,823**	27,868
Items that may be reclassified to profit or loss					
Gain on available-for-sale financial assets, net of tax	32	**3,995**	1,852	**3,995**	1,852
Cash flow hedges, net of tax	32	**21**	1	**21**	1
Exchange differences on translation of foreign operations	32	**-**	204	**-**	-
Net change in fair value of available-for-sale financial assets reclassified to profit or loss	32	**(2,717)**	-	**(2,717)**	-
Items that will not be reclassified to profit or loss					
Revaluation of property, plant and equipment, net of tax	32	**(23,695)**	(3,032)	**(23,695)**	(3,032)
Impairment adjustments		**-**	13	**-**	13
Total comprehensive income		**(22,396)**	(962)	**(22,396)**	(1,166)
Total comprehensive income attributable to: Edith Cowan University		**10,427**	24,642	**10,427**	26,702

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

	Note	Consolidated 2013 $000's	Consolidated 2012 $000's	Parent 2013 $000's	Parent 2012 $000's
Assets					
Current assets					
Cash and cash equivalents	17	**66,452**	51,429	**66,452**	51,429
Receivables	18	**12,158**	9,130	**12,158**	9,130
Inventories	19	**-**	1,783	**-**	1,783
Derivative financial instruments	20	**21**	-	**21**	-
Other financial assets	21	**114,768**	92,476	**114,768**	92,476
Non-current assets classified as held for sale	22	**1,305**	16,853	**1,305**	16,853
Other non-financial assets	23	**8,183**	14,544	**8,183**	14,544
Total current assets		**202,887**	186,215	**202,887**	186,215
Non-current assets					
Receivables	18	**22,986**	26,816	**22,986**	26,816
Other financial assets	21	**71,380**	69,611	**71,380**	69,611
Property, plant and equipment	25	**782,941**	803,700	**782,941**	803,700
Investment properties	24	**13,610**	9,820	**13,610**	9,820
Intangible assets	27	**6,103**	5,667	**6,103**	5,667
Total non-current assets		**897,020**	915,614	**897,020**	915,614
Total assets		**1,099,907**	1,101,829	**1,099,907**	1,101,829
Liabilities					
Current liabilities					
Trade and other payables	28	**6,495**	10,289	**6,495**	10,289
Borrowings	29	**172**	2,320	**172**	2,320
Provisions	30	**38,964**	39,652	**38,964**	39,652
Other liabilities	31	**29,827**	28,593	**29,827**	28,593
Total current liabilities		**75,458**	80,854	**75,458**	80,854
Non-current liabilities					
Borrowings	29	**90,145**	90,067	**90,145**	90,067
Provisions	30	**59,844**	66,875	**59,844**	66,875
Total non-current liabilities		**149,989**	156,942	**149,989**	156,942
Total liabilities		**225,447**	237,796	**225,447**	237,796
Net Assets		**874,460**	864,033	**874,460**	864,033
Equity					
Parent entity interest					
Reserves	32	**354,845**	380,519	**354,845**	380,519
Retained earnings	32	**519,615**	483,514	**519,615**	483,514
Parent entity interest		**874,460**	864,033	**874,460**	864,033
Total equity		**874,460**	864,033	**874,460**	864,033

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

Edith Cowan University
Statement of Changes in Equity
For the Year Ended 31 December 2013

2013	Parent		
	Retained Earnings $000's	Reserves $000's	Total $000's
Balance at 1 January 2013	**483,514**	**380,519**	**864,033**
Profit or loss	**32,823**	**-**	**32,823**
Revaluation of property, plant and equipment	**-**	**(23,695)**	**(23,695)**
Gain on available-for-sale financial assets	**-**	**3,995**	**3,995**
Cash flow hedges	**-**	**21**	**21**
Transfer between reserves	**3,278**	**(3,278)**	**-**
Net change in fair value of available-for-sale financial assets reclassified to profit or loss	**-**	**(2,717)**	**(2,717)**
Total comprehensive income	**36,101**	**(25,674)**	**10,427**
Balance at 31 December 2013	**519,615**	**354,845**	**874,460**

2012	Parent		
	Retained Earnings $000's	Reserves $000's	Total $000's
Balance at 1 January 2012	449,882	387,449	837,331
Profit or loss	27,868	-	27,868
Revaluation of property, plant and equipment	-	(3,032)	(3,032)
Gain on available-for-sale financial assets	-	1,852	1,852
Cash flow hedges	-	1	1
Impairment adjustments	-	13	13
Transfer between reserves	5,764	(5,764)	-
Total comprehensive income	33,632	(6,930)	26,702
Balance at 31 December 2012	483,514	380,519	864,033

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

2013	**Consolidated**		
	Retained Earnings $000's	**Reserves $000's**	**Total $000's**
Balance at 1 January 2013	**483,514**	**380,519**	**864,033**
Profit or loss	**32,823**	**-**	**32,823**
Revaluation of property, plant and equipment	**-**	**(23,695)**	**(23,695)**
Gain on available-for-sale financial assets	**-**	**3,995**	**3,995**
Cash flow hedges	**-**	**21**	**21**
Transfer between reserves	**3,278**	**(3,278)**	**-**
Net change in fair value of available-for-sale financial assets reclassified to profit or loss	**-**	**(2,717)**	**(2,717)**
Total comprehensive income	**36,101**	**(25,674)**	**10,427**
Balance at 31 December 2013	**519,615**	**354,845**	**874,460**

2012	**Consolidated**		
	Retained Earnings $000's	**Reserves $000's**	**Total $000's**
Balance at 1 January 2012	452,146	387,245	839,391
Profit or loss	25,604	-	25,604
Revaluation of property, plant and equipment	-	(3,032)	(3,032)
Gain on available-for-sale financial assets	-	1,852	1,852
Cash flow hedges	-	1	1
Gain on foreign exchange	-	204	204
Impairment adjustments	-	13	13
Transfer between reserves	5,764	(5,764)	-
Total comprehensive income	31,368	(6,726)	24,642
Balance at 31 December 2012	483,514	380,519	864,033

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

Edith Cowan University
Statement of Cash Flows
For the Year Ended 31 December 2013

	Note	Consolidated 2013 $000's	Consolidated 2012 $000's	Parent 2013 $000's	Parent 2012 $000's
Cash flows from operating activities					
Australian Government grants	2(g)	**248,461**	249,048	**248,461**	249,048
OS-HELP (net)	2(g)	**60**	(8)	**60**	(8)
Superannuation Supplementation	2(g)	**2,704**	3,209	**2,704**	3,209
State and Local Government grants	3	**13,580**	11,795	**13,580**	11,795
HECS-HELP - student payments		**11,677**	12,305	**11,677**	12,305
Receipts from student fees and other customers		**98,018**	98,580	**98,018**	94,445
Dividends received		**813**	891	**813**	891
Interest received		**11,238**	7,469	**11,238**	7,406
Payments to suppliers and employees (inclusive of GST)		**(331,660)**	(321,490)	**(331,660)**	(315,580)
Interest and other cost of finance		**(4,959)**	(3,580)	**(4,959)**	(3,580)
Net cash provided by operating activities	41	**49,932**	58,219	**49,932**	59,931
Cash flows from investing activities					
Proceeds from sale of property, plant and equipment and non-current assets held for sale		**25,330**	22,828	**25,330**	22,819
Payments for property, plant and equipment and investment properties		**(38,566)**	(39,616)	**(38,566)**	(39,634)
Proceeds from sale of financial assets		**3,290**	206	**3,290**	197
Payments for financial assets		**(22,893)**	(72,205)	**(22,893)**	(72,205)
Net cash used in investing activities		**(32,839)**	(88,787)	**(32,839)**	(88,823)
Cash flows from financing activities					
Proceeds from borrowings		**250**	50,000	**250**	50,000
Repayment of borrowings		**(2,320)**	(2,170)	**(2,320)**	(2,170)
Net cash provided by / (used in) financing activities		**(2,070)**	47,830	**(2,070)**	47,830
Net increase in cash and cash equivalents		**15,023**	17,262	**15,023**	18,938
Cash and cash equivalents at beginning of financial year		**51,429**	33,963	**51,429**	32,491
Effects of exchange rate changes on cash and cash equivalents		**-**	204	**-**	-
Cash and cash equivalents at end of financial year	17	**66,452**	51,429	**66,452**	51,429
Financing arrangements	29				
Non-cash financing and investing activities	42				

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

1 Summary of significant accounting policies

The principal accounting policies adopted in the preparation of the annual financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The annual financial statements include separate financial statements for Edith Cowan University as an individual entity and the Consolidated Entity consisting of Edith Cowan University and its subsidiary.

The principal address of Edith Cowan University is: 270 Joondalup Drive, Joondalup, Western Australia, 6027.

(a) Basis of preparation

The annual financial statements represent the audited general purpose financial statements of the University. They have been prepared on an accrual basis in accordance with the Australian Accounting Standards.

Additionally the statements have been prepared in accordance with the following statutory requirements:

- Higher Education Support Act 2003 (Financial Statement Guidelines)
- Financial Management Act 2006

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

Date of authorisation for issue

The financial statements were authorised for issue by the University Council on 6 March 2014.

Historical cost convention

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

Critical accounting estimates and judgments

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 judgment in the process of applying the University's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed below:

- Estimating the useful life of key assets;
- Impairment of assets;
- Classification of financial assets;
- Discount rates used in estimating provisions;
- Estimating liabilities for defined benefit superannuation plans

1 Summary of significant accounting policies continued

(b) Basis of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Edith Cowan University ("parent entity") as at 31 December 2013 and the results of all subsidiaries for the year then ended. Edith Cowan University and its subsidiaries together are referred to in this financial report as "the Consolidated Entity" or "the Group".

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

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

A list of controlled entities appears in note 39 - Subsidiaries.

(c) Revenue recognition

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

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

Revenue is recognised for the major business activities as follows:

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

(ii) Student fees and charges
Fees and charges are recognised as income in the year of receipt, except to the extent that fees and charges relate to courses to be held in future periods. Such income is treated as income in advance. Conversely, fees and charges relating to debtors are recognised as revenue in the year to which the prescribed course relates.

(iii)Consultancy and contracts/ Fee for service
*R*evenue is recognised on delivery of the service to the client or by reference to the stage of completion of the transaction.

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

(v) Interest revenue
Revenue is accrued on a time-proportion basis, by reference to the principal outstanding and at the effective interest rate applicable.

(vi) Royalties
Royalty income is recognised on an accrual basis in accordance with the substance of the relevant agreements.

(vii) Land development and resale
Land is not sold until the development work is completed, and income is recognised when the significant risks and rewards of ownership control transfer to the purchaser and can be measured reliably.

(viii) Gains
Gains may be realised or unrealised. Realised gains are determined on a net basis as the difference between the sale proceeds received or receivable and the carrying amount of the non-current asset. Unrealised gains are determined on a net basis as the difference between the fair value and the carrying amount of an asset.

The policies adopted for the recognition of significant categories of gains are as follows:

Realised gains on disposal of non-current assets
Gains arising on the disposal or retirement of a non-current asset are recognised when control of the asset and the significant risks and rewards of ownership transfer to the purchaser. Net gains are included in income for the period in which they arise.

Unrealised gains associated with investment property at fair value
Gains arising from changes in the fair value of an investment property are included in income for the period in which they arise.

Gains or losses associated with financial assets
Gains arising on the retirement of financial assets are recognised when control of the asset and the significant risks and rewards of ownership transfer from the Consolidated Entity. Net gains are included in income for the period in which they arise.

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

(x) Service concession income
Service concession income generated from the consumption of access rights by the operator is recognised on a straight line basis over the life of the service concession arrangement. This represents the amortisation of the service concession provision. Refer to note 1(u) for further details regarding this provision.

1 Summary of significant accounting policies continued

(d) Income tax

The Consolidated Entity is exempt from income tax in Australia under the Income Tax Assessment Act 1997.

The Consolidated Entity is subject to foreign income tax for overseas operations. Deferred tax assets are only recognised where it is probable that future amounts will be available to utilise those temporary differences and unused tax losses.

The taxation expense represents the sum of tax currently payable and is measured at 31 December each year.

Taxable profit differs from net profit as reported in the income statements because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The liability for current tax is calculated using tax rates that have been enacted by the reporting date.

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the national income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

Deferred tax assets and liabilities are recognised using the liability method, for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates which are enacted or substantively enacted for the jurisdiction where the entity is situated. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability. An exception is made for certain temporary differences arising from the initial recognition of an asset or a liability. No deferred tax asset or liability is recognised in relation to these temporary differences if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

(e) Borrowing costs

Borrowing costs incurred for the construction of any qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed when incurred.

(f) Impairment of assets

University assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows which are largely independent of the cash inflows from other assets or groups of assets (cash generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

The recoverable amount of assets identified as surplus assets is the higher of fair value less costs of disposal or the present value of future cash flows expected to be derived from the asset. Surplus assets carried at fair value have no risk of material impairment where fair value is determined by reference to market-based evidence. Where fair value is determined by reference to depreciated replacement cost, surplus assets are at risk of impairment and the recoverable amount is measured. Surplus assets at cost are tested for indications of impairment at each reporting date.

(g) Cash and cash equivalents

For cash flow statement presentation purposes, cash and cash equivalents includes cash on hand and short-term deposits with financial institutions with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(h) Restricted funds

Endowment and bequest funds are classified as restricted funds. Endowment and bequest funds have been received from benefactors who, by the terms of their conveying instruments, have stipulated that the use of funds is limited in future years to the purposes designated by the benefactors.

(i) Receivables

Receivables are recognised and carried at the original invoice amount less an allowance for any uncollectible amounts. The collectability of receivables is reviewed on an ongoing basis and any receivables identified as uncollectible are written-off against the allowance for impairment. The allowance for impairment (doubtful debts) is raised for all amounts overdue more than 90 days. The carrying amount is equivalent to the fair value as it is due for settlement within 30 days.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for impairment of receivables is established when there is objective evidence that the Consolidated Entity will not be able to collect all amounts due according to the original terms of receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate cash flows relating to short-term receivable are not discounted if the effect of discounting is immaterial. The amount of the provision is recognised in the income statement.

(j) Inventories

Inventories are measured at the lower of cost and net realisable value. Cost comprises direct materials and where applicable, import duties, transport and handling costs, that have been incurred to bring the inventories to their present location and condition. Cost is calculated using the weighted average method. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1 Summary of significant accounting policies continued

(k) Investments and other financial assets

Classification

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

(i) Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the statement of financial position date which are classified as non-current assets. Loans and receivables are included in receivables in the statement of financial position.

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

(iii) Available-for-sale financial assets
Available-for-sale financial assets, comprising principally marketable equity securities, are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the end of the reporting period.

Regular purchases and sales of financial assets are recognised on trade date - the date on which the Consolidated Entity commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Consolidated Entity has transferred substantially all the risks and rewards of ownership. In circumstances, where an investment is liquidated and capital distributions are received, the capital distributions are accounted for as a reduction in the carrying value of the investment

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

Subsequent measurement

Available-for-sale financial assets are subsequently carried at fair value. Loans, receivables and held-to-maturity investments are carried at amortised cost using an effective interest method.

Changes in the fair value of securities classified as available-for-sale are recognised in equity.

Fair value

The fair values 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 (and for unlisted securities), the Consolidated Entity 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 characteristics of the asset and the assumptions made by market participants.

Impairment

The Consolidated Entity assesses at each balance date whether there is objective evidence that a financial asset or group of financial assets is impaired. In the case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair value of a security below its cost is considered in determining whether the security is impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit and loss is removed from equity and recognised in the income statement. Impairment losses recognised in the income statement on equity instruments are not reversed through the income statement.

(l) Fair value measurement

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

The Consolidated Entity classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements.

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

The fair value of assets or liabilities that are not traded in an active market (for example, land and buildings) is determined using valuation techniques. The Consolidated Entity uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date. Techniques used to determine fair value for the remaining assets and liabilities are outlined in note 44.

The fair value of interest-rate swaps is calculated as the present value of the estimated future cash flows. The fair value of forward exchange contracts is determined using forward exchange market rates at the reporting date. The level in the fair value hierarchy shall be determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety.

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

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

(m) Property, plant and equipment

Land, buildings, leasehold improvements and works of art are shown at fair value, based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation for buildings and leasehold improvements. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. All other property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include gains or losses that were recognised in other comprehensive income on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment. For items of property, plant and equipment acquired at no cost or for nominal cost, cost is their fair value at the date of acquisition. Items of property, plant and equipment (excluding works of art) costing less than $5,000 are expensed the income statement.

1 Summary of significant accounting policies continued

(m) Property, plant and equipment continued

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

Increases in the carrying amounts arising on revaluation of assets are recognised, net of tax, in other comprehensive income and accumulated in equity under the heading of revaluation surplus. To the extent that the increase reverses a decrease previously recognised in the income statement, the increase is first recognised in the income statement. Decreases that reverse previous increases of the same asset class are also recognised in other comprehensive income to the extent of the remaining reserve attributable to the asset class. All other decreases are charged to the income statement.

Land and works of art are not depreciated. The assets residual values and useful lives are reviewed each year and adjusted where appropriate at the end of each reporting period.

Leasehold improvement

Leasehold improvements are capitalised at amounts directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended for the Consolidated Entity. Such assets are depreciated over the shorter of the lease term or the assets useful life. Where lease arrangements contain options for renewal and extension of the lease term, such extensions are only taken into account for the purposes of determining an appropriate depreciation period when, at inception of the lease, it is reasonably certain that the Consolidated Entity will exercise the option.

Service concession assets

The University has entered into arrangements with respect to the development and refurbishment of student accommodation. Such arrangements provide for the appointment of an operator responsible for construction, asset upgrades and subsequent operation and management of the assets for an extended period. It is deemed that the University continues to control such assets primarily due to the University, as grantor:-

(i) Ultimately controlling or regulating the services that may be provided by the operator with respect to the student accommodation assets, the pricing of such services, and to whom such services may be provided; and
(ii) Controlling the significant residual interest in the infrastructure at the end of the term of the arrangement

Existing university buildings that form part of the arrangement with the external operator have been transferred from Land and Buildings into the Service Concession Assets class of assets. Capital improvements to such assets are capitalised at cost which is equivalent to their fair value.

Service concession assets under construction at reporting date are recognised at cost, which will be an amount equivalent to fair value based on depreciated replacement cost. Subsequent to initial recognition, service concession assets are measured at cost and depreciated over their useful life.

Works of Art

All works of art are initially recognised at fair value and continue to be measured at fair value, such value being based on current market values determined by a qualified independent valuer. Works of Art are not subject to depreciation having regard to their indefinite life and the expectation of increasing value over time. Such assets controlled by the University are classified as heritage assets and are protected and preserved for public exhibition, education, research and the furtherance of public service. They are neither disposed for financial gain nor encumbered in any manner.

Depreciation

Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

Depreciation on other assets is calculated using the straight line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives, as follows:

Asset Category	**Life**
Buildings	25 - 50 years
Service concession assets - buildings	36.5 - 50 years
Computing equipment	4 years
Other equipment and furniture	6 years
Motor Vehicles	4 - 6 years
Works of Art	Not depreciated
Leasehold improvements	Refer to policy above
Library collections	10 years

The assets' useful lives are reviewed, and adjusted if appropriate, at each reporting date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

(n) Investment properties

Investment properties exclude properties held to meet service delivery objectives of the University.

Investment properties are initially recognised at cost. Costs incurred subsequent to initial acquisition are capitalised when it is probable that future economic benefits in excess of the originally assessed performance of the asset will flow to the University. Where an investment property is acquired at no cost or for nominal consideration, its cost shall be deemed to be its fair value, as at the date of acquisition.

Subsequent to initial recognition at cost, investment property is carried at fair value, which is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. If this information is not available, the Consolidated Entity uses alternative valuation methods such as recent prices in less active markets or discounted cash flow projections. These valuations are reviewed annually by a member of the Australian property institute. Changes in fair values are recorded in the income statement.

Rental revenue from the leasing of investment properties is recognised in the income statement in the periods in which it is receivable, as this represents the pattern of service rendered though the provision of the properties.

(o) Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases (note 37(b)). The Consolidated Entity leases certain property and equipment by way of operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

1 Summary of significant accounting policies continued

(p) Intangible assets

All intangible assets are initially measured at cost. For assets acquired at no cost or for nominal cost, cost is their fair value at the date of acquisition.

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

Amortisation is calculated on a straight line basis over the estimated useful life of the asset. The estimated useful lives for each class of intangible assets are:

Intangible asset class	**Life**
Library collection	10 years

Expenditure on research activities is recognised in the income statement as an expense when it is incurred.

(q) Unfunded superannuation

In accordance with the 1998 instructions issued by the Department of Education, Training and Youth Affairs now known as the Australian Government Department of Education, the effects of the unfunded superannuation liabilities of the University and its controlled entities were recorded in the statement of financial position for the first time in 1998. The prior years' practice had been to disclose liabilities by way of a note to the financial statements.

An arrangement exists between the Australian Government and the State Government to meet the unfunded liability for the Edith Cowan University's beneficiaries of the State Superannuation Scheme on an emerging cost basis. This arrangement is evidenced by the *State Grants (General Revenue) Amendment Act 1987, Higher Education Funding Act 1988* and subsequent amending legislation. Accordingly, the unfunded liabilities have been recognised in the statement of financial position under Provisions with a corresponding asset recognised under Receivables. The recognition of both the asset and the liability consequently does not affect the year-end net asset position of Edith Cowan University and its controlled entities.

The unfunded liabilities recorded in the statement of financial position under Provisions have been determined by an independent actuary, Mercer, and relate to: liabilities for existing employees who are members of the pension scheme have been calculated based on each member's salary and the completed proportion of their expected total service. Members are assumed to earn entitlements to the maximum state pension at retirement.

Liabilities for existing pensioners have been calculated allowing for the level of the existing pension, the level of assumed pension indexation and expected mortality rates. Some former pension scheme members have transferred to the Gold State Super. 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. Liabilities for member of Gold State Super have been calculated based on their projected unfunded transferred service amounts and rates of exit.

The calculated defined benefit obligation is the sum of the accrued liabilities for all relevant employees.

(r) Non-current assets held for sale

Non-current assets are classified as held for sale and stated at the lower of their carrying amount and fair value less costs of disposal, if their carrying amount will be recovered principally through a sale transaction rather than through continuing use.

An impairment loss is recognised for any initial or subsequent write down of the asset to fair value less cost of disposal. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset, but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset is recognised at the date of derecognition.

Non-current assets classified as held for sale are not depreciated or amortised and are presented separately from other assets in the statement of financial position.

(s) Trade and other payables

These amounts represent liabilities for goods and services provided to the Consolidated Entity prior to the end of the financial year, which are unpaid. Accounts payable are not interest bearing and are stated at their nominal value. The amounts are unsecured and are usually paid within 30 days of recognition.

(t) Borrowings

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

Borrowings are 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 Consolidated Entity has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date and does not expect to settle the liability for at least 12 months after the balance sheet date.

(u) Provisions

Provisions for legal claims and service warranties are recognised when: the Consolidated Entity has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated.

Provisions are not recognised for future operating losses.

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

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

1 Summary of significant accounting policies continued

(u) Provisions continued

Employee benefits

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

Liability for accumulating sick leave is recognised as the related service is provided by the employees and which increases their sick leave entitlement. The accumulated sick leave entitlement is measured at the additional undiscounted amount expected to be paid as a result of the unused entitlement that has accumulated at the end of the reporting period. The past history of leave utilisation is taken into account in the estimation process.

(ii) Other long-term obligations
The liability for other long-term employee benefits such as annual leave, accumulating sick leave, long service leave and post employment benefits is recognised in current provisions for employee benefits if it is not expected to be settled wholly before twelve months after the end of the reporting period. It 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 using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Regardless of the expected timing of settlements, provisions made in respect of employee benefits are classified as a current liability, unless there is an unconditional right to defer the settlement of the liability for at least 12 months after the reporting date, in which case it would be classified as a non-current liability

(iii) Retirement benefit obligations
All employees of the Consolidated Entity are entitled to benefits on retirement, disability or death from the Consolidated Entity's superannuation plans. The Consolidated Entity has a defined benefit section and a defined contribution section within its plans. The defined benefit section provides defined lump sum benefits based on years of service and final average salary. The defined contribution section receives fixed contributions from Consolidated Entity companies and the Consolidated Entity's legal or constructive obligation is limited to these contributions. The employees of the parent entity are all members of the defined contribution section of the Consolidated Entity's plan*s*

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

Actuarial gains and losses are fully funded, refer note 1(q).

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

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

Past service costs are recognised in income immediately.

Contributions to the defined contribution section of the University's superannuation fund and other independent defined contribution superannuation funds are recognised as an expense as they become payable.

For details relating to the individual schemes, refer to note 46.

(iv) Termination benefits
Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts an offer of benefits in exchange for the termination of employment. The Consolidated Entity 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 that involves the payment of termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits not expected to be settled wholly before 12 months after the end of the reporting period are discounted to present value.

Service concession provision

The University has recognised a service concession provision in the statement of financial position. The liability reflects the performance obligation the University has incurred to allow the operator access to, and the right to generate revenue from, service concession assets. The liability incurred is initially recognised at an amount equivalent to the value of service concession assets delivered to the University and is amortised to the statement of comprehensive income over the duration of the service concession arrangement. As a provision, it is subsequently measured at the best estimate of the amount that the University would rationally pay to settle the obligation at the reporting date or to transfer it to a third party. This will generally equate to the unamortised balance at each reporting date.

(v) Foreign currency translation and hedge accounting

(i) Functional and presentation currency

Items included in the financial statements of each of the Consolidated Entity’s entities are measured using the currency of the primary economic environment in which the entity operations (‘the functional currency’). The consolidated financial statements are presented in Australian dollars, which is the University’s functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement. Qualifying cash flow hedges shall be accounted for by recognising the portion of the gain or loss determined to be an effective hedge in other comprehensive income and the ineffective portion in the income statement.

If gains or losses on non-monetary items are recognised in other comprehensive income, translation gains or losses are also recognised in other comprehensive income. Similarly, if gains or losses on non-monetary items are recognised in profit and loss, translation gains or losses are also recognised in the income statement.

1 Summary of significant accounting policies continued

(w) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case, it is recognised as part of the cost acquisition of the asset or as part of the expense.

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

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flows.

(x) Comparative amounts

Where necessary, comparative information has been reclassified to enhance comparability in respect of changes in presentation adopted in the current year.

(y) New Accounting Standards and interpretations

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The Consolidated Entity has decided against early adoption of these standards. The following table summarises those future requirements, and their impact on the Consolidated Entity:

Standard Name	Effective date for entity	Requirements	Impact
AASB 9 Financial Instruments and amending standards AASB 2010-7 / AASB 2012-6	1 January 2015	Changes to the classification and measurement requirements for financial assets and financial liabilities. New rules relating to derecognition of financial instruments.	The Consolidated Entity will consider the provisions of this standard when applicable.

AASB 10 Consolidated Financial Statements / AASB 11 Joint Arrangements / AASB 12 Disclosures of Interests in Other Entities, AASB 127 Separate Financial Statements, AASB 128 Investments in Associates and AASB 2012-10 Amendments to Australian Accounting Standards - Transition Guidance and Other Amendments	1 January 2014	AASB 10 includes a new definition of control, which is used to determine which entities are consolidated, and describes consolidation procedures. The Standard provides additional guidance to assist in the determination of control where this is difficult to assess. AASB 11 focuses on the rights and obligations of a joint venture arrangement, rather than its legal form (as is currently the case). IFRS 11 requires equity accounting for joint ventures, eliminating proportionate consolidation as an accounting choice. AASB 12 includes disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, special purpose vehicles and other off balance sheet vehicles.	The Consolidated Entity will consider the provisions of these standards when applicable.
AASB 1055 - Budgetary Reporting AASB 2013-1 Amendments to AASB 1049 - Relocation of Budgetary Reporting Requirements	1 January 2014	This standard specifies the nature of budgetary disclosures and circumstances for inclusion in the financial statements.	No impact as the entity is not a public sector entity.
AASB 2012-3 Amendments to Australian Accounting Standards - Offsetting Financial Assets and Financial Liabilities [AASB 132]	1January 2014	This standard adds application guidance to AASB 132 to assist with applying some of the offset criteria of the standard.	There will be no impact to the entity as there are no offsetting arrangements currently in place.
AASB 2013-4 Amendments to Australian Accounting Standards – Novation of Derivatives and Continuation of Hedge Accounting	1 January 2014	To permit the continuation of hedge accounting in circumstances where a derivative, which has been designated as a hedging instrument, is novated from one counterparty to a central counterparty as a consequence of laws or regulations.	The Consolidated Entity will consider the provisions of this standard when applicable.

1 Summary of significant accounting policies continued

(y) New Accounting Standards and interpretations continued

AASB 2013-5 Amendments to Australian Accounting Standards – Investment Entities	1 January 2014	The standard defines an investment entity and require that, with limited exceptions, an investment entity not consolidate its subsidiaries or apply AASB 3 Business Combinations when it obtains control of another entity. These amendments require an investment entity to measure unconsolidated subsidiaries at fair value through the income statement in accordance with AASB 9 Financial Instruments in its consolidated and separate financial statements. The amendments also introduce new disclosure requirements for investment entities to AASB 12 Disclosure of Interests in Other Entities and AASB 127 Separate Financial Statements.	The Consolidated Entity will consider the provisions of this standard when applicable.
AASB 2013-7 Amendments to AASB 1038 arising from AASB 10 in relation to consolidation and interests of policyholders [AASB 1038]	1 January 2014	This Standard removes the specific consolidation 1requirements from AASB 1038 Life Insurance Contracts, and thereby leave AASB 10 Consolidated Financial Statements as the sole source for consolidation requirements applicable to life insurer entities.	No impact on the Consolidated Entity.
AASB 2013-8 Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Entities – Control and Structured Entities	1 January 2014	The AASB has issued this Standard to add an appendix to AASB 10 to explain and illustrate how the principles in AASB 10 apply from the perspective of not-for-profit entities in the private and public sectors, particularly to address circumstances where a for-profit perspective does not readily translate to a not-for-profit perspective. Similarly, the Standard adds an appendix to AASB 12, in relation to structured entities.	The Consolidated Entity will consider the provisions of this standard when applicable.

(z) Rounding of amounts

The University is of a kind referred to in Class order 98/0100 as amended by Class order 04/667, issued by the Australian Securities and Investments Commission, relating to the "rounding off" of amounts in the financial report. Amounts in the financial report have been rounded off in accordance with that Class Order to the nearest thousand dollars, or in certain cases, the nearest dollar.

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

(a) Commonwealth Grants Scheme and Other Grants

	Note	Consolidated 2013 $000's	Consolidated 2012 $000's	Parent 2013 $000's	Parent 2012 $000's
Commonwealth Grants Scheme [#1]		**132,168**	131,197	**132,168**	131,197
Indigenous Support Program		**619**	593	**619**	593
Partnership and Participation Program[#2]		**2,770**	3,210	**2,770**	3,210
Disability Support Program		**84**	66	**84**	66
Transitional Cost Program		**-**	92	**-**	92
Promotion of Excellence in Learning and Teaching		**42**	50	**42**	50
Reward Funding		**330**	333	**330**	333
Other		**2,781**	7,067	**2,781**	7,067
Total Commonwealth Grants Scheme and other grants	47(a)	**138,794**	142,608	**138,794**	142,608

(b) Higher Education Loan Programs

	Note	Consolidated 2013 $000's	Consolidated 2012 $000's	Parent 2013 $000's	Parent 2012 $000's
HECS - HELP		**73,851**	66,642	**73,851**	66,642
FEE - HELP[#3]		**13,019**	9,711	**13,019**	9,711
SA - HELP	47(h)	**953**	222	**953**	222
Total Higher Education Loan Programs	47(b)	**87,823**	76,575	**87,823**	76,575

(c) Scholarships

	Note	Consolidated 2013 $000's	Consolidated 2012 $000's	Parent 2013 $000's	Parent 2012 $000's
Australian Postgraduate Awards		**1,641**	1,840	**1,641**	1,840
International Postgraduate Research Scholarships		**162**	174	**162**	174
Commonwealth Education Cost Scholarship[#4]		**86**	172	**86**	172
Commonwealth Accommodation Scholarships[#4]		**40**	162	**40**	162
Indigenous Access Scholarships		**61**	83	**61**	83
Total Scholarships	47(c)	**1,990**	2,431	**1,990**	2,431

(d) Education Research

	Note	Consolidated 2013 $000's	Consolidated 2012 $000's	Parent 2013 $000's	Parent 2012 $000's
Joint Research Engagement Program[#5]		**2,579**	2,417	**2,579**	2,417
Research Training Scheme		**4,583**	4,481	**4,583**	4,481
Research Infrastructure Block Grants		**441**	509	**441**	509
Sustainable Research Excellence in Universities		**709**	710	**709**	710
Other		**452**	906	**452**	906
Total Education Research Grants	47(d)	**8,764**	9,023	**8,764**	9,023

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

(e) Australian Research Council

	Note	Consolidated 2013 $000's	Consolidated 2012 $000's	Parent 2013 $000's	Parent 2012 $000's
(i) Discovery					
Projects	47(e)(i)	**208**	188	**208**	188
(ii) Linkages					
Projects	47(e)(ii)	**367**	492	**367**	492
Total Australian Research Council		**575**	680	**575**	680

(f) Other Australian Government financial assistance

	Consolidated 2013 $000's	Consolidated 2012 $000's	Parent 2013 $000's	Parent 2012 $000's
Non-capital				
National competitive	**2,414**	2,487	**2,414**	2,487
Other research grants	**1,852**	2,528	**1,852**	2,528
Other non-research grants	**3,442**	3,636	**3,442**	3,636
Total	**7,708**	8,651	**7,708**	8,651
Capital				
Other non-research grants	**4,900**	4,601	**4,900**	4,601
Total other Australian Government financial assistance	**12,608**	13,252	**12,608**	13,252
Total Australian Government financial assistance	**250,554**	244,569	**250,554**	244,569

#1 Includes the basic CGS grant amount, CGS - Regional Loading, CGS - Enabling Loading, Maths and Science Transition Loading, Allocated Places Advance and Non-designated Courses Advance.
#2 Includes Equity Support Program.
#3 Program in respect of FEE-HELP for Higher Education only and excludes funds received in respect of VET FEE HELP.
#4 Includes Grandfather Scholarships, National Priority and National Accommodation Priority Scholarships.
#5 Includes Institutional Grants Scheme.

	Consolidated 2013 $000's	Consolidated 2012 $000's	Parent 2013 $000's	Parent 2012 $000's
Reconciliation				
Australian Government grants (a + c + d + e + f)	**162,731**	167,994	**162,731**	167,994
HECS - HELP payments	**73,851**	66,642	**73,851**	66,642
FEE - HELP payments	**13,019**	9,711	**13,019**	9,711
SA - HELP payments	**953**	222	**953**	222
Total Australian Government financial assistance	**250,554**	244,569	**250,554**	244,569

(g) Australian Government Grants received - cash basis (Ref note 47)

		Consolidated		Parent	
		2013	2012	**2013**	2012
		$000's	$000's	**$000's**	$000's
CGS and Other Education grants	47(a)	**139,360**	143,159	**139,360**	143,159
Higher Education Loan Programs	47(b)	**86,804**	81,370	**86,804**	81,370
Scholarships	47(c)	**881**	3,212	**881**	3,212
Education research	47(d)	**9,659**	9,033	**9,659**	9,033
ARC grants - Discovery	47(e)	**208**	188	**208**	188
ARC grants - Linkages	47(e)	**367**	493	**367**	493
Other Australian Government grants		**11,182**	11,593	**11,182**	11,593
Total Australian Government grants received - cash basis		**248,461**	249,048	**248,461**	249,048
OS-Help (Net)	47(f)	**60**	(8)	**60**	(8)
Superannuation Supplementation	47(g)	**2,704**	3,209	**2,704**	3,209
Total Australian Government funding received - cash basis		**251,225**	252,249	**251,225**	252,249

3 State and Local Government financial assistance

Government grants were received during the reporting period for the following purposes:

	Consolidated		Parent	
	2013	2012	**2013**	2012
	$000's	$000's	**$000's**	$000's
Non-capital				
WA State Department of Education and Training*	**8,467**	8,207	**8,467**	8,207
WA State Government research grants	**5,113**	3,589	**5,113**	3,589
Total State and Local Government financial assistance	**13,580**	11,796	**13,580**	11,796

**The funding relates to Western Australian Academy of Performing Arts (WAAPA)*

4 Fees and charges

	Consolidated		Parent	
	2013	2012	**2013**	2012
	$000's	$000's	**$000's**	$000's
Course fees and charges				
Fee-paying overseas students	**55,353**	56,990	**55,353**	56,990
Continuing education	**446**	811	**446**	811
Fee-paying domestic postgraduate students	**5,751**	4,727	**5,751**	4,727
Fee-paying domestic undergraduate students	**86**	89	**86**	89
Fee-paying domestic non-award students	**85**	-	**85**	-
Total course fees and charges	**61,721**	62,617	**61,721**	62,617
Other non-course fees and charges				
Student services and amenities fees	**1,734**	1,178	**1,734**	1,178
Examination, registration and photocopying fees	**490**	514	**490**	514
Other fees and charges	**1,277**	1,424	**1,277**	1,424
Parking fees	**1,462**	1,494	**1,462**	1,494
Rental charges	**2,553**	2,446	**2,553**	2,446
Other	**531**	635	**531**	635
Total Other Fees and Charges	**8,047**	7,691	**8,047**	7,691
Total fees and charges	**69,768**	70,308	**69,768**	70,308

5 Investment revenue and income

	Consolidated		Parent	
	2013	2012	**2013**	2012
	$'000	$'000	**$'000**	$'000
Investment revenue				
Interest revenue from operating account	**349**	535	**349**	472
Interest from bank bills	**10,552**	8,197	**10,552**	8,197
Rental income from investment properties	**756**	-	**756**	-
Total investment revenue	**11,657**	8,732	**11,657**	8,669
Other investment income				
Dividends received	**111**	115	**111**	115
Distributions from managed funds	**702**	656	**702**	656
Net gain on disposal of available-for-sale financial assets transferred from equity	**3,180**	-	**3,180**	-
Total other investment income	**3,993**	771	**3,993**	771
Other investment losses				
Net change in fair value of investment properties	**(7,547)**	(1,093)	**(7,547)**	(1,093)
Net investment income	**8,103**	8,410	**8,103**	8,347

6 Royalties

	Consolidated		Parent	
	2013	2012	**2013**	2012
	$000's	$000's	**$000's**	$000's
Royalties	**4,588**	7,018	**4,588**	4,022

7 Consultancy and contracts

	Consolidated		Parent	
	2013	2012	**2013**	2012
	$000's	$000's	**$000's**	$000's
Consultancy	**379**	374	**379**	374
Contract research	**5,149**	5,877	**5,149**	5,877
Total consultancy and contracts	**5,528**	6,251	**5,528**	6,251

8 Other revenue and income

	Consolidated		Parent	
	2013	2012	**2013**	2012
	$000's	$000's	**$000's**	$000's
Other revenue				
Donations and bequests	**1,896**	436	**1,896**	436
Scholarships and prizes	**1,403**	1,022	**1,403**	1,578
Proceed from sale of non-capitalised equipment	**162**	19	**162**	19
Professional development courses	**-**	684	**-**	-
Commissions, recoveries and rebates received	**5,061**	2,015	**5,061**	2,015
Expense recoups	**53**	61	**53**	61
Box office sales	**473**	499	**473**	499
Sundry income	**892**	892	**892**	746
Medical practitioners' fees	**133**	177	**133**	177
Other revenue	**486**	449	**486**	449
Total other revenue	**10,559**	6,254	**10,559**	5,980
Other income				
Service concession income	**948**	948	**948**	948
Other income	**1,007**	54	**1,007**	54
Total other income	**1,955**	1,002	**1,955**	1,002

9 Gains on disposal of assets

	Consolidated		Parent	
	2013	2012	**2013**	2012
	$000's	$000's	**$000's**	$000's
Proceeds from sale of property, plant and equipment and non-current assets held for sale	**19,215**	20,406	**19,215**	20,406
Carrying amount of property, plant and equipment and non-current assets held for sale - sold	**(17,294)**	(17,884)	**(17,294)**	(17,838)
Proceeds from sale of intangible assets	**-**	9	**-**	-
Net gain on disposal	**1,921**	2,531	**1,921**	2,568

10 Employee related expenses

	Consolidated		Parent	
	2013	2012	**2013**	2012
	$000's	$000's	**$000's**	$000's
Academic				
Salaries	**79,929**	82,057	**79,929**	82,057
Contributions to superannuation and pension schemes	**11,837**	11,713	**11,837**	11,713
Payroll tax	**5,494**	4,939	**5,494**	4,939
Worker's compensation	**181**	30	**181**	30
Long service leave expense	**2,782**	2,166	**2,782**	2,166
Annual leave	**249**	240	**249**	240
Other	**549**	721	**549**	721
Total academic	**101,021**	101,866	**101,021**	101,866
Non-academic				
Salaries	**93,572**	90,509	**93,572**	88,617
Contributions to superannuation and pension schemes	**13,101**	13,407	**13,101**	13,054
Payroll tax	**5,926**	5,574	**5,926**	5,459
Worker's compensation	**240**	92	**240**	107
Long service leave expense	**2,433**	2,048	**2,433**	2,027
Annual leave	**243**	293	**243**	255
Other	**429**	754	**429**	528
Total non-academic	**115,944**	112,677	**115,944**	110,047
Total employee related expenses	**216,965**	214,543	**216,965**	211,913

11 Depreciation and amortisation

	Consolidated		Parent	
	2013	2012	**2013**	2012
	$000's	$000's	**$000's**	$000's
Depreciation				
Buildings	**13,325**	13,806	**13,325**	13,806
Service concession assets	**1,209**	1,559	**1,209**	1,559
Leasehold improvements	**968**	534	**968**	516
Other equipment and furniture	**3,321**	3,037	**3,321**	3,034
Computing equipment	**2,690**	1,341	**2,690**	1,334
Motor vehicles	**95**	82	**95**	82
Library collections	**1,029**	999	**1,029**	999
Total depreciation	**22,637**	21,358	**22,637**	21,330
Amortisation				
Intangible assets	**963**	909	**963**	909
Total depreciation and amortisation	**23,600**	22,267	**23,600**	22,239

12 Repairs and maintenance

	Consolidated		Parent	
	2013	2012	**2013**	2012
	$000's	$000's	**$000's**	$000's
Buildings maintenance	**7,366**	6,925	**7,366**	6,907
Grounds maintenance	**904**	795	**904**	795
Other equipment maintenance	**876**	914	**876**	914
Total repairs and maintenance	**9,146**	8,634	**9,146**	8,616

13 Borrowing costs

	Consolidated		Parent	
	2013	2012	**2013**	2012
	$000's	$000's	**$000's**	$000's
Interest paid	**4,949**	3,763	**4,949**	3,763
Less: amount capitalised	**(881)**	(169)	**(881)**	(169)
Total borrowing costs expensed	**4,068**	3,594	**4,068**	3,594

14 Impairment of assets

	Consolidated		Parent	
	2013	2012	**2013**	2012
	$000's	$000's	**$000's**	$000's
Bad and doubtful debts	**-**	1,147	**-**	1,147
Impairment of investments	**-**	13	**-**	13
Impairment of inventory	**-**	44	**-**	-
Impairment of intangibles	**-**	217	**-**	-
Total impairment of assets	**-**	1,421	**-**	1,160

* Additional details on impairments of receivables are included at note 18 .

15 Other expenses

	Consolidated		Parent	
	2013	2012	**2013**	2012
	$000's	$000's	**$000's**	$000's
Scholarships, grants and prizes	**8,246**	9,487	**8,246**	9,486
Advertising and marketing	**5,794**	5,932	**5,794**	5,882
Promotions and sponsorships	**2,388**	3,076	**2,388**	3,076
Audit fees, bank charges, legal costs and insurance	**1,984**	1,712	**1,984**	1,584
Computer software and maintenance	**11,438**	11,750	**11,438**	11,750
General consumables	**4,815**	5,855	**4,815**	4,860
Hire and lease costs	**1,604**	3,042	**1,604**	2,531
Library subscriptions	**1,355**	1,990	**1,355**	1,990
Non-capitalised equipment	**3,744**	4,030	**3,744**	4,030
Operating lease rental expenses	**253**	365	**253**	365
Printing and stationery	**2,754**	3,533	**2,754**	3,481
Professional and consulting fees	**14,237**	13,852	**14,237**	13,803
Student related expenditure	**8,960**	5,960	**8,960**	5,960
Telecommunications	**1,184**	1,715	**1,184**	1,692
Travel, staff development and entertainment	**5,969**	6,704	**5,969**	6,608
Utilities and rates	**7,043**	6,779	**7,043**	6,779
Net loss on asset write-offs[#1]	**36**	48	**36**	48
Student Practicum and related expenses	**3,107**	2,618	**3,107**	2,618
Miscellaneous	**8,655**	9,307	**8,655**	8,569
Total other expenses	**93,566**	97,755	**93,566**	95,112

#1 Additional detail on write-offs during the year are included at note 45.

16 Income tax expense

(a) Income tax expense / (benefit)

	Note	Consolidated 2013 $000's	Consolidated 2012 $000's
Current tax		-	(49)
Deferred tax		-	104
		-	55
Income tax expense is attributable to:			
Operating results from continuing operations		-	55
Aggregate income tax (benefit)/expense		-	55
Deferred income tax (revenue)/expense included in income tax expense comprises			
Decrease/(increase) in deferred tax assets	26	-	191
Increase/(decrease) in deferred tax liabilities	26	-	(87)
		-	104

Income tax is only in relation to the controlled entity ECURL, which includes overseas branches.

(b) Numerical reconciliation of income tax expense to prima facie tax payable

	Consolidated 2013 $000's	Consolidated 2012 $000's
Operating results form continuing operations before income tax expense	**33,602**	25,659
Less: Non-taxable operating result from Australian operations	**(33,602)**	(25,987)
	-	(328)
Tax at the Australian tax rate of 30% (2012: 30%)	-	(98)
Adjust for current tax of prior years	-	104
Previously unrecognised tax losses used to reduce current tax expense	-	(49)
Tax losses carried forward not recognised	-	98
	-	55
Tax effect of amounts which are not deductible (assessable) in calculating taxable income:		
Sundry items	-	-
Income tax expense adjusted for permanent differences	-	-
Tax losses carried forward not recognised	-	-
Total income tax expense	-	55

16 Income tax expense continued

(c) Amounts recognised directly in equity

There was no amount recognised directly in equity.

(d) Tax losses

There are no unused tax losses as at 31 December 2013.

17 Cash and cash equivalents

	Consolidated		Parent	
	2013 $000's	2012 $000's	**2013 $000's**	2012 $000's
Cash at bank	**10,916**	13,351	**10,916**	13,351
Bank Bills	**55,526**	38,068	**55,526**	38,068
Cash held in imprests	**10**	10	**10**	10
Total cash and cash equivalent	**66,452**	51,429	**66,452**	51,429

(a) Reconciliation to cash at the end of the year

The above figures are reconciled to cash at the end of the year as shown in the statement of cash flows as follows:

		Consolidated		Parent	
	Note	**2013 $000's**	2012 $000's	**2013 $000's**	2012 $000's
Unrestricted cash		**57,722**	44,788	**57,722**	44,788
Restricted funds	33	**8,730**	6,641	**8,730**	6,641
Balance as per cash flow statement		**66,452**	51,429	**66,452**	51,429

(b) Cash at bank and held in imprests

Cash in operating accounts earns interest at the rate of 2.45% (2012: 2.95%).

(c) Bank Bills

The bank bills are bearing fixed interest rates between 3.29% and 3.75% (2012: 4.36% and 4.65%). These deposits have an average maturity of 90 days.

18 Receivables

	Consolidated		Parent	
	2013	2012	**2013**	2012
	$000's	$000's	**$000's**	$000's
Current				
Trade receivables and student fees	**8,474**	6,629	**8,474**	6,629
Less: Provision for impaired receivables	**(1,292)**	(1,956)	**(1,292)**	(1,956)
	7,182	4,673	**7,182**	4,673
Deferred Government contributions for superannuation	**2,856**	2,887	**2,856**	2,887
GST and withholding tax receivable	**2,120**	1,570	**2,120**	1,570
Total current receivables	**12,158**	9,130	**12,158**	9,130
Non-current				
Deferred Government contribution for superannuation	**22,986**	26,816	**22,986**	26,816
Total non-current receivables	**22,986**	26,816	**22,986**	26,816
Total trade and other receivables	**35,144**	35,946	**35,144**	35,946

Impaired receivables

As at 31 December 2013 current receivables of the Consolidated Entity with a nominal value of $1.3m (2012: $2.0m) were impaired. It was assessed that a portion of the receivables is expected to be recovered.

The ageing analysis of these receivables is as follows:

	Consolidated	
	2013	2012
	$000's	$000's
3 to 6 months	**585**	430
Over 6 months	**707**	1,526
	1,292	1,956

As at 31 December 2013, trade receivables of $1.9m (2012: $1.1m) were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default.

The ageing analysis of these receivables is as follows:

	Consolidated	
	2013	2012
	$000's	$000's
3 months or less	**1,692**	1,030
3 to 6 months	**242**	31
	1,934	1,061

Movements in the provision for impaired receivables are as follows:

	Consolidated	
	2013	2012
	$'000	$'000
At 1 January	**1,956**	843
Provision for impairment recognised during the year	**(595)**	1,147
Receivables written off during the year as uncollectible	**(68)**	(26)
Amounts recovered during the year	**(1)**	(8)
At 31 December	**1,292**	1,956

The provision for impaired receivables recognised during the year, has been included in 'Impairment of assets' in the income statement. Amounts charged to the provision account are generally written off when there is no expectation of recovering additional cash.

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

19 Inventories

	Consolidated		Parent	
	2013	2012	**2013**	2012
	$000's	$000's	**$000's**	$000's
Current				
At cost:				
Trading stock	**-**	1,783	**-**	1,783
	-	1,783	**-**	1,783

20 Derivative financial instruments

	Consolidated		Parent	
	2013	2012	**2013**	2012
	$000's	$000's	**$000's**	$000's
Current assets				
Derivative financial instruments	**21**	-	**21**	-

(a) Instruments used by the Consolidating Entity

The Consolidated Entity is party to derivative financial instruments in the normal course of business in order to hedge exposure to fluctuations in foreign exchange rates in accordance with the University's financial risk management policies (refer to note 43).

In order to protect against exchange rate movements, the University had entered into a forward exchange contract to purchase foreign currency.

These contracts are hedging obligations for payments for the ensuing financial year. The contracts are timed to mature when payments for major shipments of component parts are scheduled to be made.

The portion of the gain or loss on the hedging instrument that is determined to be an effective hedge is recognised directly in equity. When the cash flows occur, the University adjusts the initial measurement of the component recognised in the balance sheets by the related amount deferred in equity.

(b) Interest rate and foreign exchange risk

For an analysis of the sensitivity of derivatives to interest rate and foreign exchange risk refer to note 43.

21 Other financial assets

	Consolidated		Parent	
	2013	2012	**2013**	2012
	$000's	$000's	**$000's**	$000's
Current				
Held-to-maturity				
Term deposits	**114,768**	92,476	**114,768**	92,476
Total current other financial assets	**114,768**	92,476	**114,768**	92,476
Non-Current				
Available-for-sale investments				
Investment in shares	**2,572**	1,880	**2,572**	1,880
Investment in managed funds	**18,808**	17,731	**18,808**	17,731
Held-to-maturity				
Term deposits	**50,000**	50,000	**50,000**	50,000
Total non-current other financial assets	**71,380**	69,611	**71,380**	69,611
Total other financial assets	**186,148**	162,087	**186,148**	162,087

22 Non-current assets classified as held for sale

	Consolidated		Parent	
	2013	2012	**2013**	2012
	$000's	$000's	**$000's**	$000's
Non-current assets held for sale				
Plant and equipment	**-**	37	**-**	37
Land	**1,305**	16,816	**1,305**	16,816
Total non-current assets held for sale	**1,305**	16,853	**1,305**	16,853

23 Other non-financial assets

	Consolidated		Parent	
	2013	2012	**2013**	2012
	$000's	$000's	**$000's**	$000's
Current				
Accrued income	**4,627**	12,131	**4,627**	12,131
Advances and prepayments	**3,556**	2,413	**3,556**	2,413
Total current other non-financial assets	**8,183**	14,544	**8,183**	14,544

24 Investment properties

	Consolidated		Parent	
	2013	2012	**2013**	2012
	$000's	$000's	**$000's**	$000's
At fair value				
Opening balance at 1 January	**9,820**	10,913	**9,820**	10,913
Additions	**9,287**	-	**9,287**	-
Transfers from property, plant and equipment	**2,050**	-	**2,050**	-
Loss on revaluation	**(7,547)**	(1,093)	**(7,547)**	(1,093)
Closing balance as at 31 December	**13,610**	9,820	**13,610**	9,820

(a) Amounts recognised in income statement for investment properties

	Consolidated		Parent	
	2013	2012	**2013**	2012
	$000's	$000's	**$000's**	$000's
Loss on revaluation	**7,547**	1,093	**7,547**	1,093
Total recognised in income statement	**7,547**	1,093	**7,547**	1,093

(b) Valuation basis

The fair value of all land and buildings has been determined by reference to recent market transactions. The investment properties have been valued as at 31 December 2013 by independent professional valuers

25 Property, plant and equipment

Parent	Work in progress $000's	Land $000's	Buildings $000's	Service concession assets - land $000's	Service concession assets - build ing $000's	Leasehold improvement s $000's	Works of Art $000's	Library Collections $000's	Motor Vehicles $000's	Other equipment and furniture $000's	Computer Equipment $000's	Total $000's
Year ended 31 December 2012												
Opening net book amount	11,307	123,389	555,650	11,149	51,852	10,068	12,537	6,116	193	8,108	2,396	792,765
Additions	32,953	1,510	-	-	-	-	148	-	240	3,696	781	39,328
Disposals	-	(549)	-	-	-	-	-	-	(18)	(462)	-	(1,029)
Accumulated depreciation on disposals	-	-	-	-	-	-	-	-	9	431	-	440
Write-offs during the year	-	-	-	-	-	-	-	-	-	(184)	(12)	(196)
Accumulated depreciation on write-offs	-	-	-	-	-	-	-	-	-	177	12	189
Revaluation increments/(decrements)	-	(58)	(3,454)	-	-	297	183	-	-	-	-	(3,032)
Classified as non-current assets held for sale	-	(3,398)	-	-	-	-	-	-	-	(37)	-	(3,435)
Depreciation expense	-	-	(13,806)	-	(1,559)	(516)	-	(999)	(82)	(3,034)	(1,334)	(21,330)
Transfers	(27,890)	2,083	23,408	-	-	-	-	939	-	970	490	-
Closing net book amount	16,370	122,977	561,798	11,149	50,293	9,849	12,868	6,056	342	9,665	2,333	803,700
At 31 December 2012												
- Cost	16,370	-	-	11,149	53,488	-	-	11,470	663	36,731	10,672	140,543
- Valuation	-	122,977	561,798	-	-	9,849	12,868	-	-	-	-	707,492
Accumulated depreciation	-	-	-	-	(3,195)	-	-	(5,414)	(321)	(27,066)	(8,339)	(44,335)
Net book amount	16,370	122,977	561,798	11,149	50,293	9,849	12,868	6,056	342	9,665	2,333	803,700

25 Property, plant and equipment continued

Year ended 31 December 2013												
Opening net book amount	**16,370**	**122,977**	**561,798**	**11,149**	**50,293**	**9,849**	**12,868**	**6,056**	**342**	**9,665**	**2,333**	**803,700**
Additions	**25,154**	**1,230**	**-**	**-**	**-**	**-**	**63**	**-**	**138**	**2,200**	**607**	**29,392**
Disposals	**-**	**(1,230)**	**(408)**	**-**	**-**	**-**	**-**	**-**	**(39)**	**(1,094)**	**(350)**	**(3,121)**
Accumulated depreciation on disposals	**-**	**-**	**16**	**-**	**-**	**-**	**-**	**-**	**35**	**965**	**350**	**1,366**
Write-offs during the year	**-**	**-**	**-**	**-**	**-**	**-**	**(10)**	**-**	**-**	**(33)**	**-**	**(43)**
Accumulated depreciation on write-offs	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**29**	**-**	**29**
Revaluation increments/(decrements)	**-**	**3,610**	**(25,540)**	**-**	**-**	**(1,766)**	**-**	**-**	**-**	**-**	**-**	**(23,696)**
Reclassifications in/(out)	**-**	**(468)**	**-**	**468**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Transferred to investment properties	**-**	**(2,050)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(2,050)**
Depreciation expense	**-**	**-**	**(13,325)**	**-**	**(1,209)**	**(968)**	**-**	**(1,028)**	**(95)**	**(3,321)**	**(2,690)**	**(22,636)**
Transfers	**(6,958)**	**-**	**3,197**	**-**	**-**	**2,000**	**-**	**558**	**-**	**667**	**536**	**-**
Closing net book amount	**34,566**	**124,069**	**525,738**	**11,617**	**49,084**	**9,115**	**12,921**	**5,586**	**381**	**9,078**	**786**	**782,941**
At 31 December 2013												
- Cost	**34,566**	**-**	**-**	**11,617**	**53,488**	**-**	**-**	**12,029**	**762**	**38,471**	**11,472**	**162,405**
- Valuation	**-**	**124,069**	**525,738**	**-**	**-**	**9,115**	**12,921**	**-**	**-**	**-**	**-**	**671,843**
Accumulated depreciation	**-**	**-**	**-**	**-**	**(4,404)**	**-**	**-**	**(6,443)**	**(381)**	**(29,393)**	**(10,686)**	**(51,307)**
Net book amount	**34,566**	**124,069**	**525,738**	**11,617**	**49,084**	**9,115**	**12,921**	**5,586**	**381**	**9,078**	**786**	**782,941**

Edith Cowan University
Notes to Financial Statements
For the Year Ended 31 December 2013

Consolidated	Work in progress $000's	Land $000's	Buildings $000's	Service concession assets - land $000's	Service concession assets - building $000's	Leasehold improvements $000's	Works of Art $000's	Library Collections $000's	Motor Vehicles $000's	Other equipment and furniture $000's	Computer Equipment $000's	Total $000's
Year ended 31 December 2012												
Opening net book amount	11,307	123,389	555,650	11,149	51,852	10,101	12,537	6,116	193	8,130	2,433	792,857
Additions	32,953	1,510	-	-	-	-	148	-	240	3,699	786	39,336
Disposals	-	(549)	-	-	-	-	-	-	(18)	(559)	(143)	(1,269)
Accumulated depreciation on disposals	-	-	-	-	-	-	-	-	9	508	117	634
Write-offs during the year	-	-	-	-	-	-	-	-	-	(184)	(12)	(196)
Accumulated depreciation on write-offs	-	-	-	-	-	-	-	-	-	177	12	189
Revaluation increments/(decrements)	-	(58)	(3,454)	-	-	297	183	-	-	-	-	(3,032)
Foreign currency valuation and translation	-	-	-	-	-	(15)	-	-	-	(2)	(9)	(26)
Classified as non-current assets held for sale	-	(3,398)	-	-	-	-	-	-	-	(37)	-	(3,435)
Depreciation expense	-	-	(13,806)	-	(1,559)	(534)	-	(999)	(82)	(3,037)	(1,341)	(21,358)
Transfers	(27,890)	2,083	23,408	-	-	-	-	939	-	970	490	-
Closing net book amount	16,370	122,977	561,798	11,149	50,293	9,849	12,868	6,056	342	9,665	2,333	803,700
At 31 December 2012												
- Cost	16,370	-	-	11,149	53,488	-	-	11,470	663	36,731	10,672	140,543
- Valuation	-	122,977	561,798	-	-	9,849	12,868	-	-	-	-	707,492
Accumulated depreciation	-	-	-	-	(3,195)	-	-	(5,414)	(321)	(27,066)	(8,339)	(44,335)
Net book amount	16,370	122,977	561,798	11,149	50,293	9,849	12,868	6,056	342	9,665	2,333	803,700

25 Property, plant and equipment continued

Year ended 31 December 2013												
Opening net book amount	**16,370**	**122,977**	**561,798**	**11,149**	**50,293**	**9,849**	**12,868**	**6,056**	**342**	**9,665**	**2,333**	**803,700**
Additions	**25,154**	**1,230**	**-**	**-**	**-**	**-**	**63**	**-**	**138**	**2,200**	**607**	**29,392**
Disposals	**-**	**(1,230)**	**(408)**	**-**	**-**	**-**	**-**	**-**	**(39)**	**(1,094)**	**(350)**	**(3,121)**
Accumulated depreciation on disposals	**-**	**-**	**16**	**-**	**-**	**-**	**-**	**-**	**35**	**965**	**350**	**1,366**
Write-offs during the year	**-**	**-**	**-**	**-**	**-**	**-**	**(10)**	**-**	**-**	**(33)**	**-**	**(43)**
Accumulated depreciation on write-offs	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**29**	**-**	**29**
Revaluation increments/(decrements)	**-**	**3,610**	**(25,540)**	**-**	**-**	**(1,766)**	**-**	**-**	**-**	**-**	**-**	**(23,696)**
Reclassifications in/(out)	**-**	**(468)**	**-**	**468**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Transferred to investment properties	**-**	**(2,050)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(2,050)**
Depreciation expense	**-**	**-**	**(13,325)**	**-**	**(1,209)**	**(968)**	**-**	**(1,028)**	**(95)**	**(3,321)**	**(2,690)**	**(22,636)**
Transfers	**(6,958)**	**-**	**3,197**	**-**	**-**	**2,000**	**-**	**558**	**-**	**667**	**536**	**-**
Closing net book amount	**34,566**	**124,069**	**525,738**	**11,617**	**49,084**	**9,115**	**12,921**	**5,586**	**381**	**9,078**	**786**	**782,941**
At 31 December 2013												
- Cost	**34,566**	**-**	**-**	**11,617**	**53,488**	**-**	**-**	**12,029**	**762**	**38,471**	**11,472**	**162,405**
- Valuation	**-**	**124,069**	**525,738**	**-**	**-**	**9,115**	**12,921**	**-**	**-**	**-**	**-**	**671,843**
Accumulated depreciation	**-**	**-**	**-**	**-**	**(4,404)**	**-**	**-**	**(6,443)**	**(381)**	**(29,393)**	**(10,686)**	**(51,307)**
Net book amount	**34,566**	**124,069**	**525,738**	**11,617**	**49,084**	**9,115**	**12,921**	**5,586**	**381**	**9,078**	**786**	**782,941**

(a) Valuations of land, buildings and Works of art

Land, buildings and leasehold improvements were revalued as at 31 December 2013 by independent professional valuers. The fair value of all land has been determined by reference to recent market transactions and the fair value of buildings and leasehold improvements have been determined by reference to the cost of replacing the remaining future economic benefits, refer to note 1(m).

Works of art are heritage assets and have been valued as at 31 December 2012. by independent professional valuers, the fair value of works of art has been determined by reference to recent market transactions.

(b) Service concession assets

The University entered into a Service Concession Arrangement with Campus Living Villages ('CLV'), an entity that specialises in the construction, operation and maintenance of long-term student accommodation services. As part of this arrangement, CLV has constructed a 355 bed student village at the Mt Lawley Campus; commenced construction of a 127 bed student accommodation in Joondalup and continue to undertake refurbishment of existing accommodation at Mt Lawley, Joondalup and Bunbury campuses. CLV has assumed management of all such accommodation. CLV is compensated for the provision of capital works to the University through the granting of rights by the University to CLV allowing CLV to operate and enjoy full access to such assets, including the retention of all rental income.

The term of the arrangement is for 38 years in total, at which time CLV management and operational rights will cease, and the full operation and management will return to the University. The financial statements reflect the control of all such assets by the University pursuant to the principles of service concession accounting.

A breakdown of service concession assets at reporting date is:

	Consolidated		Parent	
	2013 $000's	2012 $000's	**2013 $000's**	2012 $000's
Land	**11,617**	11,149	**11,617**	11,149
Buildings	**49,084**	50,293	**49,084**	50,293
Work in progress	**1,433**	-	**1,433**	-
Net book amount	**62,134**	61,442	**62,134**	61,442

26 Deferred tax assets and liabilities

	Consolidated	
Deferred tax assets	**2013 $000's**	2012 $000's
Movements		
At 1 January	**-**	193
Credited to the income statement	**-**	(193)
At 31 December	**-**	-

26 Deferred tax assets and liabilities continued

	Consolidated 2013 $000's	Consolidated 2012 $000's
Deferred tax liabilities		
Movements		
At 1 January	**-**	87
Charged to the income statement	**-**	(87)
At 31 December	**-**	-

27 Intangible assets

Consolidated	**Computer software $000's**	**Publishing titles $000's**	**Library collections $000's**	**Total $000's**
Year ended 31 December 2012				
Opening net book amount	-	217	5,421	5,638
Additions	-	-	1,155	1,155
Amortisation charge	-	-	(909)	(909)
Disposals	-	(217)	-	(217)
Accumulated amortisation on intangible assets retired	-	217	-	217
Impairment	-	(217)	-	(217)
Closing net book amount	-	-	5,667	5,667
At 31 December 2012				
- Cost	7,150	-	10,768	17,918
- Accumulated amortisation and impairment	(7,150)	-	(5,101)	(12,251)
Net book amount	-	-	5,667	5,667
Year ended 31 December 2013				
Opening net book amount	**-**	**-**	**5,667**	**5,667**
Additions	**-**	**-**	**1,399**	**1,399**
Amortisation charge	**-**	**-**	**(963)**	**(963)**
Closing net book amount	**-**	**-**	**6,103**	**6,103**
At 31 December 2013				
- Cost	**-**	**-**	**12,168**	**12,168**
- Accumulated amortisation and impairment	**-**	**-**	**(6,065)**	**(6,065)**
Net book amount	**-**	**-**	**6,103**	**6,103**

28 Trade and other payables

	Consolidated		Parent	
	2013	2012	**2013**	2012
	$000's	$000's	**$000's**	$000's
Current				
Trade and other payables	**5,728**	8,708	**5,728**	8,708
CGS and other liabilities to Australian Government	**405**	996	**405**	996
OS HELP liabilities to Australian Government	**93**	34	**93**	34
GST payable	**269**	551	**269**	551
Total trade and other payables	**6,495**	10,289	**6,495**	10,289

The fair value of trade and other payables is equal to their carrying value.

(a) Foreign currency risk

The carrying amounts of the Consolidated Entity's trade and other payables are all denominated in Australian Dollars.

29 Borrowings

	Consolidated		Parent	
	2013	2012	**2013**	2012
	$000's	$000's	**$000's**	$000's
Current - Unsecured				
Western Australian Treasury Corporation	**172**	2,320	**172**	2,320
Non-current - Unsecured				
Western Australian Treasury Corporation	**90,145**	90,067	**90,145**	90,067
Total borrowings	**90,317**	92,387	**90,317**	92,387

29 Borrowings continued

(a) Financing arrangements

Unrestricted access was available at reporting date to the following lines of credit:

	Consolidated		Parent	
	2013	2012	**2013**	2012
	$000's	$000's	**$000's**	$000's
Credit standby arrangements				
Total facilities				
Western Australian Treasury Corporation	**100,417**	100,638	**100,417**	100,638
Bank facilities	**6,050**	6,050	**6,050**	6,050
Total facilities	**106,467**	106,688	**106,467**	106,688
Used at balance date				
Western Australian Treasury Corporation	**90,317**	92,387	**90,317**	92,387
Bank facilities	**211**	272	**211**	272
Total used at balance date	**90,528**	92,659	**90,528**	92,659
Unused at balance date				
Western Australian Treasury Corporation	**10,100**	8,251	**10,100**	8,251
Bank facilities	**5,839**	5,778	**5,839**	5,778
Total unused at balance date	**15,939**	14,029	**15,939**	14,029
Bank loan facilities				
Total facilities	**106,467**	106,688	**106,467**	106,688
Used at balance date	**90,528**	92,659	**90,528**	92,659
Unused at balance date	**15,939**	14,029	**15,939**	14,029

The current interest rates on loans from Western Australian Treasury Corporation range between 3.57% and 5.35%, depending on the type of borrowing (2012: 4.13% and 7.10%).

A majority of the used bank facilities of $0.2m (2012: $0.3m) represent credit card balances outstanding as at year end which are included as part of trade and other payables in note 28.

(b) Fair value

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

Consolidated	2013 Carrying amount $000's	2013 Fair value $000's	2012 Carrying amount $000's	2012 Fair value $000's
On-statement of financial position*				
Borrowings				
Western Australian Treasury Corporation	**90,317**	**90,317**	92,387	92,387
	90,317	**90,317**	92,387	92,387
Parent Entity				
On-statement of financial position*				
Borrowings				
Western Australian Treasury Corporation	**90,317**	**90,317**	92,387	92,387
	90,317	**90,317**	92,387	92,387

*The fair value of borrowings equals their carrying amount, as the impact of discounting is not significant.

(c) Risk exposures

The exposure of the Consolidated Entity's and parent entity's borrowings to interest rate changes and the contractual repricing dates at the reporting dates are as follows:

	Consolidated 2013 $000's	Consolidated 2012 $000's	Parent 2013 $000's	Parent 2012 $000's
6 months or less	**85**	621	**85**	621
6 to 12 months	**87**	41,349	**87**	41,349
1 to 5 years	**35,145**	417	**35,145**	417
Over 5 years	**55,000**	50,000	**55,000**	50,000
	90,317	92,387	**90,317**	92,387
These borrowings are classified as follows:				
Current borrowings	**172**	2,320	**172**	2,320
Non-current borrowings	**90,145**	90,067	**90,145**	90,067
	90,317	92,387	**90,317**	92,387

The carrying amounts of the Consolidated Entity's borrowings are denominated in Australian Dollars.

For an analysis of the sensitivity of borrowings to interest rate risk refer to note 43.

30 Provisions

	Consolidated		Parent	
	2013	2012	**2013**	2012
	$000's	$000's	**$000's**	$000's
Current provisions expected to be settled within 12 months				
Employee benefits				
Annual leave and other compensated absences	**6,754**	6,284	**6,754**	6,284
Long service leave	**7,185**	7,520	**7,185**	7,520
Defined benefit obligation	**2,856**	2,887	**2,856**	2,887
Staff bonuses	**1,038**	1,267	**1,038**	1,267
Superannuation and other post-employment benefits	**2,038**	1,852	**2,038**	1,852
Employee on-costs	**1,088**	974	**1,088**	974
Provision for service concession liabilities	**948**	948	**948**	948
Other provisions	**2,607**	8,874	**2,607**	8,874
	24,514	30,606	**24,514**	30,606
Current provisions expected to be settled after more than 12 months				
Employee benefits				
Annual leave and other compensated absences	**496**	496	**496**	496
Long Service Leave	**11,460**	7,158	**11,460**	7,158
Superannuation and other post-employment benefits	**1,560**	861	**1,560**	861
Employee On-costs	**934**	531	**934**	531
	14,450	9,046	**14,450**	9,046
Total current provisions	**38,964**	39,652	**38,964**	39,652
Non-current provisions				
Employee benefits				
Long service leave	**4,187**	7,407	**4,187**	7,407
Defined benefit obligation	**22,986**	26,816	**22,986**	26,816
Provision for deferred salary	**100**	239	**100**	239
Superannuation and other post-employment benefits	**1,419**	1,560	**1,419**	1,560
Employee on-costs	**327**	513	**327**	513
Provision for service concession liabilities	**30,825**	30,340	**30,825**	30,340
Total non-current provisions	**59,844**	66,875	**59,844**	66,875
Total provisions	**98,808**	106,527	**98,808**	106,527

Current provisions expected to be settled after more than 12 months represents a current obligation of the Consolidated Entity, however it is the view of the management that they are expected to be settled after more than 12 months.

Annual leave liabilities have been classified as current as there is no unconditional right to defer settlement for at least 12 months after reporting date.

Long service leave liabilities have been classified as current where there is no unconditional right to defer settlement for at least 12 months after the reporting date.

The settlement of annual and long service leave liabilities gives rise to the payment of employment on-costs including workers' compensation premiums and payroll tax. The provision is measured at the present value of expected future payments. The associated expense, apart from the unwinding of the discount (finance cost), is included at note 10.

(a) Movements in provision

	Provision for income tax $000's	Employmen t on-costs $000's	Service concession liabilities $000's	Other $000's
Consolidated 2013				
Current				
Carrying amount as start of year	**-**	**1,505**	**948**	**8,874**
Additional provisions recognised	**-**	**517**	**948**	**-**
Amounts incurred and charged	**-**	**-**	**(948)**	**(6,267)**
Carrying amount at end of year	**-**	**2,022**	**948**	**2,607**
Non-current				
Carrying amount at start of year	**-**	**513**	**30,340**	**-**
Additional provisions recognised	**-**	**(186)**	**1,433**	**-**
Amounts incurred and charged	**-**	**-**	**(948)**	**-**
Carrying amount at end of year	**-**	**327**	**30,825**	**-**

	Provision for income tax $000's	Employmen t on-costs $000's	Service concession liabilities $000's	Other $000's
Consolidated 2012				
Current				
Carrying amount as start of year	3	1,467	948	3,196
Additional provisions recognised	-	38	948	6,895
Amounts incurred and charged	(3)	-	(948)	(1,217)
Carrying amount at end of year	-	1,505	948	8,874
Non-current				
Carrying amount at start of year	-	455	31,288	957
Additional provisions recognised	-	58	-	-
Amounts incurred and charged	-	-	(948)	(957)
Carrying amount at end of year	-	513	30,340	-

31 Other liabilities

	Consolidated		Parent	
	2013	2012	**2013**	2012
	$000's	$000's	**$000's**	$000's
Current				
Fees and grants received in advance	**15,159**	12,459	**15,159**	12,459
Financial assistance received in advance	**3,845**	3,236	**3,845**	3,236
Accrued expenses	**10,823**	12,898	**10,823**	12,898
Total other liabilities	**29,827**	28,593	**29,827**	28,593

32 Reserves and retained earnings

(a) Reserves

	Consolidated		Parent	
	2013	2012	**2013**	2012
	$000's	$000's	**$000's**	$000's
Reserves				
Property, plant and equipment revaluation reserve	**348,719**	375,692	**348,719**	375,692
Investments revaluation reserve	**6,105**	4,827	**6,105**	4,827
Hedging reserve - cash flow hedges	**21**	-	**21**	-
Total Reserves	**354,845**	380,519	**354,845**	380,519

Movements

	Consolidated		Parent	
	2013	2012	**2013**	2012
	$000's	$000's	**$000's**	$000's
Property, plant and equipment revaluation reserve				
Balance 1 January	**375,692**	384,488	**375,692**	384,488
Revaluation - gross	**(23,695)**	(3,032)	**(23,695)**	(3,032)
Transfer to retained earnings	**(3,278)**	(5,764)	**(3,278)**	(5,764)
Balance 31 December	**348,719**	375,692	**348,719**	375,692
Investments revaluation reserve				
Balance 1 January	**4,827**	2,962	**4,827**	2,962
Revaluation - gross	**3,995**	1,852	**3,995**	1,852
Reclassification of net change in fair value of available-for-sale financial assets to profit and loss	**(2,717)**	-	**(2,717)**	-
Impairment of investments	**-**	13	**-**	13
Balance 31 December	**6,105**	4,827	**6,105**	4,827

Hedging reserve - cash flow hedges				
Balance 1 January	**-**	(1)	**-**	(1)
Revaluation - gross	**21**	-	**21**	-
Transfer to inventory and other assets - gross	**-**	1	**-**	1
Balance 31 December	**21**	-	**21**	-
Foreign currency translation reserve				
Balance 1 January	**-**	(204)	**-**	-
Currency translation differences arising during the year	**-**	204	**-**	-
Balance 31 December	**-**	-	**-**	-
Total reserves	**354,845**	380,519	**354,845**	380,519

(b) Retained earnings

Movement in retained earnings were as follows:

	Consolidated		Parent	
	2013	2012	**2013**	2012
	$000's	$000's	**$000's**	$000's
Retained earnings at the beginning of the year	**483,514**	452,146	**483,514**	449,882
Operating result for the period	**32,823**	25,604	**32,823**	27,868
Transfer from property, plant and equipment reserve*	**3,278**	5,764	**3,278**	5,764
Retained earnings at end of the year	**519,615**	483,514	**519,615**	483,514

* Transfer from revaluation reserve of $3.3m (2012: $5.8m) represents realisation of revaluation surplus on assets disposed.

(c) Nature and purpose of reserves

(i) Property, plant and equipment revaluation reserve
The property, plant and equipment revaluation reserve is used to record increments and decrements on the revaluation of non-current assets, as described in note 1(m).

(ii) Investments revaluation reserve
Changes in the fair value and exchange differences arising on revaluation of investments, such as equities, classified as available-for-sale financial assets, are taken to the investments revaluation reserve, as described in note 1(k). Amounts are recognised in the income statement when the associated assets were sold or impaired.

(iii) Hedging reserve - cash flow hedges
The hedging reserve is used to record gains or losses on a hedging instrument in a cash flow hedge that are recognised directly in equity, as described in note 1(v). Amounts are recognised in the income statement when the associated hedged transaction affects profit and loss.

32 Reserves and retained earnings continued

(c) Nature and purpose of reserves continued

(iv) Foreign currency translation reserve
Exchange differences arising on translation of the foreign controlled branches of the University's subsidiary are taken to the foreign currency translation reserve, as described in note 1(v).

33 Restricted funds

	Consolidated		Parent	
	2013	2012	**2013**	2012
	$000's	$000's	**$000's**	$000's
Restricted funds				
ECU Foundation	**8,730**	6,641	**8,730**	6,641

The purpose of the ECU Foundation is to hold funds received from external sources. These funds are appropriated for a variety of educational and research purposes ranging from scholarships, research, prizes and special lecture programs. The Foundation was established to aid and promote excellence in educational and research activities by seeking, receiving and administering private gifts for the benefit of the University and its community.

34 Key management personnel disclosures

(a) Remuneration of members of the University Council

The number of council members, whose total of fees, salaries, superannuation, non-monetary benefits and other benefits for the financial year, fall within the following bands are:

	2013	2012
Nil to $10,000	**19**	19
$50,001 to $60,000	**-**	1
$120,001 to 130,000	**1**	1
$150,001 to $160,000	**-**	1
$160,001 to $170,000	**1**	-
$230,001 to $240,000	**1**	-
$310,001 to $320,000	**-**	1
$720,001 to $730,000	**-**	1
$740,001 to $750,000	**1**	-
The total aggregate remuneration of members of the accountable authority ('000)	**$ 1,260**	$ 1,386

The council members include university employees who may be ex-officio members or elected staff members. No council member has received any remuneration in his/her capacity as a council member. A total of 18 council members (2012:18 members) received no remuneration, fees, superannuation or benefits.

The total remuneration includes the superannuation expense incurred by the University in respect of council members.

No council members are members of the pension scheme.

(b) Remuneration of senior officers

The number of senior officers, other than senior officers reported as members of the accountable authority, whose total fees, salaries, superannuation, non-monetary benefits and other benefits for the financial year, fall within the following bands are:

	2013	2012
$60,001 to $70,000	**1**	-
$90,001 to $100,000	**-**	1
$220,001 to $230,000	**-**	1
$230,001 to $240,000	**1**	-
$250,001 to $260,000	**-**	1
$270,001 to $280,000	**-**	1
$290,001 to $300,000	**-**	1
$300,001 to $310,000	**1**	-
$310,001 to $320,000	**-**	1
$320,001 to $330,000	**1**	-
$330,001 to $340,000	**2**	-
$340,001 to $350,000	**1**	1
$350,000 to $360,000	**1**	-
$410,001 to $420,000	**-**	1
$430,001 to $440,000	**-**	2
$440,001 to $450,000	**2**	-
The total aggregate remuneration of senior officers ('000)	**$ 3,185**	$ 3,081

The remuneration includes the superannuation expense incurred by the University in respect of senior officers other than senior officers reported as members of the University Council.

One senior officer is a member of the pension scheme.

35 Remuneration of auditors

Remuneration to the Office of the Auditor General and non-related audit firms for the financial year are as follows:

	Consolidated		**Parent**	
	2013	2012	**2013**	2012
	$000's	$000's	**$000's**	$000's
Assurance services				
Audit services				
Office of the Auditor General (OAG)				
Auditing the accounts, financial statements and performance indicators	**252**	302	**252**	242
Non-OAG audit firms for the audit or review of financial reports of any entity in the Consolidated Entity	**5**	22	**5**	5
Total	**257**	324	**257**	247

36 Contingencies

Contingent liabilities

In addition to the liabilities incorporated in the financial statements, the Consolidated Entity has the following contingent liabilities:

Native title claims
University land is subject to Federal Court proceedings concerning native title rights and to settlement negotiations between the State Government and the South West Aboriginal Land and Sea Council.

Outstanding litigation
The University is a defendant in an action with the Management Development Institute of Singapore. The claim is being defended and has been set down for trial in Singapore in April-May 2014. The claim is indemnified under the University's insurance arrangements. The University is also counterclaiming an amount in respect of unpaid invoices for services delivered to the plaintiffs.

The University and a number of its staff members are defendants in various actions commenced by a former employee. The claims are not material and sufficient insurance is in place to cover the potential liabilities.

Workers compensation claims
The Consolidated Entity may have some potential liability towards workers compensation claims. The process of defending the claims are progressing and sufficient insurances are in place to cover the potential liability.

Other contingencies
A course conducted by the University has not received accreditation which may give rise to claims by third parties. At this stage the quantum of such claims is uncertain and sufficient insurance is in place to cover the potential liability.

37 Commitments

(a) Capital expenditure commitments

Capital expenditure commitments, being contracted capital expenditure additional to the amounts reported in the financial statements, including amounts for infrastructure, are payable as follows:

	Consolidated		**Parent**	
	2013	2012	**2013**	2012
	$000's	$000's	**$000's**	$000's
Property, plant and equipment				
Within one year	**39,441**	19,409	**39,441**	19,409
	39,441	19,409	**39,441**	19,409

(b) Lease commitments: The Consolidated Entity as lessee

(i) Operating leases

Commitments in relation to leases contracted for at the reporting date but not recognised in the financial statements as liabilities, are payable as follows:

	Consolidated		Parent	
	2013	2012	**2013**	2012
	$000's	$000's	**$000's**	$000's
Within one year	**230**	229	**230**	229
Between one year and five years	**353**	199	**353**	199
Cancellable operating lease	**583**	428	**583**	428

(c) Other expenditure commitments

Commitments in relation to purchase orders in existence at the reporting date, but not recognised as liabilities, are payable as follows:

	Consolidated		Parent	
	2013	2012	**2013**	2012
	$000's	$000's	**$000's**	$000's
Within one year	**6,589**	7,837	**6,589**	7,837

38 Related parties

Subsidiaries

The University had one related party during the financial year. Interests in the subsidiary is set out in note 39.

(a) Transactions with related parties

The following transactions occurred with related parties:

	Consolidated		Parent	
	2013	2012	**2013**	2012
	$000's	$000's	**$000's**	$000's
Sale of goods and services	**-**	-	**-**	593
Purchase of goods	**-**	-	**-**	94

39 Subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 1(b):

Name of Entity	Country of incorporation	Class of shares	2013	2012
E.C.U. Resources for Learning Ltd. (ECURL)*	Australia	Australian public company limited by guarantee	100.00%	100.00%

* The address of ECURL is 270 Joondalup Drive, Joondalup, WA 6027.

The operations of ECURL have been wound up effective 31 December 2012 and is no longer consolidated.

40 Events occurring after the reporting date

No events have occurred since the reporting date, that are likely to have a material impact on the financial statements or notes of the Consolidated Entity.

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

	Consolidated		Parent	
	2013	2012	**2013**	2012
	$000's	$000's	**$000's**	$000's
Operating result for the period	**32,823**	25,604	**32,823**	27,868
Non-cash items				
Depreciation and amortisation expense	**23,600**	22,267	**23,600**	22,239
Revaluation of investment property	**7,547**	1,093	**7,547**	1,093
Provision for impairment of receivables	**(664)**	1,147	**(664)**	1,147
Service concession income	**(948)**	(948)	**(948)**	(948)
Gain on sale of asset	**(1,921)**	(2,531)	**(1,921)**	(2,568)
Net loss on asset write-offs	**36**	48	**36**	48
Impairment of assets	**-**	274	**-**	13
Gain on sale of investment	**(3,180)**	-	**(3,180)**	-
	57,293	46,954	**57,293**	48,892
Change in assets and liabilities				
(Increase)/decrease in receivables and non-financial assets	**1,620**	2,682	**1,620**	1,892
(Increase)/decrease in tax assets	**-**	193	**-**	-
(Increase)/decrease in inventories	**1,783**	173	**1,783**	(198)
Increase/(decrease) in trade and other payables	**(2,560)**	623	**(2,560)**	1,367
Increase/(decrease) in tax liabilities	**-**	(87)	**-**	-
Increase/(decrease) in provisions	**(8,204)**	7,681	**(8,204)**	7,978
	(7,361)	11,265	**(7,361)**	11,039
Net cash provided by operating activities	**49,932**	58,219	**49,932**	59,931

42 Non-cash investing and financing activities

	Consolidated		Parent	
	2013	2012	**2013**	2012
	$000's	$000's	**$000's**	$000's
Proceeds accrued from sale of property, plant and equipment and non-current assets held for sale	**650**	6,857	**650**	6,857

During the financial year, there were sales of Churchlands property that has been sold but not yet settled and therefore not reflected in the cash flow statement.

43 Financial risk management

The Consolidated Entity is exposed to the following financial risks as a result of its activities:

(a) Market risk

(i) Foreign exchange and interest risk

The Consolidated Entity does not trade in foreign currency and is not materially exposed to other price risks (for example, equity securities or commodity price changes). The University's exposure to market risk for changes in interest rates relates primarily to the long-term debt obligations. The University's borrowings are all obtained through the Western Australian Treasury Corporation (WATC) and are at fixed rates with varying maturities. The risk is managed by WATC through portfolio diversification and variation in maturity dates. Other than as detailed in the interest rate sensitivity analysis table below, the University has limited exposure to interest rate risk because it has no borrowings other than the WATC borrowings.

(ii) Price risk

The Consolidated Entity investment portfolios' are exposed to fluctuations in the prices of equity securities. The University's investment policy provides strategies for minimisation of price risk with the diversification of that risk through a number of investment managers and regular independent expert monitoring to ensure that there is no concentration of risk in any one area.

43 Financial risk management continued

(a) Market risk continued

(iii) Summarised sensitivity analysis

The following table summarises the sensitivity of the Consolidated Entity's financial assets and financial liabilities to interest rate risk, foreign exchange risk and other price risk.

		Interest rate risk				Foreign exchange risk				Other price risk			
		-1%		+1%		-10%		+10%		-10%		+10%	
	Carrying amount$'000	Profit $000's	Equity $000's	Profit $000's	Equity $000's	Profit $000's	Equity $000's	Profit $000's	Equity $000's	Profit $000's	Equity $000's	Profit $000's	Equity $000's
31 December 2013													
Financial assets													
Cash and cash equivalents	**66,452**	**(665)**	**(665)**	**665**	**665**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Trade receivable	**7,182**	**-**	**-**	**-**	**-**	**(11)**	**(11)**	**11**	**11**	**-**	**-**	**-**	**-**
Financial assets - Available for sale	**21,380**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(2,138)**	**(2,138)**	**2,138**	**2,138**
Financial assets - Held to maturity	**164,768**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Derivatives - cash flow hedges	**21**	**-**	**-**	**-**	**-**	**(2)**	**(2)**	**2**	**2**	**-**	**-**	**-**	**-**
Sub-total		**(665)**	**(665)**	**665**	**665**	**(13)**	**(13)**	**13**	**13**	**(2,138)**	**(2,138)**	**2,138**	**2,138**
Financial liabilities													
Trade payables	**6,226**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Borrowings	**90,317**	**(4)**	**(4)**	**4**	**4**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Sub-total		**(4)**	**(4)**	**4**	**4**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total increase/(decrease)		**(669)**	**(669)**	**669**	**669**	**(13)**	**(13)**	**13**	**13**	**(2,138)**	**(2,138)**	**2,138**	**2,138**

		Interest rate risk				Foreign exchange risk				Other price risk			
		-1%		+1%		-10%		+10%		-10%		+10%	
	Carrying amount $'000	Profit $000's	Equity $000's	Profit $000's	Equity $000's	Profit $000's	Equity $000's	Profit $000's	Equity $000's	Profit $000's	Equity $000's	Profit $000's	Equity $000's
31 December 2012													
Cash and cash equivalents	51,429	(514)	(514)	514	514	-	-	-	-	-	-	-	-
Trade receivables	4,673	-	-	-	-	(7)	(7)	7	7	-	-	-	-
Financial assets - available for sale	19,611	-	-	-	-	-	-	-	-	(1,961)	(1,961)	1,961	1,961
Financial assets - held to maturity	142,476	(1,425)	(1,425)	1,425	1,425	-	-	-	-	-	-	-	-
Sub-total		(1,939)	(1,939)	1,939	1,939	(7)	(7)	7	7	(1,961)	(1,961)	1,961	1,961
Financial liabilities													
Trade payables	9,738	-	-	-	-	-	-	-	-	-	-	-	-
Borrowings	92,387	(6)	(6)	6	6	-	-	-	-	-	-	-	-
Sub-total		(6)	(6)	6	6	-	-	-	-	-	-	-	-
Total increase/(decrease)		(1,945)	(1,945)	1,945	1,945	(7)	(7)	7	7	(1,961)	(1,961)	1,961	1,961

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(b) Credit risk

Credit risk arises when there is the possibility of the Consolidated Entity's receivables defaulting on their contractual obligations resulting in financial loss to the University. The Consolidated Entity measures credit risk on a fair value basis and monitors risk on a regular basis.

The maximum exposure to credit risk at the reporting date in relation to each class of recognised financial assets is the gross carrying amount of those assets inclusive of any provisions for impairment.

The Consolidated Entity trades only with recognised, credit worthy third parties. In addition, receivable balances are monitored on an ongoing basis with the result that the Consolidated Entity's exposure to bad debts is minimal. There are no significant concentrations of credit risk.

Provision for impairment of financial assets is calculated based on past experience, and current and expected changes in client credit ratings. For financial assets that are either past due or impaired, refer to note 18.

(c) Liquidity risk

The Consolidated Entity is exposed to liquidity risk through its trading in the normal course of business. Liquidity risk arises when the University is unable to meet its financial obligations as they fall due.

The Consolidated Entity's objective is to maintain a balance between continuity of funding and flexibility through the use of bank loans and finance leases. The Consolidated Entity has appropriate procedures to manage cash flows by monitoring forecast cash flows to ensure that sufficient funds are available to meet its commitments.

The tables below analyse the Consolidated Entity's financial assets and liabilities based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

	Within 1 year		1 - 2 years		2 - 5 years		5+ years		Total	
	2013	2012	**2013**	2012	**2013**	2012	**2013**	2012	**2013**	2012
	$000's	$000's	**$000's**	$000's	**$000's**	$000's	**$000's**	$000's	**$000's**	$000's
Financial Assets:										
Cash and cash equivalents	**66,452**	51,429	**-**	-	**-**	-	**-**	-	**66,452**	51,429
Trade and other receivables	**7,182**	4,673	**-**	-	**-**	-	**-**	-	**7,182**	4,673
Other financial assets	**114,768**	92,476	**-**	-	**-**	-	**71,380**	69,611	**186,148**	162,087
Derivative financial instruments	**21**	-	**-**	-	**-**	-	**-**	-	**21**	-
Total Financial Assets	**188,423**	148,578	**-**	-	**-**	-	**71,380**	69,611	**259,803**	218,189
Financial Liabilities:										
Trade and other payables	**6,226**	9,738	**-**	-	**-**	-	**-**	-	**6,226**	9,738
Borrowings	**172**	41,970	**125**	172	**35,020**	245	**55,000**	50,000	**90,317**	92,387
Total Financial Liabilities	**6,398**	51,708	**125**	172	**35,020**	245	**55,000**	50,000	**96,543**	102,125

43 Financial risk management continued

(c) Liquidity risk continued

The following are the average interest rates for the above financial assets and liabilities as at 31 December 2013:

Financial assets

1. Cash and cash equivalents - 3.32% p.a (2012: 4.10% p.a).
2. Trade and other receivables - Non-interest bearing financial asset.
3. Available-for-sale financial assets - Non-interest bearing financial asset.
4. Held to maturity investments - 4.43% p.a (2012: 5.25% p.a).

Financial liability

1. Trade and other payable - Non-interest bearing financial liability.
2. Borrowings - 4.04% p.a (2012: 5.33% p.a).

The Consolidated Entity's derivative financial instruments will be settled on a gross basis within the next 12 months.

44 Fair value measurement

(a) Fair value measurements

The fair value financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

Due to the short-term nature of the current receivable their carrying value is assumed to approximate their fair value and based on credit history it is expected that the receivable that are neither past due nor impaired will be received when due.

The carrying amounts and aggregate net fair values of financial assets and liabilities at balance date are:

	Carrying Amount		Fair Value	
	2013	2012	**2013**	2012
	$000's	$000's	**$000's**	$000's
Financial assets				
Cash and cash equivalents	**66,452**	51,429	**66,452**	51,429
Trade receivables	**7,182**	4,673	**7,182**	4,673
Available-for-sale financial assets	**21,380**	19,611	**21,380**	19,611
Held-to-maturity financial assets	**164,768**	142,476	**164,768**	142,476
Derivative financial instruments	**21**	-	**21**	-
Total financial assets	**259,803**	218,189	**259,803**	218,189
Financial liabilities				
Trade payables	**6,226**	9,738	**6,226**	9,738
Borrowings	**90,317**	92,387	**90,317**	92,387
Total financial liabilities	**96,543**	102,125	**96,543**	102,125

The Consolidated Entity measures and recognises the following assets and liabilities at fair value on a recurring basis:

- Derivative financial instruments
- Available-for-sale financial assets
- Land and buildings
- Leasehold improvements
- Investments properties
- Works of art

The Consolidated Entity has also measured assets and liabilities at fair value on a non-recurring basis as a result of the reclassification of assets as held for sale.

(b) Fair value hierarchy

The University categorises the assets and liabilities measured at fair value into a hierarchy based on the level of inputs used in measurements.

Level 1	quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2	inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3	inputs for the asset or liability that are not based on observable market data (unobservable inputs)

44 Fair value measurement continued

(b) Fair value hierarchy continued

(i) Recognised fair value measurements

Fair value measurements recognised in the statement of financial position are categorised into the following levels at 31 December 2013.

	Note	2013 $000's	Level 1 $000's	Level 2 $000's
Recurring fair value measurements				
Financial assets				
Investment in shares	21	**2,572**	**2,572**	**-**
Investment in managed funds	21	**18,808**	**-**	**18,808**
Derivative financial instruments		**21**	**21**	**-**
Total financial assets		**21,401**	**2,593**	**18,808**
Non-financial assets				
Investment properties	24	**13,610**	**-**	**13,610**
Land	25	**124,069**	**-**	**124,069**
Buildings	25	**525,738**	**-**	**525,738**
Leasehold improvements	25	**9,115**	**-**	**9,115**
Works of art	25	**12,921**	**-**	**12,921**
Total non-financial assets		**685,453**	**-**	**685,453**
Non-recurring fair value measurements				
Land held for sale		**1,305**	**-**	**1,305**
Total non-recurring fair value measurements		**1,305**	**-**	**1,305**

	Note	2012 $000's	Level 1 $000's	Level 2 $000's
Recurring fair value measurements				
Financial assets				
Investment in shares	21	1,880	1,880	-
Investment in managed funds	21	17,731	-	17,731
Total financial assets		19,611	1,880	17,731
Non-financial assets				
Investment properties	24	9,820	-	9,820
Land	25	122,977	-	122,977
Buildings	25	561,798	-	561,798
Leasehold improvements	25	9,849	-	9,849
Works of art	25	12,868	-	12,868
Total non-financial assets		717,312	-	717,312
Non-recurring fair value measurements				
Land held for sale		16,816	-	16,816
Total non-recurring fair value measurements		16,816	-	16,816

There were no transfers between levels 1 and 2 for recurring fair value measurements during the year.

(ii) Disclosed fair values

The University has a number of assets and liabilities which are not measured at fair value, but for which the fair values are disclosed in the notes.

The carrying value less impairment provision of trade receivables and payables is a reasonable approximation of their fair values due to the short-term nature of trade receivables.

Non-current borrowings are measure at amortised cost with interest recognised in the income statement when incurred. The fair value of borrowings disclosed in note 29 represents the contractual undiscounted cash flows at balance date.

(c) Valuation techniques used to derive level 2 fair values

(i) Recurring fair value measurements

Available-for-sale financial assets
The fair values of investments in managed funds were based on the redemption prices at balance date, provided by the fund managers. These prices represent the fair value of these investments.

44 Fair value measurement continued

(c) Valuation techniques used to derive level 2 fair values continued

Land
The fair values of land were determined by independent valuer, McGees Property, effective 31 December 2013. Land has been valued at the highest and best use basis. The most significant inputs into the land valuation were the prices per hectare, derived from transactions that were considered to be relevant. Adjustments for differences in key attributes, such as size and redevelopment costs based on recent transactions, have been made where necessary.

Buildings and Leasehold Improvements
The fair values of buildings and leasehold improvements were determined by independent valuer, Davson & Ward, effective 31 December 2013. The fair values have been derived based on the cost approach. The most significant input into this valuation approach was rates per square metre, sourced from in-house library of cost analysis for similar projects and trade publications.

The University buildings are of a specialised nature and there is no active market for the assets, fair values have been determined on the basis of replacement with a new asset having similar service potential including an allowance for professional fees. The net current value of a building is the gross current value less accumulated depreciation to reflect the consumed or expired service potential of the asset.

Investment properties
The fair values of investment properties have been valued by an independent valuer, McGees Property, effective 31 December 2013. Valuations are based on the income approach with current rentals derived from market data.

Works of art
The fair values of works of art were determined by independent valuer, Seva Frangos Art and Lister Gallery in 2012.

(ii) Non-recurring fair value measurement

Land classified as held for sale are valued at lower of fair value less costs to sell or carrying amount. The fair values of the land were determined using the prices per hectare from relevant transactions.

45 Write-offs

	Consolidated		**Parent**	
	2013 $000's	2012 $000's	**2013 $000's**	2012 $000's
Total write-offs as approved by the accountable authority during the financial year				
Receivables written-off against provision*	**69**	26	**69**	26
Property, plant and equipment	**14**	7	**14**	7
Inventory	**22**	41	**22**	41
Total write-offs	**105**	74	**105**	74

* The vast majority of the receivables write-offs are relating to international student debts incurred in 2012 and before which have been identified as irrecoverable.

46 Superannuation

Unfunded Pension and Unfunded Gold State (Lump sum) Schemes

The University has in its staffing profile a number of employees who are members of the Government Employees Superannuation Board (GESB) Scheme. As the Employer, the University is required to contribute to the scheme as employees are paid a pension or lump sum pay out. Consequently, an unfunded liability has been created. The Commonwealth Government is committed to reimbursing the University for payments actually made to the scheme for these emerging costs.

Nature of the benefits provided by the Scheme

Pension Scheme

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 employers do 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.

Gold State Super (transferred benefits)

Some former pension scheme members have transferred to Gold State Super. 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.

Description of the regulatory framework

The Pension Scheme and Gold State Super (transferred benefits) operate under the State Superannuation Act 2000 (Western Australia) and the State Superannuation Regulations 2001 (Western Australia).

Although the schemes are not formally subject to the Superannuation Industry (Supervision) (SIS) legislation, the Western Australian government has undertaken (in a Heads of Government Agreement) to operate the schemes in accordance with the spirit of the SIS legislation.

As an exempt public sector superannuation scheme (as defined in the SISI legislation), the schemes are not subject to any minimum funding requirements.

As a constitutionally protected scheme, the schemes are not required to pay tax.

Description of other entities responsibilities for the governance of the Scheme

The Government Employees Superannuation Board (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 Scheme beneficiaries. GESB has the following roles:

- Administration of the Scheme and payment to the beneficiaries when required in accordance with the Scheme rules;
- Management and investment of the Scheme assets (although the liabilities in this report are not supported by assets), and
- Compliance with the Heads of Government Agreement referred to above.

46 Superannuation continued

Description of risks

Pension Scheme

There are a number of risks to which the Scheme exposes the University. The more significant risks relating to the defined benefits are:

- **Legislative risk** - The risk is that legislative changes could be made which increase the cost of providing the defined benefits.
- **Pensioner mortality risk** - The risk is that pensioner mortality will be lighter than expected, resulting in pensions being paid for a longer period.
- **Inflation risk** - The risk that inflation is higher than anticipated, increasing pension payments, and the associated employer contributions.

Gold State Super (transferred benefits)

There are a number of risks to which the Scheme exposes the University. The more significant risks relating to the defined benefits are:

- **Salary growth risk** - The risk that wages or salaries (on which future benefit amounts will be based) will rise more rapidly than assumed, increasing defined amounts and the associated employer contributions.
- **Legislative risk** - The risk is that legislative changes could be made which increase the cost of providing the defined benefits.

Description of significant events

There were no plan amendments, curtailments or settlements during the year.

Sensitivity analysis

Pension Scheme

The defined benefit obligation as at 31 December 2013 under several scenarios is presented below.

Scenario A and B relate to discount rate sensitivity. Scenario C and D relate to expected pension increase rate sensitivity.

Scenario A: 0.5% p.a lower discount rate assumption.
Scenario B: 0.5% p.a higher discount rate assumption.
Scenario C: 0.5% p.a lower expected pension increase rate assumption.
Scenario D: 0.5% p.a higher expected pension increase rate assumption.

	Base Case	Scenario A	Scenario B	Scenario C	Scenario D
		-0.5% p.a discount rate	+0.5% p.a discount rate	-0.5% p.a pension increase rate	+0.5% p.a pension increase rate
Discount rate	4.17% p.a	3.67% p.a	4.67% p.a	4.17% p.a	4.17% p.a
Pension increase rate	2.5% p.a	2.50% p.a	2.50% p.a	2.00% p.a	3.00% p.a
Defined benefit obligation (A$'000s)	25,400	26,339	24,521	24,501	26,352

The defined benefit obligation has been recalculated by changing the assumption as outlined above, whilst retaining all other obligations.

Gold State Super (transferred benefits)

The defined benefit obligation as at 31 December 2013 under several scenarios is presented below.

Scenario A and B relate to discount rate sensitivity. Scenario C and D relate to expected pension increase rate sensitivity.

Scenario A: 0.5% p.a lower discount rate assumption.
Scenario B: 0.5% p.a higher discount rate assumption.
Scenario C: 0.5% p.a lower expected pension increase rate assumption.
Scenario D: 0.5% p.a higher expected pension increase rate assumption.

	Base Case	**Scenario A**	**Scenario B**	**Scenario C**	**Scenario D**
		-0.5% p.a discount rate	**+0.5% p.a discount rate**	**-0.5% p.a salary increase rate**	**+0.5% p.a salary increase rate**
Discount rate	4.17% p.a	3.67% p.a	4.67% p.a	4.17% p.a	4.17% p.a
Salary inflation rate	5.00% p.a	5.00% p.a	5.00% p.a	4.50% p.a	5.50% p.a
Defined benefit obligation (A$'000s)	442	454	430	432	451

The defined benefit obligation has been recalculated by changing the assumption as outlined above, whilst retaining all other obligations.

Funding arrangements

The employer contributes, as required, to meet the benefits paid.

Reconciliation of the Net Defined Benefit liability/(asset)

	Pension Scheme		**Gold State Super**	
	2013 $000's	2012 $000's	**2013 $000's**	2012 $000's
Defined benefit obligation	**25,400**	28,782	**442**	921
Fair value of Scheme assets	**-**	-	**-**	-
Deficit/(surplus)	**25,400**	28,782	**442**	921
Adjustment for effect of asset ceiling	**-**	-	**-**	-
Liability/(asset)	**25,400**	28,782	**442**	921

46 Superannuation continued

Reconciliation of the Defined Benefit obligation

	Pension Scheme		Gold State Super	
	2013	2012	**2013**	2012
	$000's	$000's	**$000's**	$000's
Present value of defined benefit obligations at the beginning of the year	**28,782**	27,656	**921**	873
Interest cost	**852**	1,041	**27**	33
Actuarial (gains)/losses arising from changes in financial assumptions	**(2,069)**	2,617	**(25)**	7
Actuarial (gains)/losses arising from liability experience	**639**	252	**(8)**	8
Benefits paid	**(2,804)**	(2,784)	**(473)**	-
Balance at the end of the year	**25,400**	28,782	**442**	921

These defined benefit obligations are wholly unfunded, such that there are no assets. The employer contributes, as required, to meet the benefits paid.

Reconciliation of the fair value of Scheme assets

	Pension Scheme		Gold State Super	
	2013	2012	**2013**	2012
	$000's	$000's	**$000's**	$000's
Fair value of Scheme assets at beginning of the year				
Employer contributions	**2,804**	2,784	**474**	-
Benefits paid	**(2,804)**	(2,784)	**(474)**	-
Balance at the end of the year	**-**	-	**-**	-

These defined benefit obligations are wholly unfunded, such that there are no assets.

Reconciliation of the effect of the asset ceiling

The asset ceiling has no impact on the net defined benefit liability/(asset).

Fair value of Scheme assets

There are no assets in the Pension Scheme to support the State Share of the Benefit. 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;
- No asset-liability matching strategies.

Significant Actuarial assumptions at the reporting date

	Pension Scheme		Gold State Super	
	2013	2012	**2013**	2012
	% p.a	% p.a	**% p.a**	% p.a
Discount rate (active members)	**4.17**	3.11	**4.17**	3.11
Discount rate (pensioners)	**4.17**	3.11	**4.17**	3.11
Expected salary increase rates	**5.00**	5.00	**5.00**	5.00
Expected pension increase rates	**2.50**	2.50	**2.50**	2.50

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

Expected contributions

	Pension Scheme	Gold State Super
	2014	**2014**
	$000's	**$000's**
Expected contributions		
Expected employer contributions	**2,811**	45

Maturity profile of defined benefit obligation

Pension Scheme

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

Gold State Super (transferred benefits)

The weighted average duration of the defined benefit obligation for the whole of the Gold State Super Scheme is 7.9 years.

47 Acquittal of Australian Government financial assistance

(a) CGS and other Education grants

		Commonwealth Grants Scheme #1		Indigenous Support Program		Partnership & Participation Program#2		Disability Support Program		Diversity and Structural Adjustment Fund#3		Transitional Cost Program	
		2013	2012	**2013**	2012	**2013**	2012	**2013**	2012	**2013**	2012	**2013**	2012
Parent Entity	**Note**	**$000's**	$000's	**$000's**	$000's	**$000's**	$000's	**$000's**	$000's	**$000's**	$000's	**$000's**	$000's
Financial assistance received in CASH during the reporting period (total cash received from Australian Government for the program)	2(g)	**132,116**	131,550	**566**	646	**3,419**	3,355	**105**	66	**-**	-	**-**	92
Net accrual adjustments		**52**	(353)	**53**	(53)	**(649)**	(145)	**(21)**	-	**-**	-	**-**	-
Revenue for the period	2(a)	**132,168**	131,197	**619**	593	**2,770**	3,210	**84**	66	**-**	-	**-**	92
Surplus/(deficit) from the previous year		**-**	-	**-**	(4)	**-**	85	**-**	-	**-**	219	**-**	-
Total revenue including accrued revenue		**132,168**	131,197	**619**	589	**2,770**	3,295	**84**	66	**-**	219	**-**	92
Less expenses including accrued expenses		**(132,168)**	(131,197)	**(619)**	(685)	**(2,770)**	(3,295)	**(84)**	(66)	**-**	(219)	**-**	(92)
Surplus/(deficit) for the reporting period		**-**	-	**-**	(96)	**-**	-	**-**	-	**-**	-	**-**	-

		Promotion of Excellence in Learning and Training		Reward Funding		Other#4		Total	
		2013	2012	**2013**	2012	**2013**	2012	**2013**	2012
Parent Entity	**Note**	**$000's**	$000's	**$000's**	$000's	**$000's**	$000's	**$000's**	$000's
Financial assistance received in CASH during the reporting period (total cash received from Australian Government for the program)	2(g)	**44**	50	**329**	333	**2,781**	7,067	**139,360**	143,159
Net accrual adjustments		**(2)**	-	**1**	-	**-**	-	**(566)**	(551)
Revenue for the period	2(a)	**42**	50	**330**	333	**2,781**	7,067	**138,794**	142,608
Surplus/(deficit) from the previous year		**49**	-	**-**	-	**807**	652	**856**	952
Total revenue including accrued revenue		**91**	50	**330**	333	**3,588**	7,719	**139,650**	143,560
Less expenses including accrued expenses		**(21)**	(1)	**(330)**	(333)	**(3,588)**	(6,912)	**(139,580)**	(142,800)
Surplus/(deficit) for the reporting period		**70**	49	**-**	-	**-**	807	**70**	760

#1 Basic CGS grant amount, CGS – Regional Loading, CGS - Enabling Loading, Maths and Science, Transition Loading, Allocated Places Advance and Non-designated Courses Advance.
#2 Includes Equity Support Program.
#3 Includes Collaboration and Structural Adjustments Program.
#4 Includes Structural Adjustment Fund and Facilitation funding.

(b) Higher education loan programs (excl OS-HELP)

Parent Entity	Note	HECS-HELP (Aust. Government payments only) 2013 $000's	HECS-HELP (Aust. Government payments only) 2012 $000's	FEE-HELP#5 2013 $000's	FEE-HELP#5 2012 $000's	SA-HELP 2013 $000's	SA-HELP 2012 $000's	Total 2013 $000's	Total 2012 $000's
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the programs)	2(g)	**74,484**	67,603	**11,230**	13,690	**1,090**	77	**86,804**	81,370
Net accrual adjustments		**(633)**	(961)	**1,789**	(3,979)	**(137)**	145	**1,019**	(4,795)
Revenue for the period	2(b)	**73,851**	66,642	**13,019**	9,711	**953**	222	**87,823**	76,575
Surplus/(deficit) from the previous year		**-**	-	**-**	-	**-**	-	**-**	-
Total Revenue including accrued revenue		**73,851**	66,642	**13,019**	9,711	**953**	222	**87,823**	76,575
Less expenses including accrued expenses		**(73,851)**	(66,642)	**(13,019)**	(9,711)	**(953)**	(222)	**(87,823)**	(76,575)
Surplus / (deficit) for reporting period		**-**	-	**-**	-	**-**	-	**-**	-

#5 Program is in respect of FEE-HELP for Higher Education only and excludes funds received in respect of VET FEE-HELP.

47 Acquittal of Australian Government financial assistance continued

(c) Scholarships

		Australian Postgraduate Awards		International Postgraduate Research Scholarships		Commonwealth Education Cost Scholarships		Commonwealth Accommodation Scholarships		Indigenous Access Scholarship		Total	
		2013	2012	**2013**	2012	**2013**	2012	**2013**	2012	**2013**	2012	**2013**	2012
Parent Entity (University) Only	**Note**	**$000's**	$000's	**$000's**	$000's	**$000's**	$000's	**$000's**	$000's	**$000's**	$000's	**$000's**	$000's
Financial assistance received in CASH during the reporting period (total cash received from Australian Government for the program)	2(g)	**1,991**	1,840	**162**	174	**(1,203)**	1,022	**(71)**	95	**2**	81	**881**	3,212
Net accrual adjustments		**(350)**	-	**-**	-	**1,289**	(850)	**111**	67	**59**	2	**1,109**	(781)
Revenue for the period	2(c)	**1,641**	1,840	**162**	174	**86**	172	**40**	162	**61**	83	**1,990**	2,431
Surplus/(deficit) from the previous year		**283**	330	**-**	-	**-**	-	**-**	-	**-**	-	**283**	330
Total revenue including accrued revenue		**1,924**	2,170	**162**	174	**86**	172	**40**	162	**61**	83	**2,273**	2,761
Less expenses including accrued expenses		**(1,698)**	(1,887)	**(162)**	(174)	**(79)**	(172)	**(35)**	(162)	**(61)**	(83)	**(2,035)**	(2,478)
Surplus/(deficit) for the reporting period		**226**	283	**-**	-	**7**	-	**5**	-	**-**	-	**238**	283

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

(d) Education Research

Parent Entity (University) Only [#7]	Note	Joint Research Engagement[#7] 2013 $000's	Joint Research Engagement[#7] 2012 $000's	Research Training Scheme 2013 $000's	Research Training Scheme 2012 $000's	Research Infrastructure Block Grants 2013 $000's	Research Infrastructure Block Grants 2012 $000's	Commercialisation Training Scheme 2013 $000's	Commercialisation Training Scheme 2012 $000's	Sustainable Research Excellence in Universities 2013 $000's	Sustainable Research Excellence in Universities 2012 $000's	Other 2013 $000's	Other 2012 $000's	Total 2013 $000's	Total 2012 $000's
Financial assistance received in CASH during the reporting period (total cash received from Australian Government for the program)	2(g)	**2,579**	2,427	**4,583**	4,481	**441**	509	**-**	-	**709**	710	**1,347**	906	**9,659**	9,033
Net accrual adjustments		**-**	(10)	**-**	-	**-**	-	**-**	-	**-**	-	**(895)**	-	**(895)**	(10)
Revenue for the period		**2,579**	2,417	**4,583**	4,481	**441**	509	**-**	-	**709**	710	**452**	906	**8,764**	9,023
Surplus/(deficit) from the previous year		**-**	-	**-**	-	**-**	-	**33**	35	**-**	-	**1,308**	1,964	**1,341**	1,999
Total revenue including accrued revenue		**2,579**	2,417	**4,583**	4,481	**441**	509	**33**	35	**709**	710	**1,760**	2,870	**10,105**	11,022
Less expenses including accrued expenses		**(2,579)**	(2,417)	**(4,583)**	(4,481)	**(441)**	(509)	**(33)**	(2)	**(709)**	(710)	**(1,674)**	(1,562)	**(10,019)**	(9,681)
Surplus/(deficit) for the reporting period		**-**	-	**-**	-	**-**	-	**-**	33	**-**	-	**86**	1,308	**86**	1,341

#7 The reported surplus for collaborative research network is $86m and is expected to be rolled over for future use.

47 Acquittal of Australian Government financial assistance continued

(e) Australian Research Council Grants

(i) Discovery Parent Entity (University) Only	Note	Projects 2013 $000's	Projects 2012 $000's	Total 2013 $000's	Total 2012 $000's
Financial assistance received in CASH during the reporting period (total cash received from Australian Government for the program)	2(g)	**208**	188	**208**	188
Net accrual adjustments		**-**	-	**-**	-
Revenue for the period	2(e)(i)	**208**	188	**208**	188
Surplus/(deficit) from the previous year		**164**	164	**164**	164
Total revenue including accrued revenue		**372**	352	**372**	352
Less expenses including accrued expenses		**(241)**	(188)	**(241)**	(188)
Surplus/(deficit) for the reporting period		**131**	164	**131**	164

(ii) Linkages Parent Entity (University) Only	Note	Projects 2013 $000's	Projects 2012 $000's	Total 2013 $000's	Total 2012 $000's
Financial assistance received in CASH during the reporting period (total cash received from Australian Government for the program)	2(g)	**367**	493	**367**	493
Net accrual adjustments		**-**	-	**-**	-
Revenue for the period	2(e)(ii)	**367**	493	**367**	493
Surplus/(deficit) from the previous year		**179**	57	**179**	57
Total revenue including accrued revenue		**546**	550	**546**	550
Less expenses including accrued expenses		**(273)**	(371)	**(273)**	(371)
Surplus/(deficit) for the reporting period		**273**	179	**273**	179

(f) OS-HELP

	Note	Parent 2013 $000's	2012 $000's
Cash received during the reporting period		**490**	391
Cash spent during the reporting period		**(430)**	(399)
Net cash received	2(g)	**60**	(8)
Cash surplus/(deficit) from the previous period		**33**	41
Cash surplus/(deficit) for the reporting period	28	**93**	33

(g) Superannuation supplementation

	Note	2013 $000's	2012 $000's
Cash received during the reporting period	2(g)	**2,704**	3,209
University contribution in respect of current employees		**242**	305
Cash available		**2,946**	3,514
Cash surplus/(deficit) from the previous period		**206**	(182)
Cash available for current period		**3,152**	3,332
Contributions to specified defined benefit funds		**(3,532)**	(3,052)
Cash surplus/(deficit) for this period		**(380)**	280

(h) Student Services and Amenities Fee

	Note	2013 $000's	2012 $000's
SA-HELP revenue earned	2(b)	**953**	222
Student services and amenities fees	4	**1,734**	1,178
Total revenue expendable in period		**2,687**	1,400
Student services expenses during period		**(2,687)**	(1,400)
Unspent/(overspent) student services revenue		**-**	-

ADDITIONAL FACTS AND STATISTICS

Student Enrolments (Persons)

Table 17. Enrolments by Type of Attendance, 2009-2013

	2009	2010	2011	2012	2013
Full-time	16,152	17,708	17,836	17,661	17,652
Part-time	6,122	6,533	6,053	5,871	5,653
Total	**22,274**	**24,241**	**23,889**	**23,532**	**23,305**

Table 18. Enrolments by Campus, 2009-2013

	2009	2010	2011	2012	2013
Joondalup	9,504	10,959	11,769	11,834	11,854
Mount Lawley	7,584	7,938	7,450	6,929	6,599
Bunbury	943	1,004	1,015	974	1,037
Study Centres (overseas)	2,406	2,386	1,568	1,248	942
Study Centres (in Australia)	1,837	1,954	2,087	2,547	2,873
Total	**22,274**	**24,241**	**23,889**	**23,532**	**23,305**

Table 19. Enrolments by Gender, 2009-2013

	2009	2010	2011	2012	2013
Female	13,471	14,676	14,734	14,549	14,321
Male	8,803	9,565	9,155	8,983	8,984
Total	**22,274**	**24,241**	**23,889**	**23,532**	**23,305**

Student Enrolments (Persons) (continued)

Table 20. Enrolments by Course Level, 2009-2013

	2009	2010	2011	2012	2013
Doctorate by Research	385	438	441	441	471
Doctorate by Coursework	43	39	28	21	9
Masters by Research	127	154	162	165	164
Masters by Coursework	3,029	3,216	2,552	2,234	2,303
Graduate/ Postgraduate Diploma	1,197	1,306	1,291	1,332	1,189
Graduate Certificate	782	794	685	771	695
Bachelor Honours	168	187	143	140	149
Bachelor Pass	14,973	16,285	17,071	16,797	16,871
Associate Degree	103	120	113	93	58
Advanced Diploma/ Diploma	78	47	16	27	22
Other Award/ VET	465	567	577	591	488
Enabling Course	764	902	689	789	798
Cross-Institutional/ Non Award	160	186	121	131	88
Total	**22,274**	**24,241**	**23,889**	**23,532**	**23,305**

Table 21. Onshore and Offshore International Enrolments by Home Country Region, 2009-2013

	2009	2010	2011	2012	2013
Americas	104	105	109	106	105
Asia	3,901	4,098	3,300	2,831	2,524
Africa	970	969	814	614	545
Europe	310	312	329	236	230
Middle East	95	101	137	164	217
Other	7	18	4	4	10
Total International Enrolments	**5,387**	**5,603**	**4,693**	**3,988**	**3,631**

Student Enrolments (Persons) (continued)

Table 22. Enrolment Proportions by Equity Group, 2009-2013

	2009	2010	2011	2012	2013
Low SES Students (%)	11.1	11.3	11.6	12.0	11.8
Regional Students (%)	15.1	15.3	15.9	16.2	16.8
Indigenous Australian Students (%)	1.1	1.1	1.0	1.1	1.2
Students with a Disability (%)	**3.6**	**4.7**	**5.0**	**5.2**	**5.3**

Table 23. Completions by Course Level, 2008-2012

	2009	2010	2011	2012	2013
Doctorate by Research	58	41	48	54	61
Doctorate by Coursework	17	10	8	6	4
Masters by Research	35	23	22	21	28
Masters by Coursework	1,245	1,424	1,423	1,191	989
Graduate/ Postgraduate Diploma	593	648	703	649	691
Graduate Certificate	394	412	467	386	511
Bachelor Honours	89	92	113	130	88
Bachelor Pass	3,304	408	3,342	3,549	3,660
Associate Degree	9	6	8	16	14
Advanced Diploma/ Diploma	35	55	42	16	-
VET	68	73	182	188	213
Total	**5,847**	**6,192**	**6,358**	**6,206**	**6,259**

OTHER FINANCIAL, GOVERNMENT AND LEGAL DISCLOSURES

Pricing Policies

ECU sets the level of the student contribution for Commonwealth supported places at the maximum allowed under the Higher Education Support Act 2003 (Cwlth), as is the case for most Australian universities. Fees for fee-paying courses are determined on the basis of cost and market conditions and take into account Australian Government requirements regarding fees set for non-Commonwealth supported places.

Major Capital Projects

Table 24: Major Capital Projects Completed, 2013

Project	Estimated total cost ($m)	Actual total cost ($m)
Joondalup Building 23 Engineering and Technology	40.0	39.3

Table 25: Major Capital Projects in Progress, 2013

Project	Estimated total cost ($m)	Project spend to date ($m)	Expected year of completion
Joondalup Building 34	72.0	28.5	2014
ECU Health Centre	22.0	11.4	2014
Joondalup Engineering Pavilion	5.45	0.4	2014
Joondalup Student Housing (Private Public Partnership)	0.2	0.1	2015

Employees and Employee Relations

Table 26: Academic Staff by Contract Type, 2009-2013

Staff	2009	2010	2011	2012	2013
Permanent Full-time	367	368	365	365	350
Permanent Part-time	29	30	32	30	39
Temporary Full-time	146	152	142	141	133
Temporary Part-time	36	42	44	46	48
Casual	178	102	101	108	123
Total	**756**	**696**	**687**	**692**	**695**

Notes: Figures are based on full-time equivalency, rather than head-count. Figures are average full-time equivalents for the 12 calendar months. Figures include staff in VET provision.

Table 27: Professional Staff by Contract Type, 2009-2013

Staff	2009	2010	2011	2012	2013
Permanent Full-time	610	629	640	613	597
Permanent Part-time	102	108	117	122	136
Temporary Full-time	170	160	184	239	245
Temporary Part-time	80	74	79	88	88
Casual	65	86	111	114	114
Total	**1,026**	**1,059**	**1,131**	**1,178**	**1,182**

Notes: Figures are based on full-time equivalency, rather than head-count. Figures are average full-time equivalents for the 12 calendar months. Figures include staff in VET provision.

OCCUPATIONAL SAFETY, HEALTH AND INJURY MANAGEMENT

Executive Commitment to Occupational Safety, Health and Injury Management

ECU is committed to providing a safe and healthy environment for all students, staff, visitors and contractors; conducive to study, wellbeing and productivity. ECU is proactive in preventing and minimising the potential for injury, illness and harm and the University has a range of safety and health policies, guidelines, procedures and protocols to meet, and exceed, legislative obligations.

Executive commitment is demonstrated by the University's Due Diligence Compliance Framework which requires Occupational Safety and Health (OSH) operational plans to be developed and implemented by all faculties and service centres, the maintenance of Hazard Risk Registers and reporting against a suite of lead and lag performance indicators. OSH compliance is verified biannually by Executive Deans /Faculty Executives and Service Centre Directors, and this is reported for noting to the Quality, Audit and Risk Committee (QARC) and Council.

To assist University staff in understanding their safety and health responsibilities and the Due Diligence requirements, safety and health training programs have been developed and included in the Role Based Development Framework for managers and supervisors, the Executive and Council. In addition to statutory requirements, the University expects all managers and supervisors to provide information, instruction, training and supervision on safety and health procedures and work practices so that a safe and healthy working environment is maintained.

Mechanism for Consultation with Employees on OSH and Injury Management Matters

ECU's Occupational Safety and Health **Consultative Committee structure** comprises the following four levels:

1. ***Occupational Safety and Health Policy Committee.*** This bi-annual committee consists of both safety and health representatives and management representatives and reports to the Vice-Chancellor.
2. ***Institutional Bio-safety Committee / Radiation Committee***, reporting to the Occupational Safety and Health Policy Committee.
3. ***Occupational Safety and Health Campus Working Groups***, meeting at least quarterly and reporting to the Director, Human Resources and the Occupational Safety and Health Policy Committee.
4. ***Faculty and Service Centre Work Safety and Health committees***, meeting at least quarterly.

Each of these OSH committees engages with elected safety and health representatives and employee representatives from faculties and service centres to facilitate consultation at all levels.

In addition to formal OSH committees, networking events for OSH representatives were introduced to ECU in 2013. These events included presentations on safety and health topics by guest speakers and an opportunity to meet and interact with WorkSafe WA Inspectors, and provided networking opportunities for OSH representatives from different ECU campuses, faculties and service centres.

Compliance with the Model Work Health and Safety Act

Although Western Australia has yet to sign on to the Commonwealth's *Work Health and Safety Act* [WHS Act] and Regulations, ECU has undertaken significant preparation for future implementation, to meet current best practice in safety and health legislative requirements.

In 2013 this work included: a review and revision of University safety and health policies, guidelines and supporting material to meet WHS Act requirements; the development of new guidelines on discharging Due Diligence and consultation requirements; and regular briefings to QARC and Council on these matters.

Workers' Compensation and Injury Management

ECU has a formal **Workers' Compensation and Injury Management Policy** and Guidelines as well as a detailed workers' compensation claim and return to work process which meets the requirements of the *Workers' Compensation and Injury Management Act 1981* (WA). Return to work programs for employees with both work and non-work related injuries and illnesses are developed in consultation with the employee, their supervisor and the treating medical practitioner.

Safety, health and injury management programs are communicated via health and safety committees and incorporated into the operational plans of all faculties and service centres. Performance indicators for Workers' Compensation claims, costs and premiums, and accident and injury metrics, are monitored and reported quarterly to QARC and Council.

Assessment of the occupational safety and health management system

ECU continues to promote self-assessment of faculty and service centre OSH systems and processes, based on the primary functions and supporting principles of the Australian and New Zealand Standard AS/NZS 4801:2001, supplemented by formal audits of the OSH management system. Audit findings help to inform revisions to the framework and the development of operational plans for faculties and service centres.

Completion and regular review of an OSH Hazard Risk Register, that identifies business-inherent and residual risk is mandated and also requires formal review and endorsement by Executive Deans /Faculty Executives and Service Centre Directors.

Additionally, staff attitudes to, and perceptions of, safety in their work environment are monitored through staff surveys. The last staff survey was conducted in 2012 and showed a high level of satisfaction with safety at the University, in particular with relation to supervisors and management engagement in good safety behaviour.

Table 28. Performance against 2013 Injury Management Targets

Indicator	Target 2013	Result 2011	Result 2012	Result 2013	Comment on 2013 result
Number of fatalities	Zero (0)	0	0	0	Achieved
Lost time injury/ diseases incidence rate	Zero or 10% reduction on previous year	0.26	0.31	0.66	Not achieved
Lost time injury severity rate	Zero or 10% improvement on previous year	20.0	33.3	0.0	Achieved
Percentage of injured workers returned to work within (i) 13 weeks; and (ii) 26 weeks.	Greater than or equal to 80% return to work within 26 weeks	80% 80%	83% 100%	85% 92%	- Achieved
Percentage of managers trained in occupational safety and health and injury management	Greater than or equal to 80%	N/A	N/A	N/A	-

Notes: Results are shown on a calendar year basis, while those reported in previous Annual Reports were based on July-June financial years. Lost time injury/diseases incidence rate is defined as the number of lost time injury claims lodged, divided by the number of employees (FTE), multiplied by 100. Lost time injury severity rate is the number of lost time injury claims where employees do not return to any work duties within 60 days, divided by the total lost time injury claims, multiplied by 100. The Percentage of injured workers returned to work within 13 weeks and 26 weeks measures employees returning to full duties. Occupational safety and health and injury management obligations were incorporated into OSH training and information sessions for managers in 2013. Training data will be reported from 2014.

INSURANCE OF OFFICERS

In 2013 financial year ECU paid a premium of $19,647.65 in respect of Directors and Officers Liability Insurance. The cover applies to members of Council and Officers of the University and its controlled entities.

CORPORATE STANDARDS AND RISK MANAGEMENT

Equity Commitments and Compliance Reporting in 2013

ECU is an inclusive university that values diversity and strives to maintain an environment free from discrimination. ECU is committed to increasing access and providing opportunities for students who face barriers to higher education. ECU's staffing strategies also seek to achieve appropriate representation and distribution of under-represented groups in its workplaces.

The University has a number of specific equity plans that describe initiatives, performance measures and responsibilities for progressing equity and social inclusion. ECU's Equity Committee advises and reports to the Vice-Chancellor on matters related to equity, including on progress against these equity plans.

In 2013 the University continued the implementation of its second *Reconciliation Action Plan* (RAP) covering 2012-2015. The RAP outlines the University's vision for reconciliation and its objective to translate its commitments to Indigenous Australians into improved outcomes. ECU also reported to Reconciliation Australia, through the ECU Council, summarising the first year of implementation of ECU's 2012-2015 RAP.

The *Indigenous Australian Employment Strategy and Action Plan, 2012-2015* also continued to be implemented in 2013, with activities including a major review of practices, revised targets and the filling of five new positions and five traineeships.

ECU's five-year *Disability Access and Inclusion Plan* for 2011-2016 continued to be supported in 2013 through an annual implementation plan coordinated by the ECU Disability Access and Inclusion Sub-Committee and reporting to the Equity Committee.

The University reported to the Australian Government's Workplace Gender Equality Agency in accordance with the *Workplace Gender Equality Act 2012*. The University's annual compliance report gives a snapshot of the number of staff employed by the University, with breakdowns by level and gender and reinforces the commitment to advance women and remove barriers to their employment and promotion.

Other compliance and legislative reporting completed during the year included: the Indigenous Education Statement to the Department of Education (Australian Government); the annual report to the Workplace Gender Equality Agency (Australian Government); the annual report to the Western Australian Aboriginal Education and Training Council (State Government); the annual report on progress against the Disability Access and Inclusion Plan to the Disability Services Commission (State Government); and the annual equal opportunity demographics report to the Public Sector Commission (State Government).

Celebrating and Supporting Equity in 2013

ECU hosted a range of events in 2013 for students, staff and the community to celebrate equity, including: Harmony Week, International Women's Day, NAIDOC Week, International Anti-Poverty Day, International Day of People with a Disability, PRIDEFEST and Mental Health Week.

ECU also continued to support two volunteer equity networks. University Contact Officers provide referral advice on equity policies and practices for students and staff who are concerned about discrimination or harassment, while "ALLYs" provide a network of advocates for Gay, Lesbian, Bisexual, Transgender and Intersex students and staff.

Quality

During 2013 ECU developed a new **Excellence Framework**, to provide a consistent and holistic approach to continuous quality improvement across different levels of planning and review. An accompanying ECU Excellence Framework Policy, which supports the various quality review processes within the University, was also approved in 2013. This policy provides an overarching approach to all planning and review activities.

The ECU Annual Review process is underpinned by an evidence-based approach and uses performance-based metrics from the revised ECU **Performance Indicator Framework**.

Guidelines were introduced in 2013 describing consistent internal processes to be followed for the professional accreditation of courses. A web-based unit and course review application (ECUonQ) was developed and the application will be in use from January 2014.

A Quality and Performance Advisory Group, chaired by the Deputy Vice-Chancellor (Academic), was established in 2013 to provide advice to the Vice-Chancellor on matters relating to the Excellence Framework.

ECU's capacity to manage quality, compliance standards and academic governance was enhanced by the merger of the Office of Academic Governance and the Quality Unit to create an expanded Quality and Academic Governance Unit within the Planning, Quality and Equity Services Centre.

Strategic oversight of quality issues is included in the terms of reference for the Quality, Audit and Risk Committee, as well as in the Quality, Audit and Risk Committee Charter.

Governance

As required by the *Voluntary Code of Best Practice for the Governance of Australian Universities* (Item 14) ECU continues to comply with the V*oluntary Code of Best Practice for the Governance of Australian Universities* (the Code). Note that Item 4 of the Code (which deals with procedures for the removal of the Chancellor or Pro-Chancellor) does not apply, as the University's legislation does not contain the relevant provisions. That notwithstanding, in 2012 the Governance Committee reviewed the Corporate Governance Statement and the Council Standing Orders to provide greater guidance to Council on this issue.

Risk Management Statement

This statement is consistent with, and complies with, the *Voluntary Code of Best Practice for the Governance of Australian Universities* (Item 11):

ECU has an Integrated Risk Management Framework and Policy. It is compliant with *ISO Standard 31000: Risk Management.*

Strategic oversight of risk management is included in the terms of reference for the Quality, Audit and Risk Committee, as well as in the Quality, Audit and Risk Committee Charter and the Risk and Assurance Service Centre Charter approved by Council in August 2011. A Risk Reference Forum, chaired by the Deputy Vice-Chancellor (Academic), assists with the exchange of experiences of best practice and dissemination of risk management-related material within the University.

Functionally, the Risk Assurance Service Centre is responsible for the development and implementation of risk management strategies, methods and tools (including insurances), legislative compliance, business continuity and fraud and misconduct prevention and management. The Human Resources Services Centre is responsible for the day-to-day operation of occupational safety and health strategies and workers' compensation. The Office of Legal Services is responsible for the oversight of legal risk within ECU.

Risk Management

A major component of corporate governance at ECU is effective risk management. During 2013, ECU improved the alignment between internal audit planning and reporting and the University's Strategic Risk Register. The University also commenced revising the Integrated Risk Management Policy as well as the Strategic Risk Register. The Quality, Audit and Risk Committee now receives half-yearly updates on the status of ECU's Strategic Risks.

Fraud and misconduct prevention training for middle management and supervisors was conducted during 2013. ECU risk assessed its operations for legislative compliance with the *State Records Act 2000* (WA). The report recommended a number of processes and procedural changes to address issues and enhance compliance with the Act. The University continues to implement procedure to ensure compliance with the *Autonomous Sanctions Act 2011* (Cwlth) as well as for the introduction of the harmonised work, health and safety legislation.

Business Continuity Plans are in place for all ECU campuses. Documentation and testing of IT disaster recovery plans and key IT systems continued during 2013. The Chief Information Officer also initiated a review of ITSC's business continuity plans.

More information on **Risk Management** can be found on the ECU website.

ADVERTISING

In accordance with the requirements of section 175ZE of the *Electoral Act 1907* (WA) the University is required to report all expenditure incurred by, or on behalf of, the University on advertising, market research, polling, direct mail and media advertising during the financial year.

Advertising expenditure in 2013 totalled $5,291,940. The amount in each expenditure class and the organisations paid, are listing in Table 29 below.

Table 29: Advertising Expenditure, 2013

Advertising agencies	**2,807,992**
303 Group Pty Ltd	
Longtail Communications Company Pty Ltd	
Hobsons Australia Pty Ltd	
Market research organisations	**50,209**
Polling organisations	**0**
Direct mail organisations	**0**
Media advertising organisations	**2,433,739**
Mitchell and Partners Australia Pty Ltd	
Google	
Other organisations	
Total Expenditure	**5,291,940**

RECORDKEEPING

The University continued to embed record keeping practices across the University with the ongoing rollout of the Electronic Document and Records Management System (EDRMS). The University increased consultation and advice in relation to information structure, the provision of record keeping advice on information storage, cloud technology and the management of records derived from a social media environment.

The EDRMS is the University's approved record keeping system, allowing emails and documents from any application to be saved electronically. The focus for the EDRMS project in 2013 was in the academic areas of the University, with the rollout completed for the Faculty Offices and also for a number of business units within the faculties.

State Records Commission Standard 2 Record Keeping Plans: Principle 6 - Compliance

ECU is subject to the requirements of the State Records Act 2000 (WA) and is committed to compliance in its record keeping activities.

ECU's activities under each of the requirements include:

The efficiency and effectiveness of the organisation's record keeping system is evaluated not less than once every 5 years.

ECU's Record Keeping Plan was submitted to the State Records Office for review in March 2011 and was approved for a further five year period. It is due for review again in 2016.

The West Australian University Sector Disposal Authority for records was approved by the State Record Commission and was updated in 2013. It will be fully reviewed in 2016.

Promotion of the ECU Vital Record program to ECU staff commenced in April 2012 and there was a 50 per cent increase in the number of vital records captured.

The organisation conducts a record keeping training program.

ECU conducts regular record keeping training programs that are integrated into the University's overall professional development and training framework. These include:

- A basic record keeping induction training session, available to all new staff.
- The Records Awareness Training System, which was implemented in 2008 to raise record management awareness for staff, continues to be offered to staff. Since implementation, over 1,940 staff have completed, or are working through the course.
- Monthly training courses on the University's record keeping software (TRIM) are provided at Basic, Intermediate and Advanced levels. In 2013, 440 staff undertook some form of records training.
- Customised group sessions on TRIM continued to be developed and delivered, on request.
- One-on-one training occurred, on request.

The efficiency and effectiveness of the record keeping training program is reviewed from time to time

The outcomes of all record keeping training are monitored and staff feedback is collected through questionnaires. This feedback is reviewed to assess whether the training was effective. Feedback is then used to review training sessions and the overall training program that is delivered. An Intermediate level course for users was introduced as a result of this feedback.

The organisation's induction program addresses employees' roles and responsibilities with regards to their compliance with the organisation's record keeping plan.

All new ECU employees undergo an induction course which addresses employee roles and responsibilities in regard to the compliance aspects of the Record Keeping Plan. Additionally, this material is included in a handbook issued to employees when they commence work at ECU.

DISABILITY ACCESS AND INCLUSION PLAN OUTCOMES

In July 2013, as required under schedule 3 of the Disability Service Regulations 2004 (WA), ECU reported on achievements against its Disability Access and Inclusion Plan (DAIP) for the 2012/13 reporting year. It is important to note that as the DAIP spans a five year period (2011-2016), many of the strategies will continue to be implemented throughout that period. Some examples of achievements against ECU's DAIP Outcomes in 2012/13 are listed below.

Outcome One: People with disabilities have the same opportunities as other people to access the services of, and any events organised by, the University.

- A clause was included in all course and unit outlines promoting reasonable adjustments to the learning program for people with disabilities.
- An Inclusive Curriculum Checklist was made available.

Outcome Two: People with disabilities have the same opportunities as other people to access the buildings and other facilities of the University.

- Improvements have been made in accessibility in ECU buildings, including going beyond minimum access standards in the construction of the University's new student services building.
- An accessible bus stop was installed on the Joondalup Campus.

Outcome Three: People with disabilities receive information from the University in a format that will enable them to access the information as readily as other people are able to access it.

- ECU's Writing for the Web guide was updated to include a section on accessible content.
- Progress was made towards Web Content Accessibility Guidelines 2.0 Level AA compliance across ECU authored webpages.

Outcome Four: People with disabilities receive the same level and quality of service from the staff of the University as other people receive from the staff of the University.

- Two mental health workshops were facilitated for staff in 2013.
- Anti-discrimination training for staff in the area of disability was mandated through the Equal Opportunity Online training program.

Outcome Five: People with disabilities have the same opportunities as other people to make complaints to the University.

- The University Contact Officer (UCO) and Ally networks have been maintained.
- A Blackboard community site was created for UCOs and Allys.

Outcome Six: People with disabilities have the same opportunities as other people to participate in any public consultation by the University.

- ECU's standard survey software remained compliant with US section 508 accessibility requirements.
- The City of Joondalup provided a representative at ECU's Disability Access and Inclusion Sub-committee to discuss local disability issues.

Outcome Seven: People with disabilities have the same opportunities as other people to seek employment and work experience placements with the University.

- Staff records systems have been checked to ensure disability details, if disclosed, are being correctly recorded.
- ECU has had regular contact (monthly) with leading disability agencies discussing positions that are being advertised.

Outcome Eight: The University promotes an inclusive culture that values diversity, does not tolerate harassment or discrimination and encourages a secure and safe environment for all students and staff.

- The Centre for Learning and Development has integrated mental health skills training in the new manager/supervisor training from 2013.
- Eight disability experts were identified and placed on the media experts database.