

2011 ANNUAL REPORT



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Edith Cowan University

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EDITH COWAN UNIVERSITY
2011 ANNUAL REPORT

SECTION 1 - **OVERVIEW**





STATEMENT OF COMPLIANCE

The Hon Dr Elizabeth Constable MLA
Minister for Education
19th Floor, Governor Stirling Tower
197 St George's Terrace
PERTH WA 6000

12 March 2012

Dear Minister

In accordance with section 61 of the *Financial Management Act 2006* (WA), we hereby submit for your information and presentation to Parliament the Annual Report of Edith Cowan University for the year ending 31 December 2011.

The Annual Report has been prepared in accordance with the provisions of the *Financial Management Act 2006* (WA) and is made in accordance with a resolution of the University's Council.

Yours sincerely

The Hon Dr Hedy Cowan
Chancellor
On behalf of the University Council

Edith Cowan University
270 Joondalup Drive
JOONDALUP WA 6027

CHANCELLOR'S FOREWORD

During 2011 the University Council and the senior management of the University continued to work together to support the University achieving its objectives.



A number of key initiatives were progressed during the year, including ECU's leadership role in the development of the proposed Wanneroo GP Super Clinic, the completion of the construction of the new Engineering and Technology building on the Joondalup Campus, and the move to become a smoke-free University from 2012. In addition, ECU continued its evaluation of its international programs. Rigorous quality reviews were undertaken on all aspects of the offshore operations and program delivery to help ensure that the University can maintain its place in the international higher education market in the future.

Council was pleased to be involved in the University's preparation for the Tertiary Education Quality and Standards Agency audit in October 2011. A Council Workshop held in September provided an excellent opportunity for Council to engage with the work of the University and to join with the senior leadership team to review significant activity and progress made by ECU over the last few years.

Council welcomed the passage of the *Higher Education Legislation Amendment (Student Services and Amenities) Bill 2010* (Cwlth) and the opportunities it now provides to the University to continue to enhance student services working jointly with the Guild and other student groups.

In April Council endorsed the ECU Reconciliation Action Plan, supporting a range of activities to improve access and success in higher education for Indigenous Australians. The University remains committed to finding strategies that will increase the representation of disadvantaged members of our community in higher education, and the Reconciliation Action Plan is one small part of the work which continues to be done in this vital area.

The work of the University's researchers continues to receive recognition at the highest levels. It was a pleasure for Council to be able to acknowledge the success of Professor Donna Cross, named *Western Australia's Australian of the Year 2012*. Professor Ralph Martins, was named *Western Australian Citizen of the Year 2011* in the category of *Professions*, while Dr Cat Hope was a finalist in the *Arts, Culture and Entertainment* category.

Council noted the continued high performance of ECU on measures of student satisfaction. Whilst surveys are only part of the information gathered by the University, regular oversight of these indicators by Council has confirmed a steady improvement across a range of measures, with targets being achieved or substantial progress being made towards achievement.

Importantly, the University achieved its 2011 financial targets. The Budget for 2012 was approved at the December 2011 meeting of Council, and will provide a sound financial basis to support the strategic goals of the University for 2012. Governance remains a central focus of Council with benchmarking and other indicators suggesting that it is a strength.

Committees of Council are actively involved in oversight of the University, particularly on matters relating to resources, quality, audit, risk and governance. Council is fortunate to have outstanding community and business leaders amongst its members. At the end of 2011 Council recognised the contributions of two highly regarded members who had concluded their third terms on Council; Mr Steve Abbott and Justice Rene Le Miere. Council was delighted to welcome to Council two new members; Mr John Cahill and Dr Saliba Sassine, who bring a wealth of experience to the governing body. The University is fortunate to have secured the services of such outstanding members of the community.

It is an honour to continue to serve as Chancellor of ECU and to work with outstanding students, staff and Council members. As will be seen from the Annual Report, our students, staff and graduates continue to achieve great results.

The Hon Dr Hedy Cowan
Chancellor, March 2012

VICE-CHANCELLOR'S COMMENTARY

During 2011, the fine achievements of the year at ECU were enhanced by celebrations of three significant anniversaries. One was the 150th anniversary of the birth of Edith Cowan, the second was the 90th anniversary of her election to Parliament as the first woman to achieve this in Australia, and the third was the 20th anniversary of the establishment of Edith Cowan University. It was fitting therefore, that the Western Australian Minister for Education, the Hon Dr Elizabeth Constable MLA, in her 20th year in Parliament and the first woman as an Independent to become a Minister, delivered this year's Vice-Chancellor's Distinguished Oration, entitled "*Edith Cowan: a Woman for our Time*".

Our celebrations were not only focussed on the past. Our students and staff have again excelled this year and highlights are included in this Annual Report. It is my pleasure, however, to give special mention to our world champion advertising students, the ECU team *Boomerang One*, who were announced winners of the International Advertising Association (IAA) global student competition. Headquartered in New York the IAA is represented in 76 countries. The dedication of our staff in their support of our students in this global success is also to be commended.

In November 2011, our colleague Professor Donna Cross was named *Western Australia's Australian of the Year 2012* in recognition of her tireless work as a children's advocate and for improving the health and wellbeing of young people. Another colleague and *Western Australia's Australian of the Year 2010*, Professor Ralph Martins, was named *Western Australian Citizen of the Year 2011* in the *Professions* category. We congratulate Donna and Ralph on their outstanding personal achievements.

In research we are pleased with the award of \$5.6 million in Australian Government funding over the next three years to build research collaborations in four broad areas of research (Health, Education, Environment and Engineering) with nine research intensive Australian universities. In addition, we have a major role in the new Cooperative Research Centre for Mental Health and the Australian Imaging, Biomarker and



Lifestyle Study of Ageing. Other new major research activities include partnerships with the Rio Tinto Group, the WA Department of Fisheries, Centrecare (on suicide prevention) and the National Centre of Excellence in Desalination, as well as internationally-funded security research.

Although many celebrations have taken place throughout the year, we have not averted our focus on delivering quality outcomes. In so doing, we were well prepared for our University's quality audit which was undertaken this year by the Tertiary Education Quality and Standards Agency. We were delighted with the preliminary analysis of the panel of experts, communicated to us during their exit meeting late in 2011 and the audit report itself is due to be provided in early 2012.

Our strong commitment to teaching and learning excellence has resulted in a five-star rating for Teaching Quality and Graduate Satisfaction for the third consecutive year.

With quality high on our agenda, we have not only reviewed our international partnerships, but have also reviewed the courses and units which we deliver and how we deliver them. As part of our *Curriculum 2012* project, we were the first and, at the time, the only University to be awarded funding under the Gillard Government's \$400 million Structural Adjustment Fund. Federal Minister for Tertiary Education, Skills, Jobs and Workplace Relations, Senator Chris Evans, visited ECU to announce our successful bid for \$6.9 million. This funding has greatly assisted in our ability to implement *Curriculum 2012* from the start of Semester 1 2012, which will provide increased emphasis in the discipline/professional contexts for students to increase their critical appraisal skills, abilities to communicate, awareness of cultural differences, understanding of teamwork, and, through these attributes, their employability.

To all of our recent graduates and current students here in Australia and overseas, I congratulate you on your achievements to date and wish you continued success. Like the many thousands of students who graduated from ECU over the past 20 years (and earlier from our predecessor institutions), I strongly encourage you to maintain your links with the ECU community through our Alumni Association.

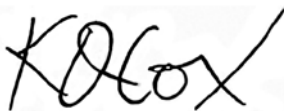
I acknowledge and thank all of our staff for the many and varied helpful contributions and commend them for their efforts on behalf of the University and the community at large. In particular, I congratulate again, all the recipients (students and staff), of the Edith Cowan Anniversary Celebration Awards.

At the most senior level, we have had to come to terms with the departure of our Vice-President (Corporate). Warren Snell has been the constant member of the senior leadership team, having been with ECU since before we became a University. His personal drive, sound and outcome-focused decision-making, and his overall commitment to ECU have led to many of our University-wide achievements. The University Council, at its August 2011 meeting, resolved to confer on Mr Snell, the degree of Doctor of the University (*honoris causa*). It is my pleasure to thank Warren, on behalf of all ECU stakeholders (past and present) for his immense efforts and contributions. We wish him a well-earned change of pace and much happiness for his future endeavours.

We also farewelled our Executive Dean of the Faculty of Education and Arts and Pro-Vice-Chancellor (Engagement, Equity and Indigenous) Professor Brenda Cherednichenko, who has since commenced her new position of Pro-Vice-Chancellor of Arts and Education at Deakin University. Brenda has achieved much at ECU over the four years here in the West and we wish her continued success.

Another great leader at ECU has been, and continues to be, our Chancellor, the Hon Dr Hendy Cowan, who leads our effective Council. We are grateful to him and all members of the University Council for their contributions to our rapid development. This year we farewelled two long-serving members of Council: Mr Steve Abbott, who has served the University Council since 2002, most recently as Pro-Chancellor; and, Justice Rene Le Miere, who has served Council in addition to chairing the WAAPA Board, since January 2005.

In concluding my commentary for 2011, I acknowledge Mr Arthur Hartley, who passed away earlier this year at the age of 105. Arthur was our oldest Alumnus and was an inspiration to all who knew him. He will be remembered for his lifelong perseverance and determination to succeed. May we all learn from him.



Professor Kerry O. Cox
Vice-Chancellor and President, March 2012





ABOUT ECU

Edith Cowan University is a large multi-campus institution serving communities in Western Australia and internationally.

Awarded university status in 1991, ECU has since developed innovative and practical courses across a wide range of disciplines and a vibrant research culture with high quality researchers and research partners, working at the cutting edge of their fields.

ECU works hard to develop productive and mutually beneficial partnerships with its varied stakeholders.

ECU has almost 24,000 students at undergraduate and postgraduate levels. Approximately 4,800 of these are international students originating from over 90 countries.

More than 300 courses are offered through four faculties:

- Business and Law;
- Computing, Health and Science;
- Education and Arts, which includes the Western Australian Academy of Performing Arts (WAAPA); and
- Regional Professional Studies.

The University has two metropolitan campuses at Mount Lawley and Joondalup, and also serves Western Australia's South West Region from a campus at Bunbury, 200 km south of Perth.

ECU is committed to breaking down barriers to higher education through its school and community outreach activities, multiple entry pathways and flexible learning options.

MISSION, VISION, VALUES AND STRATEGIC PRIORITIES

ECU's strategic direction, as approved by Council, is outlined in: *Edith Cowan University: Engaging Minds; Engaging Communities. Towards 2020.*

Mission

To further develop valued citizens for the benefit of Western Australia and beyond, through teaching and research inspired by engagement and partnerships.

Vision

For our staff, students and graduates to be highly regarded as ethical and self-reliant contributors to more prosperous, inclusive and sustainable communities.

Values

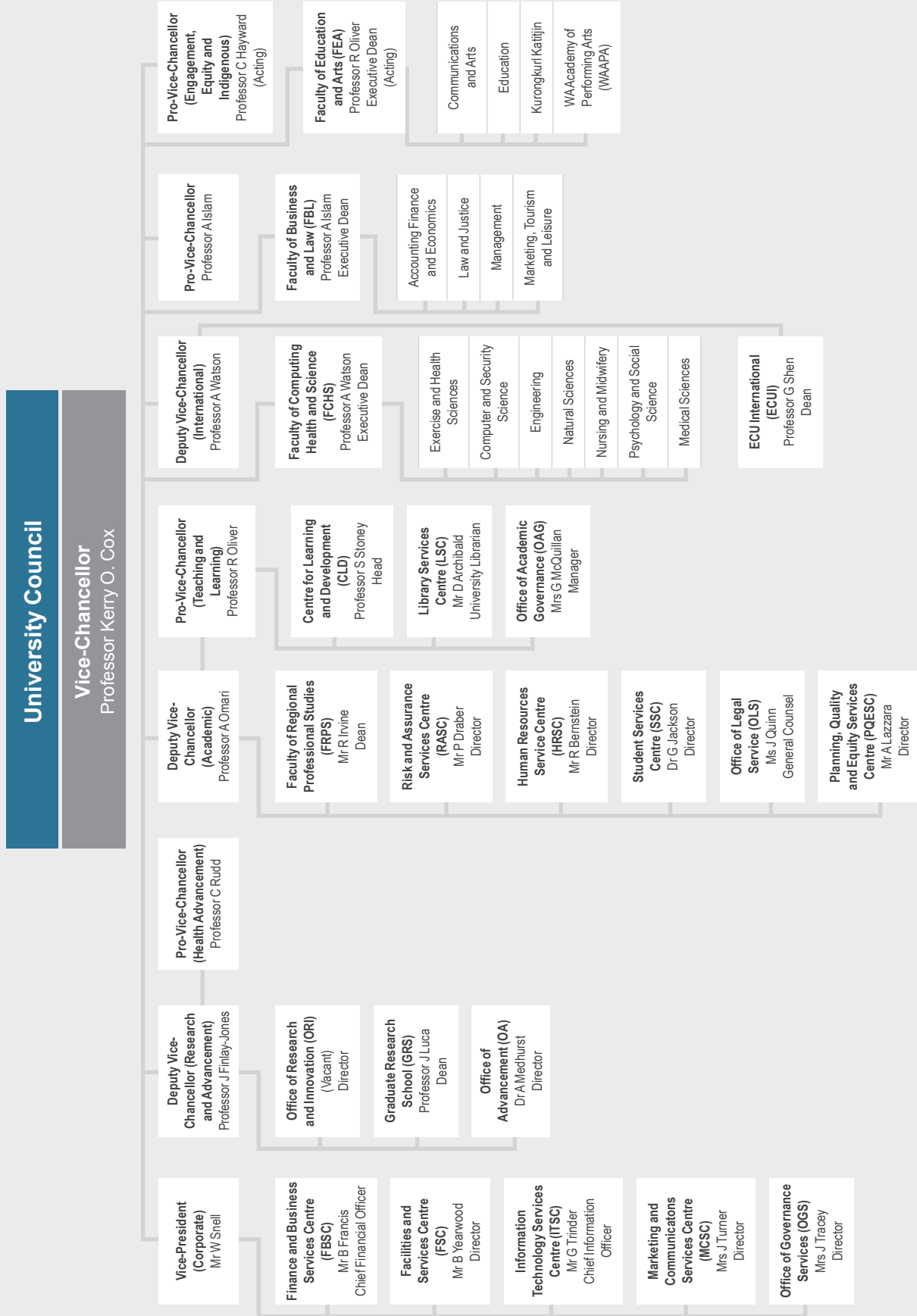
- **Integrity** – behaving ethically and pursuing rigorous intellectual positions
- **Respect** – valuing individual differences and diversity
- **Rational inquiry** – motivated by evidence and reasoning
- **Personal Excellence** – striving to realise potential

Strategic Priorities

- Engaging and serving our communities;
- Providing programs to meet the needs of our communities, in a supportive and stimulating learning environment;
- Developing research focus, depth and impact; and
- Building organisational sustainability.

ECU ORGANISATIONAL STRUCTURE

Figure 1: ECU Organisational Structure as at 31 December 2011





ECU GOVERNANCE STRUCTURE

Council Membership for 2011

Member	Term	Date term commenced/ ended	Council Meetings Attended	Other Committee Meetings Attended
Chancellor (ECU Act, section 12(1))				
Hon Dr Hendy Cowan	01.01.2011 – 31.12.2013 01.01.2008 – 31.12.2010 01.01.2005 – 31.12.2007	Current	6	18
Members appointed by the Governor (ECU Act, section 9(1)(a))				
Mr Steve Abbott (Pro-Chancellor 20.05.06 to 28.08.11)	30.08.2008 – 29.08.2011 30.08.2005 – 29.08.2008 14.05.2002 – 13.05.2005	Term ended 29.08.2011	4(4)*	16
Mr John Cahill	09.08.2011 – 08.08.2014	Term commenced 09.08.2011 Current	2(2)	8
Ms Leslie Chalmers	27.04.2011 – 26.04.2014 27.04.2008 – 26.04.2011 12.04.2005 – 26.04.2008	Current	5(5)	14
Hon Dr Hendy Cowan	31.01.2010 – 30.01.2013 01.03.2007 – 30.01.2010 01.03.2004 – 28.02.2007	Current	6	18
Mr Kempton Cowan	19.12.2009 – 19.12.2012 19.12.2006 – 19.12.2009	Current	4(4)	1
Dr Pamela Garnett	21.09.2009 – 21.09.2012	Current	5	6
Member nominated by Minister charged with administration of the <i>School Education Act 1999</i> (WA) (ECU Act, section 9(1)(aa))				
Dr Norman Ashton	30.08.2011 – 29.08.2014 30.08.2008 – 29.08.2011 30.08.2005 – 29.08.2008	Current	6	10

Member	Term	Date term commenced/ ended	Council Meetings Attended	Other Committee Meetings Attended
Chief Executive Officer – ex-officio (ECU Act, section 9(1)(b))				
Professor Kerry O. Cox	Ex-officio	Current	5	12
Academic Staff – elected (ECU Act, section 9(1)(c))				
Professor Ron Oliver	01.10.2009 – 30.09.2012 01.10.2006 – 30.09.2009 01.10.2002 – 30.09.2006	Current	6	5
Associate Professor Ute Mueller	16.05.2011 – 31.09.2012	Current	4(4)	N/A**
Salaried Staff, Other than Academic Staff – elected (ECU Act, section 9(1)(d))				
Ms Valentina Bailey	01.10.2009 – 30.09.2012 01.04.2009 – 30.09.2009	Current	5	1
Enrolled Students – elected (ECU Act, section 9(1)(e))				
Ms Christine Hamilton-Prime	11.10.2010 – 10.10.2011	Term ended 10.11.2011	3(4)	N/A
Ms Katharine Hawkins	11.10.2010 – 10.10.2011	Term ended 10.11.2011	3(4)	N/A
Mr Luke Butler	11.10.2011 – 10.10.2012	Term commenced 11.10.2011	0(2)	N/A
Mr David Trescuri	11.10.2011 – 10.10.2012	Term commenced 11.10.2011	2(2)	N/A
Alumni – elected (ECU Act, section 9(1)(f))				
Ms Julie Proud	20.09.2010 – 19.09.2013 01.04.2009 – 19.09.2010	Current	5	1
Mr Henry Heng	20.12.2008 – 19.12.2011	Term ended 19.12.2011	4	4
Mr Brad McManus	20.12.2011 – 19.12.2014	Term commenced 20.12.2011	0(0)	0
Members co-opted by Council (ECU Act, section 9(1)(i))				
Ms Janet Curran	20.09.2009 – 21.09.2012	Current	6	8
Mr Neil Douglas	18.03.2009 – 17.03.2012 18.03.2006 – 17.03.2009	Current	3	12
(NB: previously held one term as a Member appointed by the Governor, 28.11.2003 – 01.03.2006)				
Mr Simon Holthouse	12.09.2010 – 11.09.2013 12.09.2007 – 11.09.2010	Current	5	5
Dr Saliba Sassine	25.08.2011 – 16.11.2012	Term commenced 25.08.2011 Current	2(2)	6
Justice Rene Le Miere	18.08.2008 – 17.08.2011 18.08.2005 – 17.08.2008 01.01.2005 – 17.08.2005	Term ended 17.08.2011	2(3)	4
Ms Denise McComish (Pro-Chancellor since 25.08.2011)	22.03.2010 – 21.03.2013 22.03.2007 – 21.03.2010	Current	4(4)	11

*Council held six regular meeting during the year. The bracketed figures indicate the potential number of attendances for members whose term of office did not cover the full year, or who had leave of absence during the year.

**N/A indicates that the member was not a member of a Council Committee or Board during the year.

Additional Council membership information can be viewed at **Members of Council**.

UNIVERSITY COMMITTEES

Figure 2: ECU Committees as at 31 December 2011





WORK OF THE UNIVERSITY COUNCIL

ECU's enabling Act provides that the Council is the governing authority of the University. The fundamental responsibilities of the Council are to determine the strategic direction and governance framework of the University. The Council is chaired by the Chancellor and consists of the Vice-Chancellor (*ex-officio*) and members drawn from the community and the University's alumni, students and staff. Council members fulfil an important duty for the University and the community and do so on an honorary basis.

Under the chairmanship of its Chancellor, the Hon Dr Hendy Cowan, the Council met on seven occasions during 2011, holding six regular meetings, and one residential workshop.

The major activities of Council in 2011 fell into four categories:

- strategic direction of the University;
- self-governance of the Council;
- governance of the University; and
- compliance.

Strategic Direction of the University

Major strategic issues considered by Council in 2011 included:

- the University's lead role in the establishment of the Wanneroo GP Super Clinic;
- international activities and the effect of changes in the international student market; and

- the impact of changes within the higher education sector, particularly in relation to enrolment projections, opportunities for growth, the social inclusion agenda, increasing participation, the uncapping of places, the impact of the half cohort in 2015 and the role of the Tertiary Education Quality and Standards Agency.

To inform and enhance Council's role in shaping the strategic direction of the University, presentations on key issues and themes were included in the Council's meeting program for 2011. Matters discussed during the year included:

- ECU's Mission-based Compact negotiated with the Australian Government;
- ECU's Reconciliation Action Plan;
- strategic staffing issues – demographic challenges and future planning around fit-for-purpose staffing;
- process for the review of Council and members' performance;
- the Report on the National Governance Protocols and the adoption of the *Voluntary Code of Best Practice for the Governance of Australian Universities*;
- ECU's Cycle Two Audit, undertaken in October 2011 by the Tertiary Education Quality and Standards Agency (TEQSA), formerly known as the Australian University Quality Agency (AUQA);
- strategic opportunities provided by the growth of Perth's northern metropolitan area; and
- the updated functional plans for Teaching and Learning; Research and Research Training; and Engagement.

A residential workshop was held in September 2011, focusing on preparations for the TEQSA audit of the University in October 2011.

At its December 2011 meeting, Council considered and approved the Budget for 2012.



Self-governance of the Council

Council's statement on corporate governance was put in place in December 2002. The Corporate Governance Statement assists current and commencing members of Council, executive management and senior staff of the University in carrying out their roles. It also helps students and staff of the broader University community to be kept informed about governance processes at the University, and serves a similar purpose for the external community, including stakeholders such as governments.

During 2008 amendments to the *Higher Education Support Amendment Act 2003* (Cwth) were passed, removing provisions that had imposed adherence to the National Governance Protocols as a specific condition of Commonwealth Grant Scheme funding. The protocols have been replaced by a *Voluntary Code of Best Practice for the Governance of Australian Universities*. ECU's governing Council has affirmed a commitment to monitor its performance against the *Voluntary Code of Best Practice*.

Council Evaluation

Following an external review in 2010, in 2011 Council undertook a self-evaluation process – an online questionnaire asking members to assess their own performance and that of Council. An independent reviewer received the responses and prepared a report for the Chancellor. The report confirmed that governance remains robust at ECU, with the skills and expertise of Council members, the leadership of the Chancellor and the working relationship with the Vice-Chancellor highlighted as particular strengths. The work of Council committees was also considered to be highly effective.

Governance of the University

Key Council activities in 2011 relating to the governance of the University included:

- Regular meetings of Council committees. Reports from these committees were subsequently provided to Council to keep it informed of activities across the academic and operational areas of the University.

- The Vice-Chancellor provided mid-year and end-of-year reports on the performance of the University against its key performance indicators.
- In June and December 2011, the Vice-Chancellor reported on progress against the Key Actions for 2011, as previously approved by Council.
- A number of amendments to the *University Admission, Enrolment and Academic Progress Rules* and the *Misconduct Rules* and the *ECU Foundation Rules* were approved.
- The introduction of a Register of Interests was approved at its October meeting, a key governance improvement.
- All members of Council were offered professional development opportunities throughout the year.

Compliance

The 2010 Annual Report was approved by Council and submitted to the State Minister for Education in accordance with the required timelines.

The Council's monitoring of the University, particularly through the Resources Committee and the Quality, Audit and Risk Committee, provided assurance to Council that the University has in place appropriate risk management, financial and quality controls.

The *Voluntary Code of Best Practice for the Governance of Australian Universities* (Item 14) requires that a university should disclose in its annual report its compliance with the *Voluntary Code of Best Practice* and provide reasons for any areas of non-compliance. At its August 2011 meeting Council confirmed that it continued to comply with the (then) National Governance Protocols. *The Voluntary Code of Best Practice* was adopted in October 2011, and Council is satisfied that the University is compliant with the new Code of Best Practice.

Item 4 of the *Voluntary Code of Best Practice* (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 will review the Corporate Governance Statement and the Council Standing Orders to provide greater guidance to Council on this issue.

EDITH COWAN UNIVERSITY
2011 ANNUAL REPORT

SECTION 2 - **AGENCY PERFORMANCE**



HIGHLIGHTS



Edith Cowan Anniversary Celebrations

2011 marked the 150th anniversary of Edith Dircksey Cowan's birth, the 90th anniversary of her election to Parliament and the 20th anniversary of the establishment of the University named in her honour. A series of celebratory events and presentations was held to pay tribute to the University's namesake, including the Vice-Chancellor's student and staff engagement awards at the Edith Cowan Anniversary Celebration Awards.

Wanneroo GP Super Clinic

The Funding Agreement for the Wanneroo GP Super Clinic was signed in September 2011. This partnership between ECU, and the Australian and State governments will result in the provision of an integrated, multi-disciplinary, patient-centered, primary health care service in Wanneroo. ECU is currently negotiating land acquisition with the City of Wanneroo, completing the detailed design of the clinic and developing the clinical governance and operational arrangements.

Rock Solid Foundations

ECU celebrated the 60th anniversary of its first Aboriginal graduate, Len Hayward, who graduated in 1951 from the University's predecessor institution, Claremont Teachers' College. The event recognised the achievements of ECU's 501 Indigenous alumni and included the unveiling of seven granite pillars at the Mount Lawley campus in their honor.



WA Australian of the Year

Professor Donna Cross, the Foundation Professor at ECU's Child Health Promotion Research Centre (CHPRC), was named the 2012 WA Australian of the Year. The award recognised her work to improve the health and

wellbeing of young people, particularly in the areas of bullying, smoking, nutrition and mental health.

Mobile Chronic Disease Management Service

In September 2011 ECU was funded by Health Workforce Australia to establish a mobile chronic disease management service. The initiative will service the north metropolitan and outer metropolitan areas, providing clinical placement opportunities for ECU health students in community settings. The service will work with primary care and not-for-profit organisations to improve access to chronic disease health management in the north metropolitan area, as well as increasing health workforce capacity and quality clinical training capacity in the health professions.



State Minister for Education delivers Vice-Chancellor's Distinguished Oration 2011

The State Minister for Education, the Hon Dr Liz Constable MLA presented the 2011 oration: "Edith Cowan:

A Woman for Our Time". The oration was attended by distinguished guests, ECU students, staff and members of the community.

Office of Advancement Established

The University established the Office of Advancement and appointed its first Director of Advancement in July 2011. The Office is responsible for building relationships to achieve philanthropic and other support from the communities that ECU serves. Strategies to support fundraising and alumni relationships are in development for implementation from 2012.



REPORT ON OPERATIONS ENGAGING AND SERVING OUR COMMUNITIES

Engagement at ECU

ECU seeks to embed its engagement activities into its core functions, providing a point of differentiation for ECU and realising mutual benefits and productive relationships with the University's various communities.

In 2011 ECU's goals for this Strategic Priority were to:

- substantially progress the Wanneroo GP Super Clinic Project Plan; and
- establish a Council-approved ECU Fundraising Plan, with strategies to support fundraising and alumni relationships, agreed and supported by a fully-staffed and operational Office of Advancement.

Planning and Communicating Engagement

The University continued its work to meet the goals and objectives of the ECU Engagement Functional Plan 2011 - 2013. Key activities included developing closer relationships with ECU's communities and measuring and improving the University's engagement performance.

The South West Community Engagement Key Actions and Initiatives 2011 - 2013 plan was approved in 2011. The actions and initiatives relate specifically to the Bunbury Education Precinct and are aligned with, and supplement, ECU's Engagement Functional Plan. These additional actions and initiatives recognise the special role of the Bunbury Education Precinct as an education hub for the communities of the South West Region of Western Australia.

The University's engagement practice was audited by TEQSA in 2011. ECU was required to prepare and submit a Performance Portfolio, including an extensive analysis of ECU's engagement performance, evidencing the University's progress and achievements, and identifying opportunities for improvement in the future. The audit included a four day visit by the Audit Panel to ECU's campuses to meet with the Senior Leadership Team, staff, students, research partners, and industry and community stakeholders. The Audit concentrated on the four sub-themes of: Engagement Strategy and Planning; Measuring Engagement in Teaching and Research; Engaged Teaching; and Engaged Research.

The Auditors' report is expected in early 2012 and ECU will prepare an Action Plan in response. This will be incorporated into ECU's existing Engagement Functional Plan.

An Engagement Communication Strategy was developed in order to improve student, staff and community understanding of community-university engagement and to promote ECU as an "Engaged University" with internal and external stakeholders.

Engaged Practice at ECU

Key achievements and outputs in this area included:

Child Health Promotion Research Centre – the Centre commenced an innovative three year project in 2011 to develop a community-based social marketing campaign to reduce harm from bullying among Aboriginal children and young people living in the Yamatji region of Western Australia. Professor of Child and Adolescent Health, Donna Cross, undertook the world's first study into strategies being used by schools, families and students to combat the effects of cyber-bullying. In recognition of her leadership and work in improving the health and well being of young people, Professor Cross has been named *Western Australia's Australian of the Year 2012*.



Stronger Smarter Learning Communities – is one of many projects to improve outcomes within Indigenous communities, run by the *Kurongkurl Katitjin Centre for Indigenous Australian Education and Research*.

ECU's Health Simulation Centre – is increasingly recognised, nationally and internationally as a leader in the field of simulation. In April 2011 the Centre was awarded the State Government contract for the provision of high fidelity simulation for the State of Western Australia. ECU is a member of a consortium of five Australian universities awarded the Health Workforce Australia contract in June 2011 to design and implement a training program for simulation education and technical training across Australia.



ECU Health and Wellness Institute – ECU students and staff work with external partners in this multi-disciplinary, cutting-edge health and wellness facility, providing services for up to 1200 people each week. The Institute was awarded third place in the *Strengthening Families & Communities* category of the 2011 Premier's Awards for Excellence in Public Sector Management.

Centre of Excellence for Alzheimer's Disease Research and Care – the Centre brings together researchers from different disciplines, including physiologists and brain imaging specialists, to lower the impact of Alzheimer's disease on the community and to enhance the quality of life of people affected by the disease. In November 2011 the Cooperative Research Centre (CRC) for Mental Health was established with over 20 partners, including the Centre of Excellence for Alzheimer's Disease Research and Care, CSIRO, Hall and Prior, the Mental Health Research Institute, McCusker Foundation, Mercy Health and Pfizer. The CRC has been awarded \$23 million from the Australian Government to develop diagnostics and early treatments for Alzheimer's disease, Parkinson's disease, Schizophrenia and other related disorders.

The Interprofessional Ambulatory Care Unit (IpAC) – a University-based clinic developed in 2010 and funded by an Australian Government Increased Clinical Training Capacity (ICTC) grant of \$4.6 million. The IpAC enables students to participate in client consultations that offer real life experience as a member of an inter-professional team in a clinical setting. The project target of 49,464 clinical placement hours for 2011 was exceeded, providing over 7,000 clinical placement days for students from nine health disciplines. Over 233 community members have received chronic disease self-management education and support from ECU health students.

The Parkinson's Centre (ParkC) group at ECU works on research into the debilitating Parkinson's disease and has community connections with: Parkinson's Association of WA, local support groups, geriatricians, neurologists, allied health professionals, local businesses, and graduate students from ECU, UWA and Curtin University.



ECU Backing Soccer in WA – ECU continued its sponsorship of the School Sports Western Australia Football Cup competition. From 2012 ECU will offer Australia's first football (soccer) degree – the *Bachelor of Sports Science and Football* – offering students the opportunity to combine general exercise science units with football specific units.

ECU's Melanoma Research Group – in 2011 ECU joined forces with the international manufacturers, Cristal Global, and Newcrest Mining to examine the incidence of melanoma, the cause of 80 percent of skin cancer related deaths, and other skin cancers amongst their workforce, and to raise awareness about the danger of prolonged sun exposure.

yourtutor – in 2011 ECU partnered with the cities of Joondalup, Wanneroo, Stirling and Bunbury, and six high schools to make the *yourtutor* online tutoring service available to local school students. Over 3000 tutoring sessions were provided through the various library services and around 2000 tutoring sessions were provided through the school partnerships. In participant feedback, 88% of high school student respondents indicated that *yourtutor* was helping them understand and complete their homework, and 86% would recommend *yourtutor* to a friend.

A state-of-the-art pilot malting facility at ECU is benefitting Australian grain growers and the malting and brewing industries through improved research and development. The new facility is a joint initiative between the ECU and the WA Department of Agriculture and Food, and will be managed within the University's brewing science teaching program.



ECU and the Student Experience

ECU's commitment to an engaged student experience and developing job-ready graduates was demonstrated in the following teaching programs in 2011:

Through the *Joondalup Community Legal Centre* and *ECU Psychological Services Centre*, ECU students and staff continued to provide valuable services to the community while at the same time, providing students with valuable real-life learning experiences.

The *Western Australian Academy of Performing Arts (WAAPA)* continued its program of performances, recitals and exhibitions including *WAAPA in the Park* held in conjunction with the City of Stirling. In association with the Albany Entertainment Centre, WAAPA brought together over 60 students from Albany Senior High School and Great Southern Grammar School in late August to make music, culminating in *WAAPA In Residence: RADIO ACTIVE*, a rock concert at the new Albany Entertainment Centre.

ECU's *Teacher Residency Program* offered rural placements for the first time in 2011, providing rural students with the full benefit of residency learning and the opportunity to complete the residency program with placements in schools in their home town. The program is offered in early childhood studies, primary education and high school education and is also open to metropolitan-based students.

Social Work Online and *Law Online* – ECU continued to offer the Bachelor of Social Work and Bachelor of Laws in off-campus mode. *Social Work Online* provides the necessary specialist skills and knowledge for working in regional, rural and remote communities.

ECU's *WA Screen Academy* received top honours in the 2011 Australian Teachers of Media (ATOM) awards, winning Best Tertiary Short Fiction for the second consecutive year. The film, *Stripped*, was a collaboration between the WA Screen Academy and the Aboriginal Theatre program, with direction from graduate Geoff Kelso and starring Aboriginal actor Kelton Pell.



Engagement@ECU 2011 100 Partnerships

A Compendium of 100 partnerships was published in 2011, as an update to the first edition (2009) which highlighted 50 examples of ECU's engaged practice. The updated Compendium presents 100 examples of engaged practices and partnerships with ECU's communities around the themes of Health, Arts, Science, Justice and Security, Business, Education, Sustainability, and Partners and Precincts.

The Compendium demonstrates the University's strong and sustained collaboration and engagement at all levels of the University with a range of stakeholders including industry, professions, government, and the community.

HIGHLIGHTS



Broadcasting for charity – twenty ECU students in Broadcasting gained valuable live television experience when they helped host the Telethon fundraising event in October. This provided opportunities to make industry contacts and gain new skills in Broadcasting.

Testing WA's top young footballers – ECU Sports Science students and staff collaborated with the Western Australian Football Commission's State Academy to test almost 400 Colts players. They were tested for muscular power, speed and aerobic capacity, providing valuable information to the clubs and hands-on, practical experience for ECU students.

Funding for structural changes – ECU was the first university to receive funding under the Australian Government's \$400 million Structural Adjustment Fund, which assists universities making significant structural change in preparation for the uncapping of place in 2012. ECU received \$6.9 million for the implementation of *Curriculum 2012*.

Five-star student experience – the 2012 edition of the Good Universities Guide rates ECU's student experience as one of the best in Australia. ECU's graduates again gave ECU courses a five-star rating for teaching quality, generic skills and overall satisfaction.

World Champion Advertising Students – ECU Bachelor of Communication students won the top prize at the annual International Advertising Association (IAA) InterAd XIII global student advertising competition. World champions Annabel Slade, Jakob Reimerson, Colby Lathwell, Jon Ismailovski, Jack Geerssen and Sebastian Forsström made up the winning team, known as *Boomerang One*. They received the award and certificates in September 2011, at an event in London hosted by the IAA UK Chapter.

Teaching police leadership – a new course co-delivered by ECU and the WA Police Academy was run in 2011. The Graduate Certificate in Executive Leadership and Management is a mix of theoretical management units and practical, contextual learning designed to develop leadership skills for WA Police personnel.





PROVIDING PROGRAMS TO MEET THE NEEDS OF OUR COMMUNITIES, IN A SUPPORTIVE AND STIMULATING LEARNING ENVIRONMENT

Teaching at ECU

ECU seeks to be recognised for providing high-quality and fulfilling educational experiences. In 2011 ECU's goals as described in the *Teaching and Learning Functional Plan, 2010-2012* were:

- to be responsive to students and employers through a relevant and engaged curriculum;
- to articulate a distinctive ECU model for the curriculum that responds to reforms in Higher Education;
- to enhance the quality of teaching; and
- to enhance student support and learning experiences.

Teaching and Learning

In 2011 much of the teaching and learning focus at ECU was on the planning and implementation of *Curriculum 2012*. The project seeks to create consistency in the quality of, and outcomes from, all undergraduate courses at ECU, developing distinctive features for all ECU courses aligned with the University's Mission and Vision.

During 2011 teams of academics from across the University developed resources and programs for implementation in 2012. The initial focus of *Curriculum 2012* will be the support of students in their transition to university with particular emphasis on:

- the provision of appropriate academic support for first year students;
- a focus on English literacy awareness and development for all students through the implementation of a Post Enrolment Literacy Assessment (PELA) across all courses at ECU;

- providing opportunities for more flexibility in course delivery;
- assessment activities that promote and support learning; and
- early identification of individual student support needs and provision through the *Connect for Success* project.

Funding from the Structural Adjustment Fund will be used to support the development of the curriculum, new world-class teaching and learning spaces on all campuses and innovative technology solutions to support student learning.

In 2011 ECU implemented a number of projects to enhance the use of technologies for flexible delivery and support for student learning. Activities undertaken included:

- upgrade of the learning management system to Blackboard 9.1;
- development of functional specifications to support the implementation of an e-portfolio system;
- enhancements to the capability and functionality of the lecture capture system;
- early work on the installation of a virtual desktop system for all ECU computer laboratories to increase student accessibility to ECU software systems;
- staff training and development to increase the level of flexibility in course offerings; and
- forward planning for a large scale project to develop greater numbers of online courses.

The outcome from these activities will see increases in technology use in teaching and learning across the University in 2012.



ECU academic develops first of its kind iPad application

Dr Alistair Campbell, Post Doctoral Research Fellow, School of Education, has developed an iPad application (app) for marking student assessments to replace the more time-consuming paper-based approaches used currently. The app combines the best features of a word processor, spreadsheet and database, to improve the ease of assessment of students' work.

Winner of the ECU Innovator of the Year for 2011, Dr Campbell was awarded \$20,000 which will contribute to the commercialisation of the app, which has already attracted interest from other Australian universities.

ECU academics awarded Australian Learning and Teaching Council (ALTC) grants

Pro-Vice-Chancellor (Health Advancement), Professor Cobie Rudd was one of five recipients of an ALTC/DEEWR 2011 National Teaching Fellowship. She was awarded \$350,000 to enhance the uptake of learning through simulation in health.

Head of Journalism, Professor Trevor Cullen, received an ALTC grant to investigate the status of journalism education in Australian universities. He will collaborate with two colleagues at the University of Wollongong and the University of South Australia.

ECU Teaching and Graduate Outcomes

ECU again performed well on national measures of teaching excellence. Performance data derived from the Course Experience Questionnaire (CEQ) and ECU's own online Unit and Teaching Evaluation Instrument (UTEI) and mid-course CEQ survey is shown in the **Summary Statistics** beginning on page 34.

In the latest national CEQ survey results, ECU was ranked 5th nationally for Overall Course satisfaction. On Good Teaching satisfaction ECU was ranked 3rd nationally and for the fourth consecutive year ECU had the highest rating for WA universities. On Generic Skills satisfaction ECU ranked 4th out of the Australian universities. ECU has been consistently above the State and national averages for these indicators and the latest survey results are the best yet for ECU.

ECU's graduate full-time employment rate in the 2011 Graduate Destination Survey showed a decline – as did all WA universities – reflecting the prevailing economic conditions at the time the survey was taken (see **Key Performance Indicators** beginning on page 127).

ECU is continuing to develop new approaches to improve its graduate employment outcomes and ECU's ranking amongst the WA universities has improved as a consequence. Approaches being used to create stronger opportunities for graduates include:

- a focus on employability in the *Curriculum 2012* project;
- engagement with course consultative committees to support the relevance and currency of all courses;
- increasing practicum components and opportunities for workplace-integrated learning across courses; and

- support from ECU careers staff for students in their search for employment, including bringing industry representatives to the campuses, organising employment workshops and Career Expos.

ECU's graduate further study rate improved in the 2011 Graduate Destination Survey. ECU ranked 2nd of the WA universities in the latest survey, and this score is again above the State average.

Student Recruitment

ECU's *The Road is Open* marketing campaign was introduced in 2011, with two new television advertisements promoting the Joondalup and Mount Lawley campuses and a range of advertising to promote the ECU brand, its large range of disciplines and the South West Campus.

Social media remained a major focus in 2011 with marketing efforts in Facebook, YouTube, Twitter and LinkedIn. Growth in social media during 2011 was significant: total ECU Facebook fans grew to over 14,661 (120%), Twitter followers grew to 3340 (126%), YouTube video views grew to 71,106 (127%) and LinkedIn members grew from 287 members to 811 (182%).

A new digital engagement initiative, *The Me Project*, was also launched in 2011. The website allows high school students to upload photos and information relating to their interests, enabling ECU to provide suggestions for courses that may match those interests.

In student recruitment, ECU has increased the range and number of events to attract future students. New events included industry-focused information evenings, weekly campus tours and Year 10 information evenings. As a result of these and many other metropolitan and regional recruitment events, in 2011 over 10,000 more prospective students engaged in ECU events than 2010.

ECU continuously improves its course offerings to meet identified needs within the community. Eighteen new courses were introduced in 2011, including:

- undergraduate degrees in Writing, Arts Management, Web Technology, Counter Terrorism Security and Intelligence, Engineering and Business, Engineering and Science, Health Science Honours, Biological Sciences, Environmental Science, Environmental Management, Nursing and Midwifery, Social Science; and
- postgraduate programs in Education, Engineering Science, Teaching and Coaching, Professional Accounting (Extended), Business Administration (International) and Criminology and Justice.

Retention

ECU experienced a slight decline in total enrolments in 2011, after growth in the period from 2007 to 2010 (see **Summary Statistics** beginning on page 34). Domestic student enrolments remained strong and grew in 2011. The small overall decline is attributable to ECU's international partnership consolidation strategy, with reviews of programs and financial viability leading to the closure of a number of several offshore programs.

The retention rate for ECU students who commenced in 2010 and were retained into 2011 improved compared with the previous year's results, although remaining below the national average (see **Key Performance Indicators** beginning on page 127).

Strategies utilised in 2011 to improve retention, included:

- providing ECU-funded scholarships, grants and loans to assist students in financial difficulty, particularly where there was a risk of ceasing studies;
- the introduction of Student Connect Officers to administer case-managed specialist support to students;
- the introduction of a three tier strategy by the Careers Service to enable students to prepare for their chosen careers;
- implementation of a comprehensive orientation and transition program; and
- an increase in the number of Learning Access Plans provided by the Equity and Disability Service.

New courses for 2012

ECU announced several new undergraduate courses for 2012, designed to give students the skills to take advantage of new opportunities in growing employment sectors in Australia and internationally. New courses for 2012 will include:

- Bachelor of Technology (Aeronautical) - the only aeronautical course in WA, focusing on the engineering aspects of aviation, including design, manufacturing and operation.
- Bachelor of Engineering (Marine and Offshore Systems), Bachelor of Engineering (Naval Architecture) and Bachelor of Engineering (Ocean Engineering) - in collaboration with the Australian Maritime College in Launceston, ECU will offer three new maritime engineering courses in the areas of marine and offshore systems, naval architecture and ocean engineering.
- Bachelor of Science (Sports Science and Football) - combining general sports science and soccer-specific units, graduates will have the skills to coach a team, assess performance, manage players and run soccer clubs.

HIGHLIGHTS

Closer ties with Australian universities

ECU was awarded \$5.6 million over three years under the Australian Government's Collaborative Research Networks program. ECU will collaborate with nine universities on six projects to increase research capacity and widen access to supervisors for more than 30 ECU research students.

Excellence in research

The 2010 *Excellence in Research for Australia (ERA) National Report* results, released in January 2011, placed ECU "at world standard" in four discipline areas: Environmental Sciences, Engineering, Medical and Health Sciences and Studies in Creative Arts and Writing. Within the Medical and Health Sciences discipline, Clinical Sciences and Nursing were both rated at, or above, world standard.

Research Week

The Joondalup and Mount Lawley Campuses again hosted the annual *Research Week* event, with more than 50 seminars, presentations, colloquia and exhibitions to inspire the next generation of researchers. Over 800 people, including more than 60 international guests attended.

The ECU Three Minute Thesis Competition showcased research undertaken by higher degree by research candidates. Management PhD candidate Matt Bambach won and went on to represent ECU at the national final, where he was a runner-up.

The Visualising Research Exhibition held during Research Week showcased research photography, visual arts, performance projects, posters, illustration and artwork from ECU's candidates and staff.

National anti-cyber-bullying campaign

The Child Health Promotion Research Centre (CHPRC) played a key role in a national campaign to address cyber-bullying. CHPRC provided the research to drive an innovative anti-cyber-bullying initiative with Human Rights Australia (formerly the Australian Human Rights Commission) and communications specialists Primary Communications.

National fishing survey

ECU partnered with the WA Department of Fisheries, Recfishwest and Murdoch University in the *Statewide Recreational Boat Fishing Survey*. Over 23,000 fishermen from across WA were interviewed for the survey, which aimed to provide detailed estimates of the quantity of fish caught and released from each WA fishing region, to inform Government decision-making.



Professor Ralph Martins wins Vice-Chancellor's Award for Excellence in Research in 2011

Professor Ralph Martins continues to be at the forefront of research into Alzheimer's disease since his contribution to two seminal discoveries 25 years ago. The significance of his work and leadership was recognised with the award of *Western Australia's Australian of the Year 2010*, and *Western Australian Citizen of the Year 2011* in the Professions category.

Boost to prostate cancer research

The ECU Health and Wellness Institute was awarded more than \$775,000 of category 1 funding from Cancer Australia and the Prostate Cancer Foundation of Australia to conduct research into the effects of exercise on prostate cancer patients, including funding for two new project grants and equipment.



DEVELOPING RESEARCH FOCUS, DEPTH AND IMPACT

Research at ECU

ECU seeks to be recognised for high impact research providing social, economic, environmental and cultural benefits.

In 2011 ECU's goals for this Strategic Priority were to:

- build areas of research concentration, depth and sustainability;
- increase research collaboration within and external to ECU;
- stimulate knowledge transfer and commercialisation;
- strengthen research culture, training and support; and
- increase Research Higher Degree student enrolments and completions.

Research Profile

ECU has identified eight areas of research focus:

- Health and Wellness;
- Education;
- Environment and Sustainability;
- Engineering and ICT;
- Social and Community;
- Business and Society;
- Communications and Creative Arts; and
- Security, Law and Justice.

ECU's Health and Wellness research area performed strongly in the Australian Government's 2010 *Excellence in Research for Australia* review, with Nursing rated above world standard, while overall, Medical and Health Sciences and Clinical Sciences were rated at world standard.

Also at world standard are ECU's research in Engineering, Environmental Science, Studies in Creative Arts and Writing (particularly Performing Arts and Creative Writing and Journalism and Professional Writing).

ECU continued to strengthen its research culture to support growth in capacity and capability through targeted appointments of research staff and through the appointment of faculty-based research development officers to assist with project development and grant and publication writing.

In 2011 a project to review the Research Activity Index (RAI) and the Creative and Performing Arts Index (CPAI) was undertaken. A revised model for measuring and quantifying research performance – *Acknowledging Successful Performance in Research Excellence (ASPIRE)* – was developed to better reward researchers for research activity and research quality. Consultation on the new scheme was conducted in December 2011, for implementation in 2012.

Innovations in communications technology

Two ECU projects were nominated in the 2011 WA Innovator of the Year Awards.

- Researchers from the Centre for Communications Engineering Research were nominated for their work on the Wireless Token Network, which could improve the way WIFI networks carry voice over internet protocol (VOIP) services such as Skype.
- A team from the Electron Science Research Institute was recognised for advances in multi-band, tunable laser sources, which could dramatically increase the capacity of optic fibre networks, including Australia's National Broadband Network.



Collaborative research

ECU secured three grants under the Australian Research Council's Linkage Projects scheme in 2011:

- Faculty of Education and Arts researchers, together with Landgate and Charles Darwin University, received \$179,982 to promote FireWatch satellite monitoring.
- Faculty of Business and Law researchers, with the City of Joondalup and West Coast Institute of Training, received \$90,000 to provide sustainable environmental management to Australian businesses.
- Faculty of Education and Arts researchers received \$179,000 to work with the WA Curriculum Council to improve school assessments.

Research Funding

Total Research income for 2011 was \$15 million (unaudited). The final figure for 2010 was \$15.3 million, an increase of 20% compared with 2009. ECU maintained its high level of research collaboration and increased its income in the Other Public Sector Funding and Industry and Other Funding categories in 2010 compared with 2009 (see **Summary Statistics** page 41).

In 2011 ECU increased its strategic research investment by 12% to \$9.1 million. These funds are applied to key State, national and international initiatives, fellowships, scholarships and infrastructure, in order to foster industry linkages and commercialisation in areas of research priority.

ECU was involved in key collaborations to further the diagnosis of Alzheimer's disease. ECU received \$9.5 million over seven years from the Australian Government for its Alzheimer's Research program through the Cooperative Research Centre for Mental Health. ECU also received \$1.5 million as part of its Australian Imaging, Biomarker and Lifestyle (AIBL) Study of Ageing, placing Australia and ECU as a globally recognised leader for Alzheimer's disease research.

ECU has established a new research collaboration with Dampier Salt Ltd, part of the Rio Tinto group, which will pave the way for a unique series of research opportunities in Australia's North West.

A project to investigate treatments for spinal cord injuries began in 2011, with a \$581,000 grant from Spinal Cord Australia.

Research Training

ECU's research higher degree students and graduates continue to rate the support provided to them by their supervisors and the ECU Graduate Research School highly. In particular:

- a **Needs Analysis survey** for research training completed in May 2011, gave high ratings for the Graduate Research School from the 285 students responding;

- the International Student Barometer Entry Wave 2011 ranked ECU first in Australia out of 28 universities surveyed and reported 98% satisfaction with Graduate Research School support; and
- the Postgraduate Research Experience Questionnaire (see **Summary Statistics** page 34) has shown improved student satisfaction over the last three years.

In 2011 a Supervisor Register was implemented as a portal to ECU's information databases, allowing the University to monitor supervisor compliance with policy and enhance the research student experience. A publicly available view of the Supervisor Register was also developed to help promote areas of research strength and opportunities for research candidates.

Professor Ron Adams from Victoria University was invited to run 'demystifying the thesis' seminars in Semester 1 and 2, 2011. There was excellent feedback from the seminars in which 23 candidates and 27 staff participated.

In 2011 ECU was awarded an Australian Learning and Teaching Council grant to develop a Best Practice Framework to inform and guide research-training excellence in Australia. The framework will be developed by sharing best practice principles, processes and performance indicators, to promote quality and standards. The framework will be informed by research training best practice in other countries such as the United Kingdom and United States. Once complete, ECU will implement the framework as a model for other Australian institutions to adopt.

Research higher degree candidates are required to complete progress reports every six months to maintain their candidature and online progress reports were implemented for the first time in Semester 1, 2011. This allows for a breadth of information to be collected to improve research training and to better meet the needs of research higher degree candidates.

A new unit 'Research Training and Supervision' was offered for the first time in Semester 2, 2011, providing professional development for ECU academic staff on good practice in supervision.

HIGHLIGHTS



CHOGM visit showcases ECU's facilities

In October, Commonwealth Heads of Government Meeting delegates from the Republic of Gambia, including the Gambian Minister for Foreign Affairs, toured ECU's Health Simulation Centre, the Health and Wellness Clinic and the new Engineering and Technology building at the Joondalup Campus.

Smoke-Free University

The University announced that its three campuses would be smoke-free from 1 January 2012. The move complements ECU's leading research in the health and wellness field and will help to provide healthier places for ECU students, staff and visitors to work and study.



ASPEO Framework

The *Academic Staff Performance Expectations and Outcomes* (ASPEO) Framework was implemented to provide Academic staff with clarity on performance expectations and required outcomes in the core areas of: Learning and Teaching; Research and Creativity; and Academic Leadership and Service.

Walk around the world

ECU staff again participated in the annual Global Corporate Challenge to improve their fitness. ECU ranked most active university in WA and second most active university globally. Over 16 weeks the 385 ECU participants covered a total of 311,000 km – equivalent to walking around the world eight times.

Audit by TEQSA

The Tertiary Education Quality and Standards Agency (TEQSA, formerly AUQA) conducted its Cycle Two Audit of ECU in October 2011. The Audit Panel visited the South West Campus and offshore partners in Singapore, Malaysia and Sri Lanka, before making a four-day visit to the Joondalup and Mount Lawley campuses. The Panel commended ECU on the openness and honesty of the Performance Portfolio submission and the commitment of staff to the University. ECU's clear sense of direction and commitment to quality also impressed the Panel.





BUILDING ORGANISATIONAL SUSTAINABILITY

Organisational Sustainability at ECU

This Strategic Priority comprises three elements:

- Staffing;
- Financial Positioning; and
- Infrastructure and Services.

Staffing

In 2011 ECU's goal in relation to staffing was:

- to attract, develop and retain staff required for ECU to achieve its strategic priorities.

During 2011 the University made significant progress in its support for the development of staff. ECU's new Role-Based Development Framework (RBDF) was integrated with the Management for Performance System supported by an online tool to assist staff and supervisors to make informed choices for performance improvement and medium and long-term career development.

Other initiatives included:

- a concerted effort to reinforce ECU values and their relevance during all professional development events;
- the mapping of organisational and people development processes; and
- a review and update to professional development programs.

ECU's leadership capacity was strengthened by a number of appointments across key areas. These included:

- Professor Mark Stoney, appointed Associate Dean (Teaching and Learning), Faculty of Business and Law.
- Associate Professor Wendy Giles, appointed Associate Dean (Academic Programs), Faculty of Regional and Professional Studies.

ECUlture

The ECU Learning and Teaching University Research Event (ECUlture) is now in its fourth year, and has grown from an initial 60 participants in a one-day event, to more than 160 participants over two days. The 2011 ECUlture focused on the themes of Internationalisation of the Curriculum and Diversity.

- Associate Professor Moira Sim, appointed Head of the School of Medical Sciences, Faculty of Computing, Health and Science.
- Professor Hugh Wilkins, appointed Head of the School of Marketing, Tourism and Leisure, Faculty of Business and Law.
- Professor Ken Greenwood was named the new Head of School of Psychology and Social Sciences, Faculty of Computing, Health and Science.
- Professor Sian Maslin-Prothero, appointed Professor of Nursing (Clinical) in the School of Nursing and Midwifery, Faculty of Computing, Health and Science.
- Dr Kate Andre, appointed Associate Professor in the School of Nursing and Midwifery, Faculty of Computing, Health and Science.
- Associate Professor Sue Reed, appointed Associate Professor in the School of Exercise and Health Sciences, Faculty of Computing, Health and Science.
- Professor Pierre Horwitz was promoted to the position of Professor within the School of Natural Sciences.
- Dr Anthony Medhurst, appointed Director, Office of Advancement.



Significant appointments made in 2011 that will commence early in 2012 include:

- Mr Scott Henderson, appointed Vice-President (Corporate Services).
- Professor Lynne Cohen, appointed Executive Dean, Faculty of Education and Arts, and Pro-Vice-Chancellor.
- Mrs Elizabeth Wilson, appointed Chief Information Officer.
- Mr David Howard, appointed University Librarian.

Financial Positioning

In 2011 ECU's goals in relation to financial positioning were:

- to maintain a strong position and continue to manage financial resources efficiently and effectively; and
- to build alternative sources of revenue such as fee-paying courses, commercial activities, fundraising and its investment portfolio over time.

The University's four strategic priorities are reflected in University-wide strategic budget allocations and in the expenditure plans of individual business units. ECU has implemented a number of strategies at both the University-wide and business unit level to position ECU to be able to respond quickly to change while progressing its Mission and Strategic Priorities.

These budget initiatives work in parallel with complementary initiatives designed to:

- continue to focus ECU's academic activities and staff profile in areas of strength;

- improve the quality of activities, services and outcomes in teaching and research; and
- support the financial viability of ECU through a combination of cost-saving strategies and improved efficiencies, and through the achievement of revenue targets.

Throughout 2011 ECU operated within the key budget parameters approved by Council.

Council approved the ECU Budget for 2012 at its December 2011 meeting.

ECU adopts a prudent approach to financial management. Its overall financial position remains sound and the University received a "clean bill of health" from the Department of Education, Employment and Workplace Relations (DEEWR) in its annual review of the financial position of Australian universities.

Performance against the 2011 financial targets set by Council was once again strong (see Summary of Performance against Financial Targets and Key Performance Indicators, page 41).

The University posted a 2011 operating result of \$33 million for the year, which was an increase of \$7 million from the original budget (\$26 million).

Total revenue for the University in 2011 was \$353 million, which was an increase of \$15 million from the original budget (\$338 million).

The University once again received an unqualified external audit opinion for 2011.



In 2011 all major building projects were within budget and met milestone targets. Significant building projects included:

- Completion of construction of the Engineering and Technology building at the Joondalup Campus. The facility will be fully operational in Semester 1, 2012.
- Completion of a number of projects under the Campus Renewal Program associated with the implementation of the University's *One University: Students First* initiative.
- Contribution of \$2 million for the development by Ramsay Health Care of a Community Clinical School at the Joondalup Health Campus to support student clinical placements, in conjunction with the University of Western Australia and Curtin University of Technology.
- Completion of the 357 bed student accommodation facility – part of the 523 room ECU Village Mount Lawley – and officially opened by the Minister for Defence, the Hon Stephen Smith MP. The project was the result of a \$37.5 million Private Public Partnership between the University and Campus Living Villages. The Australian Government committed over \$4 million from the Better Universities Renewal Funding for the project. The ECU Village Mount Lawley commenced operations in Semester 1, 2011.
- Completion of construction of additional infrastructure for the Western Australian Academy of Performing Arts (WAAPA) at the Mount Lawley Campus. The new Scenery and Props Construction Workshop commenced operation in Semester 2, 2011.

Student Load Targets

Student demand remained steady in 2011 despite Western Australia's continued strong economic growth and low unemployment rates. ECU's full-year total student load for 2011 was 18,478 EFTSL, 1.5 percent below total student load for 2010 (18,759 EFTSL)

The Commonwealth Grant Scheme (CGS) load estimate for 2011 was 12,996 EFTSL. This is around 15 percent or 1722 EFTSL above the target agreed with DEEWR (11,274 EFTSL) (see **Summary Statistics** page 34).

ECU's international students come from more than 90 countries and an integrated model for University-wide recruitment of international students drives this diversified international student profile.

International student load totalled 3701 EFTSL in 2011, a decline of 18% on the 4522 EFTSL in 2010. Most of this decline was in ECU's offshore activities where the University continues to consolidate its international partnerships to facilitate high academic quality and financial viability. ECU's international offshore student load was 1102 EFTSL, a significant downturn of 38% on 2010. International onshore student load was 2599 EFTSL, a small decline of 5% on 2010 student load.

Infrastructure and Services

In 2011 ECU's goal in relation to quality infrastructure and services was:

- to provide quality infrastructure and services which reflect sustainability principles.

Building Infrastructure

ECU's Strategic Asset Management Framework and Buildings Asset Management Plan deliver a structured and consistent approach to the management of the University's high value assets. The framework and plan supports the University's Mission and Vision by delivering building infrastructure which supports ECU's core functions of teaching, learning and research.

In 2011 the planning, design and documentation commenced for the ECU Wanneroo Centre, following advice from the Australian Government of ECU's successful funding submission. The facility will incorporate a GP Super Clinic, Pharmacy, Medical Imaging, Pathology, ECU Psychology Clinic, Student Clinical Placements and a floor of commercial leasing. Negotiations are proceeding with the City of Wanneroo for the purchase of land.

Also in 2011:

- Negotiations commenced with Campus Living Villages to develop expanded student accommodation facilities at the Joondalup Campus. The project will be part funded by the National Rental Affordability Scheme.
- Planning and design work commenced for world-class teaching and learning spaces supporting the implementation of *Curriculum 2012*.
- Planning commenced for an Engineering Pavilion on the Joondalup Campus, to support growth in Engineering and reduce the need for the University to lease additional accommodation.

IT Infrastructure

Several major information technology projects were completed in 2011, including:

- a major upgrade to the student management system *Callista*;
- a web printing solution – Student Printing System – allowing students to print documents directly from their personal laptops through the ECU wireless network, was made available via the student portal in August 2011;
- upgrade of the learning management system to Blackboard 9.1;
- expansion of the Customer Relationship Management tool *RightNow* to better facilitate management of the University's incoming enquiries by email, web form (from 'Ask Us') and walk in;

- upgraded video conferencing infrastructure and training material to help staff to better utilise the new facilities in teaching environments; and
- concept design and Proof of Concept testing has been completed for the Virtual Desktop Infrastructure (VDI) solution in the Flexible Learning Space (FLS). Work on the FLS, the first phase of this project will commence in 2012.

Major improvements were made in ECU's underlying technical infrastructure and support in 2011 including:

- firewall modernisation, to increase bandwidth and improve security;
- a new network infrastructure for WAAPA;
- improved server virtualisation – now at 90% - leading to a significant drop in electrical usage (measured as a % of capacity of the data centres); and
- a restructuring of the Small Applications Team and a new project governance model, resulting in an increase in the number of computer applications being deployed across the University network.

Environmental sustainability

ECU operates under an environmental management system that is accredited to ISO 14001, Environmental Management Systems. This system includes programs around energy, water, waste and travel that educate, inform and change behaviour on environmental issues.

Improvements undertaken during 2011 included:

- The procurement of a major cleaning and waste contract – to improve cleaning and waste initiatives, increase recycling and reduce environmental impacts and waste to landfill.
- Completion of a feasibility study and commencement of procurement for the private sector to build, own and operate (via a Private Public Partnership) a gas-fired cogeneration plant on the Joondalup Campus. The plant has the potential to significantly reduce the University's carbon footprint and costs for the University.
- Development of the Campus Access Strategy to reduce reliance on motor vehicles and increase the use of public transport and other environmental sustainable solutions. Following a number of workshops, a draft Campus Access Strategy was developed and will be presented to the ECU Council in 2012.

SUMMARY STATISTICS

STUDENT ENROLMENTS (PERSONS)

Table 1: Enrolments by Type of Attendance, 2007-2011

	2007	2008	2009	2010	2011
Full-time	14,408	15,116	16,152	17,604	17,813
Part-time	5,657	5,912	6,122	6,548	6,145
Total	20,605	21,028	22,274	24,152	23,958

Notes: 2011 data is as at 01/02/2012. 2010 data is finalised and may differ from the provisional figures reported in the Annual Report for 2010.

Table 2: Enrolments by Course Level, 2007-2011

	2007	2008	2009	2010	2011
Doctorate by Research	357	341	385	436	443
Doctorate by Coursework	65	57	43	39	28
Master by Research	124	130	127	154	164
Master by Coursework	2,242	2,547	3,029	3,178	2,542
Graduate Diploma	889	844	862	964	939
Postgraduate Diploma	218	311	335	311	336
Postgraduate/Graduate Certificate	832	728	782	719	692
Bachelor Honours	206	182	168	189	143
Bachelor Pass	14,595	14,359	14,973	16,412	17,173
Associate Degree	48	85	103	113	115
Advanced Diploma/Diploma	75	72	78	46	16
VET	397	417	465	523	489
Other	557	955	924	1,068	878
Total	20,605	21,028	22,274	24,152	23,958

Notes: 2011 data is as at 01/02/2012. 2010 data is finalised and may differ from the provisional figures reported in the Annual Report for 2010.

Table 3: Enrolments by Campus, 2007-2011

	2007	2008	2009	2010	2011
Joondalup	6,978	8,772	9,504	11,025	11,787
Mount Lawley	6,426	6,575	7,584	7,910	7,451
Bunbury	974	975	943	997	1,012
Churchlands	2,611	870	0	0	0
Study Centres (Domestic and Overseas)	3,616	3,836	4,243	4,220	3,708
Total	20,605	21,028	22,274	24,152	23,958

Notes: 2011 data is as at 01/02/2012. 2010 data is finalised and may differ from the provisional figures reported in the Annual Report for 2010.

Table 4: Enrolments by Gender, 2007-2011

	2007	2008	2009	2010	2011
Female	12,347	12,642	13,471	14,642	14,738
Male	8,258	8,386	8,803	9,510	9,220
Total	20,605	21,028	22,274	24,152	23,958

Notes: 2011 data is as at 01/02/2012. 2010 data is finalised and may differ from the provisional figures reported in the Annual Report for 2010.

Table 5: Enrolments by Citizenship and Broad Course Level, 2007-2011

	2007	2008	2009	2010	2011
Domestic Postgraduate	2,954	2,896	3,283	3,497	3,551
Domestic Undergraduate	13,253	13,273	13,119	15,103	15,634
International on-shore Postgraduate	843	959	1,120	1,204	985
International on-shore Undergraduate	1,736	1,730	2,066	1,922	2,032
International off-shore Postgraduate	930	1,103	1,160	1,119	628
International off-shore Undergraduate	889	1,067	1,526	1,307	1,128
Total	20,605	21,028	22,274	24,152	23,958

Notes: 2011 data is as at 01/02/2012. 2010 data is finalised and may differ from the provisional figures reported in the Annual Report for 2010.

Table 6: Enrolments by Citizenship, 2007-2011

		2007	2008	2009	2010	2011
Domestic		16,207	16,169	16,402	18,600	19,185
International on-shore	China	423	469	583	756	800
	India	270	344	506	497	305
	Other Asian countries	880	831	881	924	957
	African countries	553	582	603	564	542
	European countries	225	295	257	251	275
	Other	228	168	356	134	138
International off-shore	China	266	154	129	65	64
	India	31	154	228	301	56
	Other Asian countries	1,029	1,456	1,655	1,616	1,302
	African countries	107	311	368	398	243
	European countries	35	32	53	28	19
	Other	351	63	253	18	72
Total		20,605	21,028	22,274	24,152	23,958

Notes: 2011 data is as at 01/02/2012. 2010 data is finalised and may differ from the provisional figures reported in the Annual Report for 2010.

Table 7: Enrolments by Equity Group, 2007-2011

	2007	2008	2009	2010	2011
Low SES	1,765	1,779	1,842	1,810	2,191
Regional	2,452	2,531	2,554	2,474	3,015
Indigenous Australian	196	170	163	188	179
Disability	355	336	397	704	913

Notes: 2011 data is as at 01/02/2012. Changes in methodology for collection and reporting mean that 2011 figures are not comparable with prior year figures.

STUDENT LOAD (FULL-TIME EQUIVALENCE)

Table 8: Student Load (EFTSL) by Funding Category, 2007-2011

	2007	2008	2009	2010	2011
Commonwealth Grant Scheme	10,279	10,622	11,409	12,654	12,996
Research Training Scheme and ECU-funded	247	249	287	325	337
Fee-paying Overseas On-shore	2,220	2,390	2,665	2,734	2,599
Fee-paying Overseas Off-shore	1,202	1,659	2,069	1,788	1,102
Domestic Tuition Fee	919	640	731	768	966
Vocational Education and Training	388	418	449	490	478
Total	15,254	15,978	17,610	18,759	18,478

Notes: 2011 data is as at 01/02/2012. 2010 data is finalised and may differ from the provisional figures reported in the Annual Report for 2010.

Table 9: Student Load (EFTSL) by Broad Field of Education, 2007-2011

	2007	2008	2009	2010	2011
Agriculture, Environmental and Related	90	88	92	101	87
Architecture and Building	2	11	29	29	34
Creative Arts	2,163	2,207	2,330	2,459	2,487
Education	3,002	3,246	3,357	3,635	3,419
Engineering and Related Technologies	234	290	393	520	702
Food, Hospitality and Personal Services	1	1	1	1	1
Health	2,016	2,012	2,100	2,452	2,856
Information Technology	1,173	1,092	1,196	1,211	1,040
Management and Commerce	2,704	3,103	3,746	3,691	3,116
Mixed Field Programmes	5	4	5	3	3
Natural and Physical Sciences	879	947	1,091	1,230	1,310
Society and Culture	2,986	2,977	3,270	3,427	3,423
Total	15,254	15,978	17,610	18,759	18,478

Notes: 2011 data is as at 01/02/2012. 2010 data is finalised and may differ from the provisional figures reported in the Annual Report for 2010.

Table 10: Student Load (EFTSL) by Faculty, 2007-2011

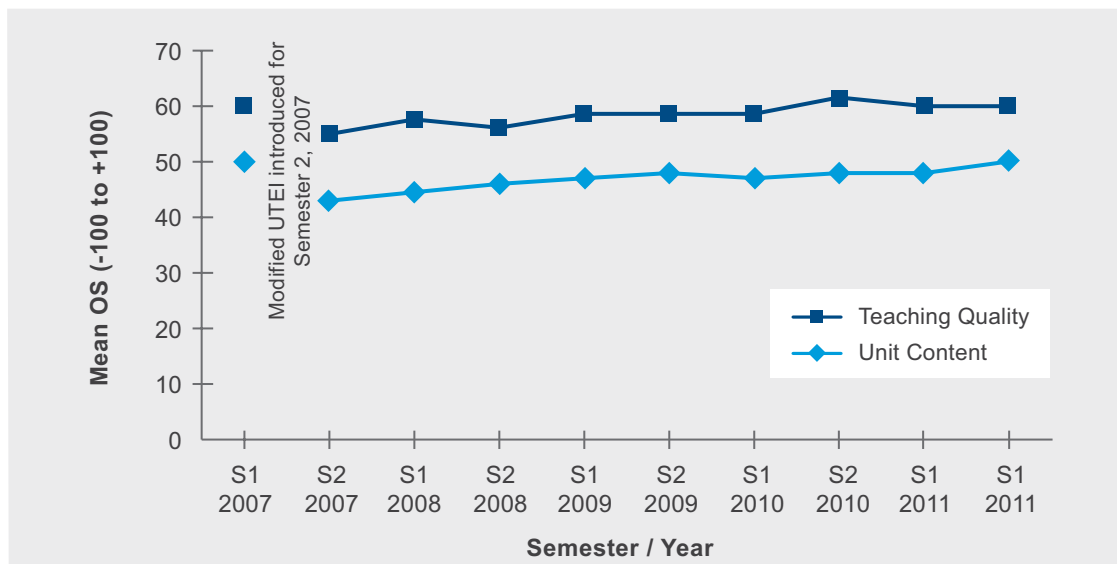
	2007	2008	2009	2010	2011
Business and Law	3,450	3,991	4,758	4,694	4,085
Computing, Health and Science	5,447	5,509	6,081	6,788	7,296
Education and Arts	5,359	5,376	5,645	6,122	6,002
Regional Professional Studies	731	710	661	667	686
Other	268	390	465	488	409
Total	15,254	15,978	17,610	18,759	18,478

Notes: 2011 data is as at 01/02/2012. 2010 data is finalised and may differ from the provisional figures reported in the Annual Report for 2010. "Other" refers to student load for courses (mainly preparation courses) which are unassigned to a faculty.



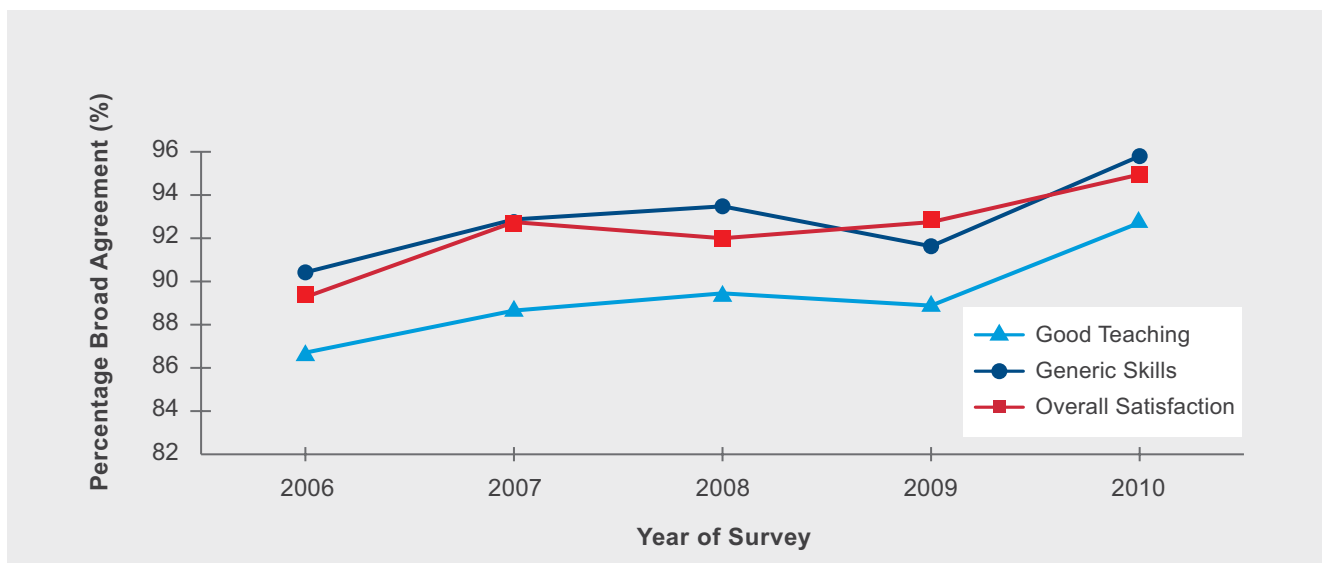
TEACHING PERFORMANCE

Figure 3: Unit and Teaching Satisfaction, 2006-2011



Notes: Mean overall satisfaction is measured on a scale of -100 to +100. The measure includes all ECU student cohorts and all coursework units.

Figure 4: Graduate Satisfaction, 2006-2010



Notes: The three measures record the percentage of ECU Bachelor level graduates who, in responding to the relevant Course Experience Questionnaire survey items 'broadly agree' with those statements. The percentage broad agreement is the percentage of responses that are 3 (neither agree nor disagree), 4 (agree) and 5 (strongly agree) on the five-point Likert scale.



Figure 5: Mid CEQ Mean Scores, 2007-2011

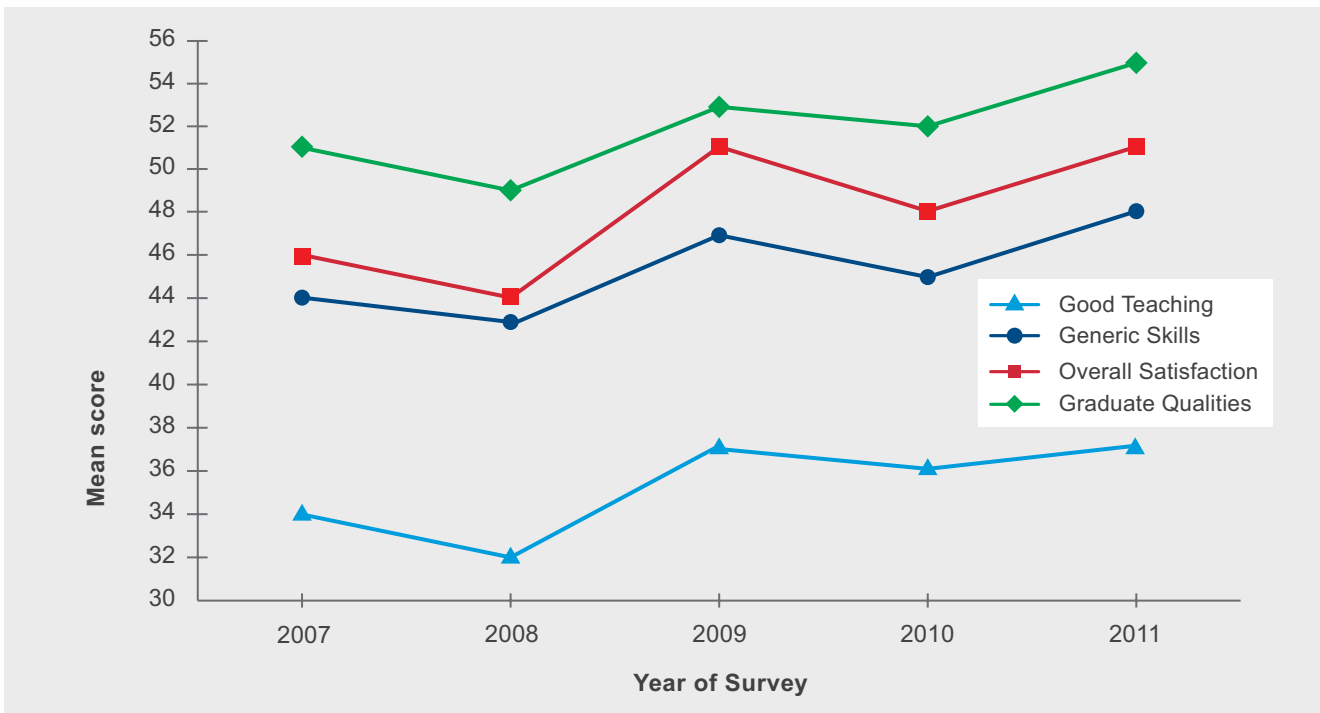
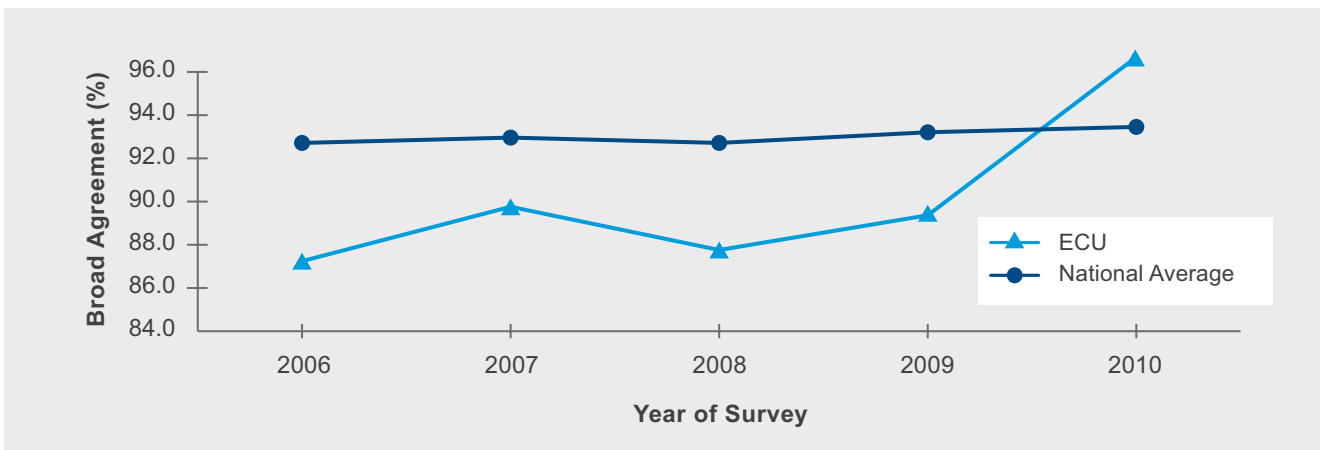


Figure 6: Higher Degree by Research Graduate Satisfaction, 2006-2010



Notes: This measures the percentage of ECU Higher Degree by Research graduates who, in responding to the overall satisfaction item from the national Postgraduate Research Experience Questionnaire 'broadly agree' with the statement "Overall, I was satisfied with the quality of my higher degree research experience". The percentage broad agreement is the percentage of responses that are 3 (neither agree nor disagree), 4 (agree) and 5 (strongly agree) on the five-point Likert scale.

STUDENT OUTCOMES

Table 11: Completions by Course Level, 2007-2010

	2007	2008	2009	2010
Higher Degree by Research	84	93	80	70
Master by Coursework	894	1,245	1,597	1,423
Other Postgraduate	1,136	1,004	1,095	1,178
Bachelor (Pass and Honours)	3,499	3,393	3,651	3,459
Other Undergraduate	77	44	48	55
VET	79	68	125	182
Total	5,769	5,847	6,596	6,367

Notes: 2009 data is finalised and may differ from the provisional figures reported in the Annual Report for 2010.

Other Inputs

Table 12: Library Holdings, 2007-2011

	2007	2008	2009	2010	2011
Library Volumes	643,561	637,931	653,575	638,912	650,236
Serial Subscriptions	33,982	36,044	52,078	58,465	67,863
eBooks	-	2,263	3,399	33,600	81,760

Table 13: Revenue (\$'000), 2007-2011

	2007	2008	2009	2010	2011
Australian Government	107,068	125,904	133,337	137,325	144,882
State Government	10,697	11,499	13,317	12,996	12,774
Student Tuition Fees (HECS-HELP, FEES-HELP)	58,512	59,195	65,461	76,789	85,491
Other Fees and Charges	51,535	56,369	66,240	69,688	67,193
Investment Income	3,870	4,032	5,322	6,407	9,852
Royalties	6,338	7,370	9,536	9,497	8,599
Consultancy and Contract Research	5,207	5,914	3,352	3,286	4,130
Other	23,886	25,069	18,715	20,645	25,327
Total Revenue	267,113	295,352	315,280	336,633	358,248

Notes: Total revenue for Edith Cowan University and its subsidiary (consolidated entity). Revenue for 2007 and 2009 varies from that reported in the financial statements of those years, due to retrospective changes in accounting treatments.

RESEARCH INPUTS

Table 14: Research Block Funding by Category, 2007-2011 (\$m)

	2007	2008	2009	2010	2011	Change 2010-2011
Joint Research Engagement Program	1.94	1.92	1.87	2.03	2.19	7.9%
Research Training Scheme	4.22	4.33	4.38	4.41	4.41	0.0%
Research Infrastructure Block Grant	0.54	0.46	0.39	0.37	0.47	27.0%
Sustainable Research Excellence	-	-	-	0.45	0.52	15.6%
Total	6.70	6.71	6.63	7.27	7.59	4.4%

Notes: the 2011 income figures are unaudited and are as at 01/02/2012.

Table 15: Research Funding by Category, 2007-2011 (\$m)

	2007	2008	2009	2010	2011	Change 2010-2011
National Competitive Research Grants	1.62	2.15	2.91	2.75	2.26	-17.8%
Other Public Sector Research Funding	5.51	7.24	7.71	8.30	8.58	3.4%
Industry and Other Funding	2.34	2.93	2.01	4.21	4.13	-1.9%
Co-operative Research Centre Funding	0.11	0.075	0.18	0.05	0.00	-
Total	9.58	12.39	12.81	15.31	14.97	-2.2%

Notes: the 2011 income figures are unaudited and are as at 01/02/2012. The 2010 income figures are final (audited) and may differ from the provisional figures reported in the Annual Report for 2010.

Table 16: Higher Degree by Research Student Load, 2007-2011

	2007	2008	2009	2010	2011
Commonwealth-supported	186	185	205	255	286
ECU Funded	61	64	81	70	52
International	84	82	88	108	117
Domestic Tuition Fee	4	6	5	4	3
Total	335	337	380	437	458

Notes: 2011 data is as at 01/02/2012. 2010 data is finalised and may differ from the provisional figures reported in the Annual Report for 2010.



SUMMARY OF PERFORMANCE AGAINST FINANCIAL TARGETS AND KEY PERFORMANCE INDICATORS

Performance against Financial Targets

2011 Operating Result

The University posted a 2011 operating result of \$33 million for the year, which was an increase of \$7 million from the original budget (\$26 million).

2011 Revenue

Total revenue for the University in 2011 was \$353 million, which represents an increase of \$15 million compared to original budget (\$338 million) due to growth in student enrolments, commonwealth grants, land sales and investment income.

2011 Financial Ratios

Table 17: Financial Ratios, 2011

	Actual	Target	Variance/Comment
Operating Margin	9.3%	At least 4%	The operating margin is above the Target set for 2011.
Interest cover on borrowings	10.3x	At least 3x	The interest cover on borrowings is above the Target set for 2011.
Liquidity – Current Ratio	2.3	At least 0.8	The current ratio is above the target set for 2011.
Debt to equity ratio	5.1%	Not more than 30%	The debt to equity ratio is within the Target set for 2011.
Cash Reserves (no. of weeks)	18	At least 4	The number of week's revenue in cash assets is above the Target set for 2011.

The Financial Statements begin on page 50 of this Annual Report.



Performance against Key Performance Indicator Targets

The Key Performance Indicator Report begins on page 127 of this Annual Report and gives detailed information on the University's performance against nine Key Performance Indicators (KPIs). These are a sub-set of ECU's KPI Framework, which is used by the University for performance monitoring.

A summary of performance against targets for the most recent audited data is provided in Table 18 below.

Table 18: Summary of Performance against KPI Targets

Performance Indicator	Actual	Target	Variance/Comment
Retention (%) – 2010 commencements	80.4	80.0	The retention rate improved by 2.2 percentage points and was 0.4 of a percentage point above Target.
Course Satisfaction (%) – 2010 survey	95.0	93.0	Performance improved by 2.4 percentage points and was 2.0 percentage points above Target. ECU's graduate Course Satisfaction is above both the National Average and the State Average.
Quality of Teaching (%) – 2010 survey	92.4	91.0	Performance improved by 3.3 percentage points and was 1.4 percentage points above Target. ECU's Good Teaching satisfaction is above both the National Average and the State Average.
Graduate Employment (%) – 2010 survey	75.6	83.0	Performance declined by 2.4 percentage points and was 7.4 percentage points below Target. This is consistent with the decline in the State Average (4.7 percentage points).
Share of First Preference (%) – 2011 Admissions	16.6	18.0	ECU's share of first preference applications for Bachelor and Associate Degree courses processed through TISC declined by 3.5 percentage points and was 1.4 percentage points below Target.
Teaching-related Expenditure per Student Load (\$/ EFTSL) – 2011	15,305	14,719	Teaching-related expenditure per student load increased and was above the Target.
Research Income (\$m) – 2010	15.312	13.629	ECU's total research income increased by \$2.503m and was \$1.683m above Target.
Higher Degree Research Completions (per 10 Academic Staff FTE) – 2010	1.3	2.2	Higher degree research completions per 10 academic staff FTE remained steady for 2010 and the result was below Target. Longer completion times and lower enrolments in early years have contributed to the decline for 2009 and 2010.
Research Publications (per 10 Academic Staff FTE) – 2010	11.3	12.8	Weighted Research Publications per 10 Academic Staff FTE increased slightly, but the result was below Target. Staff FTE increased between 2009 and 2010, while productivity for these new staff is yet to be realised.

Notes: Actual results are for the most recent data available. Full definitions are provided in the Key Performance Indicator Report.

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SECTION 3 – SIGNIFICANT ISSUES & TRENDS





Economic Conditions

Significant natural disasters in Australia, New Zealand and Japan, as well as continuing economic uncertainty in Europe and the potential for a “double-dip recession” in the US, impacted many economies in 2010 and 2011. The Australian economy is better placed than most other countries to withstand the current difficult global economic conditions. Continued investment in the resources sector and a strong Australian Dollar led to modest economic growth of 1.8% in the 12 months to June 2011, and moderate economic growth is forecast for 2012 and 2013.

The Australian labour market remained largely unchanged in 2011, with a reduction in full-time employment being offset by an increase in part-time employment. The unemployment rate for July 2011 was 5.1%, slightly lower than for July 2010 (5.3%). Domestic student demand for higher education remained strong despite the prevailing employment opportunities.

The relative strength of the Australian Dollar, recessions in a number of developed economies, together with a reduction of student fees in the UK, and changes to visa requirements have all contributed to reduced demand for international education at universities in Australia.

Australian Government Legislation and Policy

The previous Rudd/Gillard Labor Government embarked on an ambitious education reform agenda, which included significant additional funding to the higher education sector to improve participation and attainment rates. While the policy environment under the current Gillard Labor Government has been less certain, the Australian Government has shown continued commitment for improved quality and growth in higher education.

Australian Government legislation and policy reforms of relevance in 2011 are described below.

The Higher Education Support Amendment (Demand Driven Funding System and Other Measures) Bill (Cwlth)

This legislation was passed by the Australian Government on 14 September 2011. The legislation progressed changes to the Commonwealth Grant Scheme (CGS) funding arrangements, to remove the ‘cap’ on over-enrolments and the ‘safety net’ guaranteeing funding for under-enrolments. An allocation of \$1.2 billion over the next four years will support 500,000 student places in 2012, an increase of 20,000 from 2011. The “uncapping” effectively provides funding for all Bachelor degree places in approved courses. Sub-Bachelor award courses, enabling courses and postgraduate coursework courses will remain capped. ECU is expected to benefit from these changes as over-enrolments have been experienced in recent years.



The Tertiary Education Quality and Standards Agency (TEQSA) Act 2011 (Cwlth) and Tertiary Education Quality and Standards Agency (Consequential Amendments and Transitional Provision) Act 2011 (Cwlth)

The *Tertiary Education Quality and Standards Agency Act 2011* (Cwlth) established TEQSA as an agency replacing the Australian Universities Quality Agency (AUQA). The *Tertiary Education Quality and Standards Agency (Consequential Amendments and Transitional Provision) Act 2011* (Cwlth) provides for the transition to new higher education regulatory and quality arrangements. During 2011, the Department of Education, Employment and Workplace Relations developed, through public consultation, “Threshold Standards” which TEQSA will use to assess higher education institutions. From January 2012, TEQSA will register and evaluate the performance of higher education providers against this new Higher Education Standards Framework.

The Higher Education Legislative Amendment (Student Services and Amenities) Act 2010 (Cwlth)

Passed on 11 October 2011, these amendments to the *Higher Education Support Act 2003* (Cwlth) will allow higher education providers to charge a student services and amenities fee of up to \$263 per student per annum, from January 2012. The ability to charge the Student Services and Amenities Fee will assist the University in providing a wider range of support services to students, while funds previously used to support the Guild will again be available to support core activities.

2011/12 Commonwealth Budget

Additional funding was announced in the 2011/12 Commonwealth Budget, including improved funding for regional higher education through the Regional Loading Scheme and a new “Regional Priorities” round of the Education Investment Fund.

Commonwealth Grant Scheme (CGS) indexation will rise from 2.3% in 2011 to 3.8% in 2012. Universities will receive a further \$550 million over the next four years, increasing the total additional funding to \$3.15 billion from 2011-2015.

The Higher Education Participation and Partnerships Program will provide \$177.6 million to assist universities in initiatives to attract and support students from low socio-economic status backgrounds in higher education.

A review of subsidies for student contributions resulted in the discount to upfront student contributions being reduced from 20% to 10%, and the voluntary repayment bonuses being reduced from 10% to 5%.

A record \$9.3 billion “science and research budget” was announced in 2011, with the Australian Government affirming its commitment to increase funding for the indirect costs of university research from 20 to 50 cents in the dollar.

As part of the Mid-year Economic and Fiscal Outlook the Australian Government abandoned performance funding of \$240 million over four years, intended to reward universities for achieving performance targets on student outcomes and student satisfaction. The reduced student contribution amounts for Maths and Science courses were also removed, representing an average annual cost to students of \$300 million nationally.

Student Income Support (Youth Allowance and ABSTUDY) amendments

The parental income test threshold was raised and the age of independence will be lowered incrementally from 24 in 2010, to 23 in 2011 and 22 from 2012 onwards. A tightening of the workforce participation criterion for financial independence was planned for January 2010, but was delayed by six months following concerns that those currently working in their gap year were disadvantaged. The intended increase in personal income threshold from 2010 was delayed until July 2011, to maintain the cost-neutrality of the changes.

Competition and Consumer law – Trade Practices Amendment (Australian Consumer Law) Act (No. 1) 2010 (Cwlth)

From 1 January 2011 a single, national consumer law: the Australian Consumer Law (ACL), applied federally to corporations under the *Trade Practices Act 1974* (Cwlth), which is to be amended and renamed the *Competition and Consumer Act 2010* (Cwlth). Equivalent legislation was enacted in state jurisdictions to apply the ACL to individuals. In Western Australia, the *Fair Trading Act 1987* (WA) was amended and renamed the *Fair Trading Act 2010* (WA). Under the ACL, the University will continue to observe its general trade practices and consumer protection obligations to act fairly, reasonably and not unconscionably when dealing with students, customers and suppliers.

Education Services for Overseas Students Legislation Amendment Act 2011 (Cwlth)

Enacted on 8 April 2011, the Act amended the *Education Services for Overseas Students Act 2000* (Cwlth) by strengthening registration requirements for providers delivering education services to overseas students and increasing the range of non-compliant behaviour that would attract financial sanctions. *The Ombudsman Act 1976* (Cwlth) was also amended to expand the role of the Commonwealth Ombudsman to include dealing with complaints relating to private education providers. The legislation is intended to target “rogue operators” within the sector.

Student Visa Legislation (The Knight Report)

In December 2010, the Australian Government appointed the Hon Michael Knight AO to conduct an independent review of the student visa program. Mr Knight made 41 recommendations to enhance the quality, integrity and competitiveness of Australia’s international education sector and improve the integrity of the student visa program. In September 2011 the Australian Government issued a statement that it supports in principle all of the Knight recommendations, subject to some modifications with the majority of recommendations expected to be implemented in 2012/2013.

Education Services for Overseas Students (Registration Charges) Amendment Act 2011 (Cwlth) and Education Services for Overseas Students Amendment (Registration Charges Consequentials) Act 2011 (Cwlth)

The acts passed on 26 September 2011 represent the second stage in the Australian Government’s implementation of the recommendations from the Baird Review, designed to strengthen the risk management of education services to overseas students. The acts amend the compulsory annual registration charge payable by all CRICOS registered providers (with high-risk providers paying a higher charge) and replace the initial registration charge with an annual entry to market charge. New providers are considered to be of higher risk and will pay more.

Education Services for Overseas Students Legislation Amendment (Tuition Protection Service and Other Measures) Bill 2011 (Cwlth), Education Services for Overseas Students (TPS Levies) Bill 2011 (Cwlth) and Education Services for Overseas Students (Registration Charges) Amendment (Tuition Protection Service) Bill 2011 (Cwlth)

This package of bills would establish a tuition protection service. The three bills provide for amendments to the *Education Services for Overseas Students Act 2000* (Cwlth) and place obligations on registered providers where they fail to start or finish providing a course; to provide for national registration of providers; to limit the amount of initial prepaid tuition fees that may be collected by a provider; to provide that students are only eligible for the unused portion of prepaid tuition fees; and to specify what details providers must keep on student records. The bills also provide for the imposition of a tuition protection services levy on registered providers. The Senate Education, Employment and Workplace Relations Legislation Committee issued a report on 27 February 2012 recommending that the bills be passed by the Senate subject to certain amendments.



STATE GOVERNMENT LEGISLATION AND POLICY

The State Government's role in funding and regulating primary and secondary school education and Vocational Education and Training impacts on higher education provision, particularly in terms of levels of school attainment, school-leaver transition to higher education and articulation to higher education from Vocational Education and Training courses.

As an employer, the State Government's role in providing health and education services has a direct impact on demand in Nursing and Teaching courses and employment outcomes for graduates from these programs.

State Government legislation and policy reforms of relevance in 2011 are described below.

2011/12 Western Australian State Budget

The State Government's 2011/12 Budget, handed down on 19 May 2011 focused heavily on investment in infrastructure, and maintained the level of investment in education and training. Investment in training places to address critical skills shortages increased to \$33.4 million, equating to 12,000 additional training places.

Increased electricity, gas and water tariffs, approved by the State Government in the 2011/12 budget will have a direct impact on operating costs of the University, as they will for all businesses.

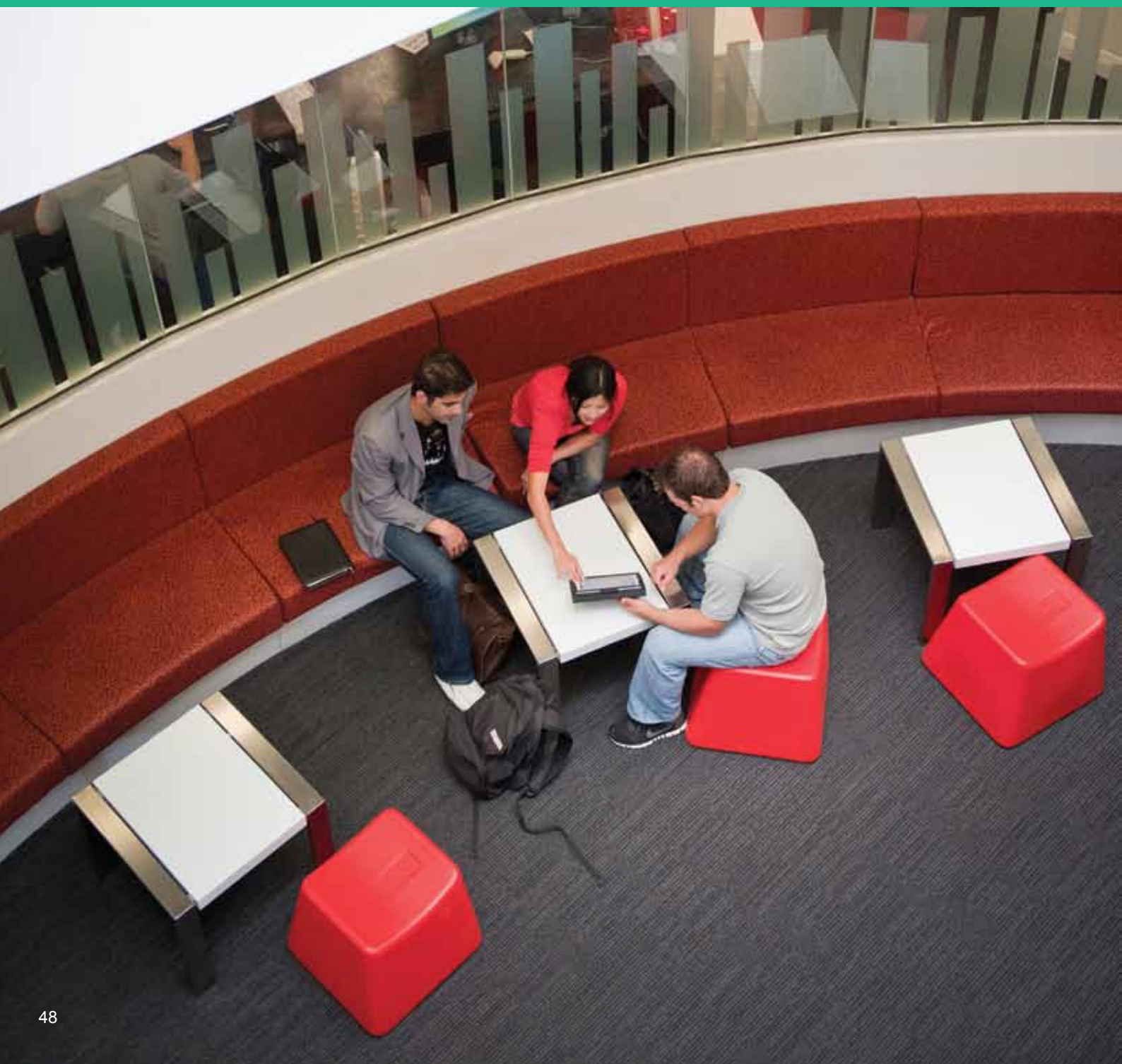


National Review into Model Occupational Health and Safety (OHS) legislation

Harmonisation of the health and safety legislation across Australia will result in new work health and safety legislation in each state jurisdiction. The Western Australian legislation was expected to be implemented from 1 January 2012. However the new laws are now expected to be enacted on 1 June 2013. ECU has reviewed the impacts of the proposed laws and is well prepared to meet the likely requirements of the new legislation.

EDITH COWAN UNIVERSITY
2011 ANNUAL REPORT

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 2011, 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 2011 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.

AUDITOR GENERAL'S STATEMENT

Edith Cowan University

Report on Controls

I have audited the controls exercised by the Edith Cowan University. The University Council is responsible for ensuring that adequate control is maintained over the receipt, expenditure and investment of money, the acquisition and disposal of public and other property, and the incurring of liabilities in accordance with the Financial Management Act 2006 and the Treasurer's Instructions, and other relevant written law.

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

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.

Report on the Key Performance Indicators

I have audited the key performance indicators of the Edith Cowan University. 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.

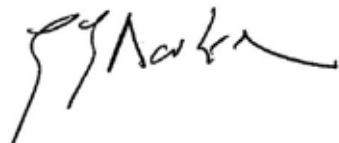
As required by the Auditor General Act 2006, my responsibility is to express an opinion on the key performance indicators based on my audit conducted in accordance with Australian Auditing Standards.

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 2011.

Independence

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



GLEN CLARKE
ACTING AUDITOR GENERAL
12 March 2012

CERTIFICATION OF FINANCIAL STATEMENTS

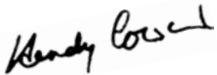
The accompanying financial statements of ECU and the accompanying consolidated financial statements have been prepared in compliance with the provisions of the *Financial Management Act 2006 (WA)* from proper accounts and records to present fairly the financial transactions for the financial year ended 31 December 2011 and the financial position as at 31 December 2011.

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.

Certification of financial statements required by DIISRTE

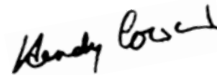
I declare that:

- 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 2011 was for the purpose(s) for which it was provided.



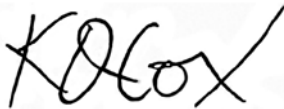
The Hon Dr Hendy Cowan
Chancellor

1 March 2012



The Hon Dr Hendy Cowan
Chancellor

1 March 2012



Professor Kerry O. Cox
Vice-Chancellor

1 March 2012



Professor Kerry O. Cox
Vice-Chancellor

1 March 2012



Mr Brad Francis
Chief Financial Officer

1 March 2012

FINANCIAL STATEMENTS

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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 1st day of March 2012. The consolidated entity has the power to amend and reissue the financial statements.

INCOME STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2011

	Notes	Consolidated		Parent entity	
		2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Income from continuing operations					
Australian Government financial assistance					
Australian Government grants	4	144,882	137,325	144,882	137,325
HECS-HELP Australian Government payments	4	64,145	57,521	64,145	57,521
FEE-HELP	4	10,134	7,455	10,134	7,455
State and local Government financial assistance	5	12,774	12,996	12,774	12,996
HECS-HELP – Student payments		11,212	11,813	11,212	11,813
Fees and charges	6	67,193	69,688	67,193	69,688
Investment revenue	7	8,293	4,986	8,227	4,908
Royalties	8	8,599	9,497	5,273	5,902
Consultancy and contracts	9	4,130	3,286	4,129	3,273
Sale of goods		7,283	7,758	7,283	7,758
Other revenue	10	7,491	7,324	6,063	4,851
Total revenue from continuing operations		346,136	329,649	341,315	323,490
Gains on disposal of assets	11	8,685	3,231	8,685	3,233
Other investment income	7	1,559	1,421	1,559	1,421
Other income	10	1,868	2,332	1,868	2,332
Total revenue and income from continuing operations		358,248	336,633	353,427	330,476
Expenses from continuing operations					
Employee related expenses	12	188,935	183,061	186,351	180,453
Repairs and maintenance	13	7,349	6,339	7,345	6,335
Depreciation and amortisation	14	19,316	19,732	19,300	19,713
Borrowing costs	15	3,560	3,981	3,560	3,981
Impairment of assets	16	1,041	1,382	1,041	1,382
Investment losses	7	1,995	626	1,995	626
Cost of goods sold		3,766	4,143	3,766	4,143
Other expenses	17	99,552	95,870	97,131	92,867
Total expenses from continuing operations		325,514	315,134	320,489	309,500
Operating result before income tax		32,734	21,499	32,938	20,976
Income tax expense	18	118	10	-	-
Operating result attributable to members of Edith Cowan University	34(b)	32,852	21,509	32,938	20,976

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

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2011

	Notes	Consolidated		Parent entity	
		2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Operating result after income tax for the period		32,852	21,509	32,938	20,976
Gain/(loss) on revaluation of property, plant and equipment, net of tax	34	2,372	(25,129)	2,372	(25,129)
Gain/(loss) on value of available for sale financial assets, net of tax	34	(2,164)	778	(2,164)	778
Cash flow hedges, net of tax	34	23	(23)	23	(23)
Exchange differences on translation of foreign operations	34	(16)	(93)	-	-
Impairment adjustments	34	471	1,245	471	1,245
Total comprehensive income		686	(23,222)	702	(23,129)
Total comprehensive income attributable to members of Edith Cowan University	34	33,538	(1,713)	33,640	(2,153)

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

STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2011

	Notes	Consolidated		Parent entity	
		2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
ASSETS					
Current assets					
Cash and cash equivalents	19	33,963	57,177	32,491	55,017
Receivables	20	15,846	12,977	15,193	12,319
Inventories	21	2,041	2,505	1,626	2,065
Derivative financial instruments	22	-	218	-	218
Other financial assets	23	70,351	50,781	70,342	50,772
Non-current assets classified as held for sale	24	31,516	262	31,516	262
Other non-financial assets	25	15,128	12,675	14,991	12,371
Total current assets		168,845	136,595	166,159	133,024
Non-current assets					
Receivables	20	25,577	24,548	25,577	24,548
Other financial assets	23	17,884	20,600	17,884	20,600
Property, plant and equipment	26	792,857	822,193	792,765	822,090
Investment properties	27	10,913	12,908	10,913	12,908
Deferred tax assets	28	193	59	-	-
Intangible assets	29	5,638	-	5,421	-
Total non-current assets		853,062	880,308	852,560	880,146
Total assets		1,021,907	1,016,903	1,018,719	1,013,170
LIABILITIES					
Current liabilities					
Trade and other payables	30	12,301	13,917	11,711	13,158
Borrowings	31	2,170	29,754	2,170	29,754
Derivative financial instruments	22	1	242	1	242
Provisions	32	33,389	28,091	33,157	27,956
Other liabilities	33	25,776	29,920	25,622	29,473
Total current liabilities		73,637	101,924	72,661	100,583
Non-current liabilities					
Borrowings	31	42,387	44,558	42,387	44,558
Provisions	32	66,405	64,459	66,340	64,338
Deferred tax liabilities	28	87	74	-	-
Total non-current liabilities		108,879	109,091	108,727	108,896
Total liabilities		182,516	211,015	181,388	209,479
Net assets		839,391	805,888	837,331	803,691
EQUITY					
Reserves	34(a)	387,245	385,921	387,449	386,109
Retained earnings	34(b)	452,146	419,967	449,882	417,582
Total equity		839,391	805,888	837,331	803,691

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

STATEMENTS OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2011

	Consolidated			Parent entity		
	Reserves	Retained earnings	Total	Reserves	Retained earnings	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 January 2010	430,217	377,384	807,601	430,312	375,532	805,844
Profit or loss	-	21,509	21,509	-	20,976	20,976
Loss on revaluation of property, plant and equipment	(25,129)	-	(25,129)	(25,129)	-	(25,129)
Gain on available for sale financial assets	778	-	778	778	-	778
Cash flow hedges	(23)	-	(23)	(23)	-	(23)
Exchange differences on translation of foreign operations	(93)	-	(93)	-	-	-
Impairment adjustments	1,245	-	1,245	1,245	-	1,245
Transfers between Reserves	(21,074)	21,074	-	(21,074)	21,074	-
Total comprehensive income	(44,296)	42,583	(1,713)	(44,203)	42,050	(2,153)
Balance at 31 December 2010	385,921	419,967	805,888	386,109	417,582	803,691

	Consolidated			Parent entity		
	Reserves	Retained earnings	Total	Reserves	Retained earnings	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 January 2011	385,921	419,967	805,888	386,109	417,582	803,691
Retrospective changes	-	(35)	(35)	-	-	-
Balance as restated	385,921	419,932	805,853	386,109	417,582	803,691
Profit or loss	-	32,852	32,852	-	32,938	32,938
Gain on revaluation of property, plant and equipment	2,372	-	2,372	2,372	-	2,372
Loss on available for sale financial assets	(2,164)	-	(2,164)	(2,164)	-	(2,164)
Cash flow hedges	23	-	23	23	-	23
Exchange differences on translation of foreign operations	(16)	-	(16)	-	-	-
Impairment adjustments	471	-	471	471	-	471
Transfers between Reserves	638	(638)	-	638	(638)	-
Total comprehensive income	1,324	32,214	33,538	1,340	32,300	33,640
Balance at 31 December 2011	387,245	452,146	839,391	387,449	449,882	837,331

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

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2011

	Notes	Consolidated		Parent entity	
		2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Cash flows from operating activities					
Australian Government Grants received	4(g)	217,538	201,616	217,538	201,616
OS-HELP (net)	4(g)	38	2	38	2
Superannuation Supplementation	4(g)	3,185	2,796	3,185	2,796
State and Local Government Grants received	5	12,774	12,996	12,774	12,996
HECS-HELP – Student payments received		11,212	11,813	11,212	11,813
Receipts from student fees and other customers		91,621	105,061	86,695	98,998
Dividends and distributions received		1,439	800	1,439	800
Interest received		7,376	4,212	7,310	4,134
Payments to suppliers and employees (inclusive of goods and services tax)		(299,404)	(283,691)	(293,992)	(277,826)
Interest and other cost of finance paid		(3,607)	(4,031)	(3,607)	(4,031)
Income taxes paid		(25)	59	-	-
Net cash provided by/(used in) operating activities	43	42,147	51,633	42,592	51,298
Cash flows from investing activities					
Proceeds from sale of property, plant and equipment and non-current assets held for sale		36,443	40,308	36,443	40,305
Payments for property, plant and equipment, non-current assets held for sale		(53,016)	(42,464)	(52,789)	(42,451)
Payments for financial assets		(21,632)	(37,543)	(21,632)	(37,543)
Proceeds from sale of financial assets		2,613	1,150	2,613	1,150
Net cash provided by/(used in) investing activities		(35,592)	(38,549)	(35,365)	(38,539)
Cash flows from financing activities					
Proceeds from borrowings		19,088	16,723	19,088	16,723
Repayment of borrowings		(48,841)	(5,898)	(48,841)	(5,898)
Net cash provided by/(used in) financing activities		(29,753)	10,825	(29,753)	10,825
Net increase in cash and cash equivalents		(23,198)	23,909	(22,526)	23,584
Cash and cash equivalents at the beginning of the financial year		57,177	33,361	55,017	31,433
Effects of exchange rate changes on cash and cash equivalents		(16)	(93)	-	-
Cash and cash equivalents at the end of the financial year	19	33,963	57,177	32,491	55,017
Financing arrangements	31				
Non-cash financing and investing activities	44				

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

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2011

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NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2011

1 UNIVERSITY ORGANISATION

Edith Cowan University (the University) is a Statutory Authority of the Government of Western Australia and is domiciled in Australia. The address of its registered office is 270 Joondalup Drive, Joondalup, Western Australia.

The University is a public not-for-profit institution of higher education, funded primarily through Commonwealth grant funding. Established in 1902, when it began as a teaching college, the University gained university status in 1991. Its principal activities cover teaching, learning and research.

The University Council is the governing body which controls the operations, affairs, concerns and property of the University. The Vice-Chancellor has been delegated the responsibility of managing the operations, affairs, concerns and property of the University.

2 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 subsidiaries.

General Statement

The financial statements constitute a general purpose financial report which has been prepared in accordance with Australian Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board as applied by the Treasurer's instructions. Several of these are modified by the Treasurer's instructions to vary application, disclosure, format and wording.

The Financial Management Act and the Treasurer's instructions are legislative provisions governing the preparation of financial statements and take precedence over Australian Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board.

Where modification is required and has a material or significant financial effect upon the reported results, details of that modification and the resulting financial effect are disclosed in the notes to the financial statements.

Reporting Entity

The reporting entity comprises the University and its controlled entity, E.C.U. Resources for Learning Ltd (ECURL).

Specific details of controlled entities appear in note 41.

(a) Basis of preparation

The financial statements have been prepared on the accrual basis of accounting using 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 and loss, certain classes of property, plant and equipment and investment properties.

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

Critical accounting estimates

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgements in the process of applying the consolidated entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 DECEMBER 2011

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Basis of consolidation

Subsidiary

The consolidated financial statements have been prepared by combining the financial statements of all entities that comprise the consolidated entity, being the University (the parent entity) and its controlled entities, in accordance with AASB 127 Consolidated and Separate Financial Statements and modified by Treasurer's instruction 1105. A list of controlled entities appears in note 41 – Subsidiaries. Consistent accounting policies have been applied and all inter-entity balances and transactions, and unrealised profits arising within the consolidated entity are eliminated in full.

Edith Cowan University and its controlled entities together are referred to in this financial report as the consolidated entity.

(c) Income

Revenue recognition

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 measured at the fair value of the consideration received or receivable. Revenue is recognised for the major business activities as follows:

(i) Grants, donations, gifts and other non-reciprocal contributions

The consolidated entity treats operating grants received from Australian Government entities as income in the year of receipt.

Grants received from Government are recognised as revenue when the consolidated entity obtains control over the asset comprising the contribution, it is probable that economic benefits will flow to the consolidated entity and it can be measured reliably. When the University does not have control over the contribution, does not have the right to receive the contribution or, in case of reciprocal grants, has not fulfilled grant conditions, the grant contribution is treated as a liability in the statement of financial position as deferred income.

Donations, gifts and other contributions are recognised as revenue when the University obtains control over the assets comprising the contributions, it is probable that economic benefits will flow to the consolidated entity and it can be measured reliably.

(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) Rendering of services

Revenue is recognised on delivery of the service to the client or by reference to the stage of completion of the transaction.

(iv) Interest revenue

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

(v) Sale of goods

Revenue is recognised from the sale of goods and disposal of other assets when the significant risks and rewards of ownership control transfer to the purchaser and the revenue can be measured reliably.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(vi) Royalties

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

Income recognition

(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) Parking and library fines

Income from parking and library fines are recognised on a cash basis, as the purpose of the fine is to act as a deterrent and not for raising revenue. Non-payment of these fines is not actively pursued.

(x) Lease income

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

(xi) 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 being 36.5 years. This represents the amortisation of the service concession provision. Refer to Note t(iii) for further details regarding this provision.

(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.

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 DECEMBER 2011

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 that have been 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

Property, plant and equipment, investment properties, intangible assets, non-current assets held for sale and financial assets are tested for any indication of impairment at each reporting date. Where there is an indication of impairment, the recoverable amount is estimated. Where the recoverable amount is less than the carrying amount, and the decline in the carrying value is considered significant and prolonged, the asset is considered impaired. The asset is written down to the recoverable amount and an impairment loss is recognised. As the consolidated entity is a not-for-profit entity, unless an asset has been identified as a surplus asset, the recoverable amount is the higher of an asset's fair value less costs to sell and depreciated replacement cost.

The risk of impairment is generally limited to circumstances where an asset's depreciation is materially understated, where the replacement cost is falling or where there is a significant change in useful life. Each relevant class of asset is reviewed annually to verify that the accumulated depreciation/amortisation reflects the level of consumption or expiration of the asset's future economic benefits and to evaluate any impairment risk from falling replacement costs.

The recoverable amount of assets identified as surplus assets is the higher of fair value less costs to sell and 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.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(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.

(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.

(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

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 statements of financial position date which are classified as non-current assets. Loans and receivables are included in receivables in the statements of financial position (note 20).

(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 statements of financial position date.

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. Available-for-sale financial assets are initially recognised at fair value plus transaction costs. Available-for-sale 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 equity are included in the Income statements as gains and losses from investment securities.

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 DECEMBER 2011

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Subsequent measurement

Available-for-sale financial assets are subsequently carried at fair value. Held-to-maturity investments are carried at cost and interest is accrued on a monthly basis until that interest is recorded at maturity. Loans and receivables are recorded at the transaction cost or face value because there is no interest rate applicable and subsequent measurement is not required as the effect of discounting is not material.

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

Fair value

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

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 as 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 statements. Impairment losses recognised in the income statements on equity instruments are not reversed through the income statements.

(I) Property, plant and equipment

All items of property, plant and equipment are initially recognised at cost. 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.

Each class of property, plant and equipment are subsequently measured at cost or fair value as indicated, less, where applicable, any accumulated depreciation and impairment losses. For asset classes carried at fair value, increases in the carrying amount arising on revaluation of the asset class are recognised in other comprehensive income and accumulated in the revaluation surplus in equity. Revaluation decreases that offset previous revaluation increments of the same class of assets are also recognised in other comprehensive income as a reduction in the revaluation surplus reserve. All other revaluation decrements are charged to the income statement as an expense of the period.

Items of property, plant and equipment (excluding Works of Art) costing \$5,000 or more are recognised as assets and the cost of utilising assets is expensed (depreciated) over their useful lives. Items of property, plant and equipment costing less than \$5,000 are expensed direct to the income statement (other than where they form part of a group of similar items which are significant in total).

The assets residual values and useful lives are reviewed each year and adjusted where appropriate at the end of each reporting period.

Land and Buildings

Land and buildings are measured at fair value based on periodic valuations by an external independent valuer, less subsequent depreciation for buildings. Fair value of land is determined on the basis of current market values with reference to recent transactions whereas the fair value of buildings is determined on the basis of depreciated replacement cost which is equivalent to the current replacement cost of an asset less, where applicable, accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired future economic benefits of the asset.

Buildings are depreciated on a straight line basis over their useful life to the consolidated entity commencing from the time that the building is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leasehold improvements

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 and 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 of 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.

Library collection assets

Library collection assets (excluding intangible assets) are carried at cost less accumulated depreciation and any accumulated impairment losses. Where library assets are acquired at no cost, or for a nominal cost, cost will represent the asset's fair value as determined by qualified library staff, and will generally represent that asset's cost to replace.

Library collection assets carried at cost are depreciated on a straight line basis over 10 years.

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised lease assets, but excluding freehold land and Works of Art, are depreciated on a straight-line basis over the asset's useful life to the consolidated entity commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 DECEMBER 2011

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The depreciation rates used for each class of depreciable assets are:

Asset category	Life
Buildings	50 years
Service concession assets – buildings	50 years
Computing equipment	4 years
Other equipment and furniture	6-10 years
Motor vehicles	4-6 years
Works of art	Not depreciated
Leasehold improvements	Refer to policy above
Library collections	10 years

(m) Investment properties

Investment properties exclude properties held to meet service delivery objectives of the University and comprises of land and/or buildings which are held to earn rentals and/or capital appreciation.

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. The fair value of all land has been determined by reference to recent market transactions and the fair value of buildings have been determined by reference to the cost of replacing the remaining future economic benefits. Changes in fair values are recorded in the income statement as part of other investment income. The properties are not depreciated.

Rental revenue from the leasing of investment properties is recognised in the income statement in the periods in which it is receivable and is accounted for on a straight line basis over the lease term.

(n) 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 39). 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 statements on a straight-line basis, over the period of the lease.

(o) Intangible assets

All acquired and internally developed 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
Computer software	2-5 years
Publishing titles	10 years
Library collection	10 years

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(p) Unfunded superannuation

In accordance with the 1998 instructions issued by the Department of Education, Training and Youth Affairs (DETYA) now known as the Department of Education, Employment and Workplace Relations (DEEWR), the effects of the unfunded superannuation liabilities of the Edith Cowan University and its controlled entities were recorded in the Income statements and the Statements 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 statements 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 the Edith Cowan University and its controlled entities.

(q) Non-current assets held for sale

Non-current assets classified as held for sale are stated at the lower of carrying amount and fair value less costs to sell where the 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 costs to sell. 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.

(r) Payables

Payables are recognised when the consolidated entity becomes obliged to make future payments as a result of a purchase of assets or services. Accounts payable are not interest bearing and are stated at their nominal value.

The carrying amount is equivalent to its fair value, as they are generally settled within 30 days.

(s) Borrowings

Interest-bearing loans are recorded at cost when the proceeds are received, net of direct issued costs. Finance charges are accounted for on an accrual basis.

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 statements of financial position date.

(t) Provisions

Provisions are liabilities of uncertain timing and amount and are recognised where there is a present legal or constructive obligation as a result of a past event and when the outflow of resources embodying economic benefits is probable and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each reporting date.

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 DECEMBER 2011

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) *Employee benefits*

Provision is made for the consolidated entity's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Provisions for employee benefits such as salaries and wages and annual leave that are expected to be settled within 12 months are measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than 12 months such as post-employment benefits and long service leave have been measured at the present value of the estimated future cash outflows to be made for those benefits. Liabilities of long term and post employment benefits for which settlement cannot be deferred beyond 12 months is recognised in the current provisions for employee benefits and is measured in accordance with the policy for short term benefits described above. In determining the liability, consideration is given to increases in salary costs including non-salary components such as superannuation and the probability that the employee may satisfy vesting requirements which can exist in specific types of employment contract. Such vesting conditions generally comprise length of service and renewal of contract. Those cash flows are discounted using market yields on national government bonds with terms to maturity that match, as closely as possible, the expected timing of cash flows.

Liability for 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.

Employment on-costs, including workers' compensation insurance and payroll tax, are not employee benefits and are recognised as liabilities and expenses when the employment to which they relate have occurred. Employment on-costs are not included as part of the consolidated entity's employee related expenses and the related liability is included in the employment oncosts provision.

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The consolidated entity recognises termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after balance date are discounted to present value.

(ii) *Superannuation*

The consolidated entity contributes to a number of superannuation schemes, including both defined contribution and defined benefit schemes. Payments to defined contribution schemes are charged as an expense as they fall due. The University's obligation is limited to these contributions.

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

Actuarial gains and losses are recognised immediately as income or expense in the income statement in the year in which they occur.

For details relating to the individual schemes, refer to note 47.

(iii) *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.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(u) Foreign currency translation and hedge accounting

Transactions denominated in currencies other than Australian dollars are recorded at the rates of exchange prevailing on the dates of the transactions. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rate of exchange prevailing at the reporting date. Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the reporting date when the fair value was determined. Exchange gains and losses arising on retranslation are included in the income statement for the period.

Forward foreign exchange contracts are entered into as hedges to avoid or minimise possible adverse financial effects of movements in exchange rates. Such derivative financial instruments are stated at fair value. Changes in the fair value of derivative financial instruments that are designated and effective as hedges of future cash flows are recognised directly in equity and the ineffective portion is recognised immediately in the income statement.

When the hedged firm commitment results in the recognition of an asset or a liability, then, at the time the asset or liability is recognised, the associated gains or losses that had previously been recognised in equity are included in the initial measurement of the acquisition cost or other carrying amount of the asset or liability. For all other cash flow hedges, the gains or losses that are recognised in equity are transferred to the income statement in the same year in which the hedged firm commitment affects the net profit and loss, for example when the future sale actually occurs.

(v) 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 of 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 statements 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 flow.

(w) New accounting standards and Interpretations

Certain new Accounting Standards and Interpretations have been published that are not mandatory for 31 December 2011 reporting periods. The Edith Cowan University's assessment of the impact of these new Standards and Interpretations is set out below:

- (i) AASB 1053 *Application of Tiers of Australian Accounting Standards and AASB 2010-2 Amendments to Australian Accounting Standards arising from reduced disclosure requirements* (effective from 1 January 2014)

This Standard establishes a differential financial reporting framework consisting of two Tiers of reporting requirements for preparing general purpose financial statements:

- (a) Tier 1: Australian Accounting Standards
- (b) Tier 2: Australian Accounting Standards Reduced Disclosure Requirements

Tier 2 comprises the recognition, measurement and presentation requirements of Tier 1 and substantially reduced disclosures corresponding to those requirements. The following entities apply Tier 1 requirements in preparing general purpose financial statements:

- (a) For-profit entities in the private sector that have public accountability (as defined in this Standard)
- (b) The Australian Government and State, Territory and Local Governments.

The following entities apply either Tier 2 or Tier 1 requirements in preparing general purpose financial statements:

- (a) For-profit private sector entities that do not have public accountability
- (b) All not-for-profit private sector entities
- (c) Public sector entities other than the Australian Government and State, Territory and Local Governments.

The consolidated entity will consider the provisions of this standard when applicable.

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 DECEMBER 2011

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- (ii) AASB 9 *Financial Instruments and AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2010)* (effective from 1 January 2013)

AASB 9 and AASB 2010-7 are effective to annual reporting periods beginning on or after 1 January 2013 with the aim of replacing AASB 139 *Financial Instruments: Recognition and Measurement*. AASB 9 simplifies the classification of financial assets into those to be carried at amortised cost, and those to be carried at fair value. It also simplifies requirements for embedded derivatives and removes the tainting rules associated with held-to-maturity assets. Entities will be required to reclassify their financial assets when there is a change in the entity's business. The consolidated entity will consider adopting these provisions when it is applicable.

- (iii) AASB 2010-6 *Amendments to Australian Accounting Standards – Disclosures on Transfers of Financial Assets [AASB 1 & AASB 7]* (effective from 1 January 2012)

This Standard adds and amends disclosure requirements about transfer of financial assets, including in respect of the nature of the financial assets involved and the risks associated with them. The amendments are designed to allow users of financial statements to improve their understanding of transfer transactions of financial assets (for example securitisations, factoring of receivables), including understanding the possible effects of any risks that may remain with the entity that transferred the assets. The amendments also require additional disclosures if a disproportionate amount of transfer transaction are undertaken around the end of a reporting period. The consolidated entity does not hold financial assets that require additional disclosure. The changes introduced in the Standard do not have any impacts to the consolidated entity.

- (iv) AASB 2010-8 *Amendments to Australian Accounting Standards – Deferred Tax: Recovery of Underlying Assets* (effective from 1 January 2012)

These amendments provide a practical approach for measuring deferred tax liabilities and deferred tax assets when investment property is measured using the fair value model in AASB 140 *Investment Property*. The consolidated entity does not have income tax liabilities for its operations within Australia. The Standard does not have any impact to the consolidated entity.

- (v) AASB 1054 *Australian Additional Disclosures* and AASB 2010-9 *Amendments to Australian Accounting Standards – Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters* (effective from 1 January 2012)

The main changes introduced in this Standard is the removal of fixed dates. The amendments provide relief for first-time adopter of Australian Accounting Standards from having to reconstruct transactions that occurred before their date of transition to Australian Accountant Standards. It also provide guidance for entities emerging from severe hyperinflation either to resume presenting Australian-Accounting-Standards financial statements or to present Australian-Accounting-Standards financial statements for the first time. The consolidated entity does not expect that any adjustments will be necessary as the result of applying the revised rules.

- (vi) AASB 2011-1 *Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project and* (effective from 1 January 2012)

The amendments made in the Standard are a consequence of Phase 1 of the joint Trans-Tasman Convergence project of the AASB and the FRSB. It addressed the harmonisation of financial reporting requirements across the Tasman in relation to for-profit entities that asset compliance with International Financial Reporting Standards (IFRSs).

AASB 2011-1 changed 9 existing Australian Standards and 3 interpretations to either delete Australian specific-guidance or relocate it if it is still considered necessary in the Australian context.

In some instances, the AASB has removed guidance and definitions from Australian Accounting Standards for conformity of drafting with IFRSs but without any intention to change requirements. The consolidated entity will consider the provisions of this standard when applicable. The consolidated entity does not expect that any adjustments will be necessary as the result of applying the revised rules.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- (vii) *AASB 2011-5 Amendments to Australian Accounting Standards – Extending Relief from Consolidation, the Equity Method and Proportionate Consolidation* (effective 1 January 2012)

The changes introduce the relief from consolidation for not-for-profit parent entities. Under the Amending Standards, a not-for-profit parent would be relieved from preparing consolidated financial statements if it had an ultimate not-for-profit parent that produces consolidated financial statements complying with Australian Accounting Standards.

The consolidated entity does not expect that any adjustments will be necessary as the result of applying the revised standard.

- (viii) *AASB 10 Consolidated Financial Statements* (effective from 1 January 2013)

AASB 10 replaces AASB 127 and three key elements of control. According to AASB 10 an investor controls an investee if, and only if, the investor has all the following: a) power over the investee; b) exposure, or rights, to variable returns from its involvement with the investee; and c) the ability to use its power over the investee to affect the amount of the investor's returns. Additional guidance is provided about how to evaluate each of the three limbs above. The limbs above are more principle based rather than hard and fast rules. The consolidated entity will consider the provisions of this standard when applicable. The consolidated entity does not expect that any adjustments will be necessary as the result of applying the revised rules.

- (ix) *AASB 11 Joint Arrangements* (effective from 1 January 2013)

AASB 11 replaces the AASB 131 Interests in Joint Ventures. The previous Standard had three types of joint ventures whereas AASB 11 only has two. These are: joint operations; and joint ventures. The consolidated entity will consider the provisions of this standard when applicable. The consolidated entity does not expect that any adjustments will be necessary as the result of applying the revised rules.

- (x) *AASB 12 Disclosure of Interests in Other Entities* (effective from 1 January 2013)

AASB 12 provides the disclosure requirements for entities that have an interest in a subsidiary, a joint arrangement, an associate or an unconsolidated structured entity. It requires an entity to disclose information that enables users of financial statements to evaluate: a) the nature of, and risks associated with, its interests in other entities; and b) the effects of those interests on its financial position, financial performance and cash flows. The Standard is not available for early adoption for not-for-profit entities. The consolidated entity will consider the provisions of this standard when applicable.

- (xi) *AASB 13 Fair Value Measurement and AASB 2011-8 Amendments to Australian Accounting Standards arising from AASB 13* (effective from 1 January 2013)

The new standard aligns IFRS and US GAAP specifying how an entity should apply the fair value measurement requirements that apply in existing IFRS standard. It seeks to ensure that these varied requirements are applied consistently, have clear measurement objectives, and use a robust measurement framework. It does not introduce any requirements for the use of fair value but does clarify the definition and enhance the disclosures where it is used. The consolidated entity will consider the provisions of this standard when applicable.

- (xii) *AASB 2011-9 Amendments to Australian Accounting Standards – Presentation of items of Other Comprehensive Income* (effective from 1 January 2013)

The new standard amends AASB 101 Presentation of Financial Statements to require entities to group items presented in other comprehensive income (OCI) on the basis of whether they are potentially reclassifiable to profit or loss subsequently (reclassification adjustments). These changes are to clarify the nature of items included in the other comprehensive income. It does not remove the option to present profit or loss and other comprehensive income in two statements. The consolidated entity will consider the provisions of this standard when applicable.

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 DECEMBER 2011

(xiii) AASB 119 *Employee Benefits and AASB 2011 10 Amendments to Australian Accounting Standards arising from AASB 119* (effective from 1 January 2012)

AASB 119 is amended focusing on but not limited to the accounting for defined benefit plans. The major changes introduced in the revised Standard are: all actuarial gains and losses recognised immediately in other comprehensive income; expected return on plan assets recognised in profit or loss calculated based on rate used to discount the defined benefit obligation; definition of short-term and other long-term employee benefits; termination benefits are recognised at the earlier of when the entity recognises costs for a restructuring that includes the payment of termination benefits and when the entity can no longer withdraw the offer of the termination benefits. The consolidated entity will consider the provisions of this standard when applicable.

(x) Change in accounting estimates and prior period reclassification

The consolidated entity changed its estimates with respect to the useful life of its library collection. The consolidated entity has extended the useful life of such physical library assets, classified within property, plant & equipment, to 10 years. This change in estimates has been recognised prospectively in the financial statements as from 1 January 2011. Given the reclassifications and adjustments discussed below, it is not practicable to ascertain the financial effect of this change in estimates in future periods.

In addition, intangible library assets have been reclassified as a separate class of asset whereas previously they were included within property, plant & equipment. Refer to note 29 for details of intangible library assets. Amortisation of such intangible assets is based on a 10 year useful life. As the effects of such reclassification on prior year financial statements are immaterial, comparatives have not been adjusted.

The aggregate effect of the above mentioned changes on the annual financial statements for the year ended 31 December 2011 is as follows:

	31 December 2011	Increase/ (Decrease)	31 December 2011 (Restated)
	\$'000	\$'000	\$'000
Statement of comprehensive income (extract)			
Depreciation and amortisation	20,768	(1,452)	19,316
Other expenses	97,770	1,782	99,552
Operating result	33,182	(330)	32,852
Statement of financial position (extract)			
Property, plant and equipment	798,608	(5,751)	792,857
Intangible	217	5,421	5,638
Net assets	839,721	(330)	839,391
Retained earnings	452,476	(330)	452,146
Total equity	839,721	(330)	839,391

3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the consolidated entity and that are believed to be reasonable under the circumstances.

(a) Critical accounting estimates and assumptions

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

- Allowances for impairment of financial assets;
- Estimating useful life of key assets – the useful life reflects the consumption of the key assets' future economic benefits.

Defined benefit superannuation plans

In determining the consolidated entity's ultimate cost of its defined benefit superannuation plans, actuarial assumptions are required to be made. The principal actuarial assumptions used are disclosed in note 47.

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

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

- Estimating the useful life of key assets;
- Impairment of property, plant and equipment, investment properties, receivables and other financial assets;
- Classification of financial assets;
- Discount rates used in estimating provisions;
- Long service retention rates and discount rates.

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 DECEMBER 2011

4 AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE INCLUDING HECS-HELP AND OTHER AUSTRALIAN GOVERNMENT LOAN PROGRAMS

	Notes	Consolidated		Parent entity	
		2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
(a) Commonwealth Grant Scheme and other grants	48.1				
Commonwealth Grant Scheme ^{#1}		116,392	116,947	116,392	116,947
Indigenous Support Program		646	624	646	624
Partnership and Participation Program ^{#2}		2,359	1,362	2,359	1,362
Disability Support Program		64	72	64	72
Capital Development Pool		-	1,042	-	1,042
Diversity and Structural Adjustment Fund		275	-	275	-
Transitional Cost Program		118	118	118	118
Other		2,148	-	2,148	-
Total Commonwealth Grants Scheme and other grants		122,002	120,165	122,002	120,165
(b) Higher Education Loan Programs	48.2				
HECS-HELP		64,145	57,521	64,145	57,521
FEE-HELP ^{#3}		10,134	7,455	10,134	7,455
Total Higher Education Loan Programs		74,279	64,976	74,279	64,976
(c) Scholarships	48.3				
Australian Postgraduate Awards		1,652	1,392	1,652	1,392
International Postgraduate Research Scholarships		185	168	185	168
Commonwealth Education Cost Scholarships ^{#4}		393	161	393	161
Commonwealth Accommodation Scholarships ^{#4}		435	52	435	52
Indigenous Access Scholarships		46	106	46	106
Total Scholarships		2,711	1,879	2,711	1,879
(d) DIISR Research	48.4				
Joint Research Engagement Program ^{#5}		2,190	2,034	2,190	2,034
Research Training Scheme		4,415	4,412	4,415	4,412
Research Infrastructure Block Grants		469	371	469	371
Implementation Assistance Program		-	41	-	41
Sustainable Research Excellence in Universities		526	451	526	451
Commercialisation Training Scheme		55	47	55	47
Other		1,989	-	1,989	-
Total DIISR Research Grants		9,644	7,356	9,644	7,356

4 AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE INCLUDING HECS-HELP AND OTHER AUSTRALIAN GOVERNMENT LOAN PROGRAMS (CONTINUED)

	Notes	Consolidated		Parent entity	
		2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
(e) Australian Research Council	48.6				
(i) Discovery	48.6(a)				
Project		161	82	161	82
(ii) Linkages	48.6(b)				
Projects		378	784	378	784
Total Australian Research Council		539	866	539	866
(f) Other Australian Government financial assistance					
National competitive		1,718	1,726	1,718	1,726
Other research grants		3,820	3,084	3,820	3,084
Other non-research grants		4,448	2,249	4,448	2,249
Total Other Australian Government financial assistance		9,986	7,059	9,986	7,059
Total Australian Government financial assistance		219,161	202,301	219,161	202,301

#1 Includes the basic CGS grant amount, CGS – Regional Loading and CGS – Enabling Loading and Science and Maths Transitional Loading.

#2 Includes Equity Support Program.

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

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

#5 Includes Institutional Grants Scheme.

Reconciliation					
Australian Government grants [(a) + (c) + (d) + (e) + (f)]		144,882	137,325	144,882	137,325
HECS-HELP payments		64,145	57,521	64,145	57,521
FEE-HELP payments		10,134	7,455	10,134	7,455
Total Australian Government financial assistance		219,161	202,301	219,161	202,301

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 DECEMBER 2011

4 AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE INCLUDING HECS-HELP AND OTHER AUSTRALIAN GOVERNMENT LOAN PROGRAMS (CONTINUED)

	Notes	Consolidated		Parent entity	
		2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
(g) Australian Government Grants received – cash basis (Ref note 48)					
CGS and Other DEEWR Grants		122,002	120,165	122,002	120,165
Higher Education Loan Programs		71,313	64,323	71,313	64,323
Scholarships		3,739	1,857	3,739	1,857
DIISR Research		9,644	7,356	9,644	7,356
ARC grants – Discovery		161	72	161	72
ARC grants – Linkages		518	784	518	784
Other Australian Government Grants		10,161	7,059	10,161	7,059
Total Australian Government Grants received – cash basis		217,538	201,616	217,538	201,616
OS-Help (Net)		38	2	38	2
Superannuation Supplementation		3,185	2,796	3,185	2,796
Total Australian Government funding received – cash basis		220,761	204,414	220,761	204,414

5 STATE AND LOCAL GOVERNMENT FINANCIAL ASSISTANCE

	Consolidated		Parent entity	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
State financial assistance				
WA State Department of Education and Training*	7,982	7,725	7,982	7,725
WA State and local Government research grants	4,792	5,271	4,792	5,271
Total State and local Government financial assistance	12,774	12,996	12,774	12,996

* The funding relates to West Australian Academy of Performing Arts (WAAPA@ECU).

6 FEES AND CHARGES

	Consolidated		Parent entity	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Course fees and charges				
Continuing education	577	595	577	595
Fee-paying overseas students	57,749	60,020	57,749	60,020
Fee-paying domestic postgraduate students	3,300	3,542	3,300	3,542
Fee-paying domestic undergraduate students	23	5	23	5
Fee-paying domestic non-award students	-	2	-	2
Total course fees and charges	61,649	64,164	61,649	64,164
Other non-course fees and charges				
Amenities and service fees	172	191	172	191
Course consumable fees	46	36	46	36
Examination, registration and photocopying fees	522	470	522	470
Late fees	70	280	70	280
Library fines	123	51	123	51
Other fees and charges	1,050	925	1,050	925
Parking fees	1,559	1,523	1,559	1,523
Rental charges	1,628	1,430	1,628	1,430
Seminar and workshop fees	374	618	374	618
Total other non-course fees and charges	5,544	5,524	5,544	5,524
Total fees and charges	67,193	69,688	67,193	69,688

7 INVESTMENT REVENUE AND INCOME

	Consolidated		Parent entity	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Investment revenue				
Interest revenue from operating account	553	415	487	337
Interest from bank bills	7,740	4,571	7,740	4,571
Total investment revenue	8,293	4,986	8,227	4,908
Other investment income				
Dividends received	389	79	389	79
Distributions from managed funds	1,170	721	1,170	721
Rental income from investment properties	-	621	-	621
Total other investment income	1,559	1,421	1,559	1,421
Other investment losses				
Net Change in fair value of investment properties	1,995	626	1,995	626
Net investment income	7,857	5,781	7,791	5,703

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 DECEMBER 2011

8 ROYALTIES

	Consolidated		Parent entity	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Royalties	8,599	9,497	5,273	5,902

9 CONSULTANCY AND CONTRACTS

	Consolidated		Parent entity	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Research				
Consultancy	304	277	303	264
Contract research	3,826	3,009	3,826	3,009
Total consultancy and contracts	4,130	3,286	4,129	3,273

10 OTHER REVENUE AND INCOME

	Consolidated		Parent entity	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Other revenue				
Donations and bequests	891	463	891	463
Prizes, contributions and scholarships	813	414	813	414
Proceed from sale of non-capitalised equipment	208	120	208	120
Professional development courses	1,428	2,317	-	-
Commissions, recoveries and rebates received	1,873	1,931	1,875	1,931
Expense recoups	78	116	78	116
Box office – WAAPA	571	564	571	564
Sundry Income	1,047	857	1,045	701
Medical practitioners fees	153	98	153	98
Other revenue	429	444	429	444
Total other revenue	7,491	7,324	6,063	4,851
Other income				
Bad debts recovered	183	643	183	643
Insurance claims	3	132	3	132
Service concession income	948	948	948	948
Other income	734	609	734	609
Total other income	1,868	2,332	1,868	2,332

11 GAINS ON DISPOSAL OF ASSETS

	Consolidated		Parent entity	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
(a) Disposal of property, plant and equipment and non-current assets held for sale				
Proceeds from sale of property, plant and equipment and non-current assets held for sale	37,165	40,659	37,165	40,659
Carrying amount of property, plant and equipment and non-current assets held for sale sold	(28,480)	(37,428)	(28,480)	(37,426)
Net gain on disposal of property, plant and equipment and non-current assets held for sale	8,685	3,231	8,685	3,233

12 EMPLOYEE RELATED EXPENSES

	Consolidated		Parent entity	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Academic				
Salaries	73,613	71,750	73,613	71,750
Superannuation and other post employment benefits	10,975	10,331	10,975	10,331
Long service leave	2,599	2,061	2,599	2,061
Annual leave	262	330	262	330
Redundancy costs	247	2,609	247	2,609
Other	2,391	2,805	2,379	2,764
Total academic	90,087	89,886	90,075	89,845
Non-academic				
Salaries	83,530	75,538	81,256	73,134
Superannuation and other post employment benefits	11,996	10,712	11,738	10,470
Long service leave	2,140	4,630	2,138	4,655
Annual leave	327	1,417	289	1,471
Redundancy costs	364	538	364	538
Other	491	340	491	340
Total non-academic	98,848	93,175	96,276	90,608
Total employee related expenses	188,935	183,061	186,351	180,453

The employment on-costs expense is included at note 17.

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 DECEMBER 2011

13 REPAIRS AND MAINTENANCE

	Consolidated		Parent entity	
	2011	2010	2011	2010
	\$'000	\$'000	\$'000	\$'000
Buildings maintenance	5,188	4,893	5,188	4,893
Grounds maintenance	1,054	545	1,054	545
Other equipment maintenance	1,107	901	1,103	897
Total repairs and maintenance	7,349	6,339	7,345	6,335

14 DEPRECIATION AND AMORTISATION

	Consolidated		Parent entity	
	2011	2010	2011	2010
	\$'000	\$'000	\$'000	\$'000
Depreciation				
Buildings	10,793	11,175	10,793	11,175
Service concession assets	1,070	377	1,070	377
Leasehold improvements	842	934	840	931
Other equipment and furniture	2,883	2,795	2,880	2,791
Computing equipment	1,498	1,407	1,487	1,395
Motor vehicles	65	61	65	61
Library collections	1,297	2,983	1,297	2,983
Total depreciation	18,448	19,732	18,432	19,713
Amortisation				
Intangible assets	868	-	868	-
Total depreciation and amortisation	19,316	19,732	19,300	19,713

15 BORROWING COSTS

	Consolidated		Parent entity	
	2011	2010	2011	2010
	\$'000	\$'000	\$'000	\$'000
Interest paid	4,811	4,253	4,811	4,253
Less: Amount capitalised	(1,251)	(272)	(1,251)	(272)
Total borrowing costs expensed	3,560	3,981	3,560	3,981

16 IMPAIRMENT OF ASSETS

	Consolidated		Parent entity	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Bad and Doubtful Debts	570	-	570	-
Impairment of investments	471	1,245	471	1,245
Impairment of property, plant and equipment	-	137	-	137
Total impairments of assets	1,041	1,382	1,041	1,382

*Additional details on impairments of receivables are included at note 20.

17 OTHER EXPENSES

	Consolidated		Parent entity	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Scholarships, grants and prizes	8,690	8,888	8,690	8,888
Advertising and marketing expenses	8,422	9,504	8,125	9,262
Audit fees, bank charges, legal costs and insurance	2,035	1,577	1,868	1,396
Computer software and maintenance	8,259	9,080	8,232	9,059
Employment on-costs*	10,350	10,626	10,106	10,397
General consumables	4,137	3,995	3,601	3,216
Hire and lease Costs	2,140	1,513	2,140	1,513
Non-capitalised equipment	4,036	3,773	4,036	3,773
Operating lease rental expenses	485	459	446	414
Printing, postage and stationery	3,643	3,403	3,530	3,283
Professional and consulting fees	11,813	13,652	11,727	13,502
Student related expenditure	10,203	6,177	10,203	6,177
Telecommunications	2,524	1,517	2,495	1,487
Travel, staff development & entertainment	7,169	7,015	6,825	6,648
Utilities and rates	6,556	6,278	6,324	6,022
Write-offs during the year**	55	32	55	30
Other	9,035	8,381	8,728	7,800
Total other expenses	99,552	95,870	97,131	92,867

*Includes workers' compensation insurance, payroll tax and other employment on-costs. The on-costs liability associated with the recognition of annual leave and long service leave liability is included at note 32. Superannuation contributions accrued as part of the provision for leave are employee benefits and are not included in employment on-costs.

**Additional details on write-offs during the year are included at note 46.

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 DECEMBER 2011

18 INCOME TAX

	Consolidated	
	2011 \$'000	2010 \$'000
(a) Income tax expense/(benefit)		
Current tax	3	25
Deferred tax	(121)	(35)
	(118)	(10)
Income tax expense is attributable to:		
Operating result from continuing operations	(118)	(10)
Aggregate income tax (benefit)/expense	(118)	(10)
Deferred income tax (revenue)/expense included in income tax expense comprises:		
Decrease/(increase) in deferred tax assets (note 28)	(134)	(45)
Increase in deferred tax liabilities (note 28)	13	10
	(121)	(35)
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		
Operating result from continuing operations before income tax expense	32,734	21,499
Less: Non taxable operating result from Australian operations	(32,979)	(21,443)
	(245)	56
Tax at the Australian tax rate of 30% (2010 – 30%)	(73)	17
Difference in overseas tax rates	(38)	(26)
Deferred tax under-provision	19	10
Previously unrecognised tax losses used to reduce current tax expense	(26)	(17)
	(118)	(16)
Tax effect of amounts which are not deductible (assessable) in calculating taxable income:		
Sundry items	-	(10)
Income tax expense adjusted for permanent differences	-	(10)
Tax losses carried forward not recognised	-	16
Total income tax expense	(118)	(10)
(c) Amounts recognised directly in equity		
Aggregate current and deferred tax arising in the reporting period and not recognised in net profit or loss but directly debited or credited to equity		
Net deferred tax – credited directly to equity	-	(7)
	-	(7)

18 INCOME TAX (CONTINUED)

	Consolidated	
	2011 \$'000	2010 \$'000
(d) Tax losses		
Unused tax losses for which no deferred tax asset has been recognised	225	228
Potential tax benefit @ 30%	68	68

All unused tax losses were incurred by the New Zealand branch.

19 CASH AND CASH EQUIVALENTS

	Consolidated		Parent entity	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Cash at bank	9,503	8,950	8,580	7,816
Bank Bills	24,435	48,202	23,887	47,176
Cash held in imprests	25	25	24	25
Total cash and cash equivalents	33,963	57,177	32,491	55,017

Reconciliation to cash at the end of the year

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

	Consolidated		Parent entity	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Unrestricted cash	27,589	51,638	26,117	49,478
Restricted funds (note 35)	6,374	5,539	6,374	5,539
Balances per statements of cash flows	33,963	57,177	32,491	55,017

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 DECEMBER 2011

20 RECEIVABLES

	Consolidated		Parent entity	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Current				
Trade receivables and student fees	12,282	8,761	11,629	8,103
Less: Provision for impaired receivables	(843)	(511)	(843)	(511)
	11,439	8,250	10,786	7,592
Deferred Government contribution for superannuation	2,952	3,144	2,952	3,144
GST and withholding tax receivable	1,455	1,583	1,455	1,583
Total current receivables	15,846	12,977	15,193	12,319
Non-current				
Deferred Government contribution for superannuation	25,577	24,548	25,577	24,548
Total trade and other receivables	41,423	37,525	40,770	36,867

Impaired receivables

As at 31 December 2011 current receivables of the consolidated entity with a nominal value of \$0.8m (2010: \$0.5m) 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	
	2011 \$'000	2010 \$'000
3 to 6 months	309	314
Over 6 months	534	197
	843	511

As of 31 December 2011, trade receivables of \$3.3m (2010: \$2.9m) 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	
	2011 \$'000	2010 \$'000
3 months or less	2,748	2,746
3 to 6 months	519	203
	3,267	2,949

20 RECEIVABLES (CONTINUED)

Movements in the provision for impaired receivables are as follows:

	Consolidated	
	2011 \$'000	2010 \$'000
At 1 January	511	1,268
Provision for impairment recognised during the year	570	-
Receivables written off during the year as uncollectible	(54)	(114)
Amounts recovered during the year	(184)	(643)
At 31 December	843	511

The creation and release of the provision for impaired receivables has been included in 'Impairment of assets' in the income statements. 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.

21 INVENTORIES

	Consolidated		Parent entity	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Current				
<i>Trading stock</i>				
at cost	2,041	2,505	1,626	2,065

22 DERIVATIVE FINANCIAL INSTRUMENTS

	Consolidated		Parent entity	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Current assets				
Forward foreign exchange contracts – cash flow hedges	-	218	-	218
Total derivative financial instruments (asset)	-	218	-	218
Current liabilities				
Forward foreign exchange contracts – cash flow hedges	1	242	1	242
Total derivative financial instruments (liability)	1	242	1	242
Net derivative financial instruments	(1)	(24)	(1)	(24)

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 DECEMBER 2011

22 DERIVATIVE FINANCIAL INSTRUMENTS

(a) Instruments used by the consolidated 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 45).

Forward exchange contracts – cash flow hedges

In order to protect against exchange rate movements, the University has entered into a forward exchange contract to purchase United States Dollars and Great British Pounds.

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 45.

23 OTHER FINANCIAL ASSETS

	Consolidated		Parent entity	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Current				
Held to maturity				
Term deposits	70,351	50,781	70,342	50,772
Total current other financial assets	70,351	50,781	70,342	50,772
Non-current				
Available for sale investments				
Investment in shares	1,400	1,544	1,400	1,544
Investment in managed funds*	16,484	19,056	16,484	19,056
Total non-current other financial assets	17,884	20,600	17,884	20,600
Total other financial assets	88,235	71,381	88,226	71,372

*During 2011, the University received \$2.6m (2010: \$1.1m) capital distributions from a fund that is in the process of being gradually wound-up. These capital distributions have been accounted for as a reduction in the carrying value of the investments. Fair value changes of these fund continue to be recognised in equity (refer note 34). The cumulative gains and losses of this fund will be included in the income statement once the winding-up of the fund is completed and the investment in the fund is derecognised.

24 NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE

	Consolidated		Parent entity	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Plant and equipment	-	262	-	262
Land	31,516	-	31,516	-
Total non-current assets classified as held for sale	31,516	262	31,516	262

25 OTHER NON-FINANCIAL ASSETS

	Consolidated		Parent entity	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Current				
Accrued income	12,224	9,488	12,152	9,444
Advances and prepayments	2,904	3,187	2,839	2,927
Total current other non-financial assets	15,128	12,675	14,991	12,371

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 DECEMBER 2011

26 PROPERTY, PLANT AND EQUIPMENT

Consolidated	Work in progress \$'000	Land \$'000	Buildings \$'000	Service concession assets – land \$'000	Service concession assets – buildings \$'000	Leasehold improvements \$'000	Works of Art \$'000	Library Collections \$'000	Motor Vehicles \$'000	Other equipment and furniture \$'000	Computing equipment \$'000	Total \$'000
At 1 January 2010												
– Cost	27,582	-	-	10,678	18,882	-	-	12,929	402	30,880	10,236	111,589
– Valuation	-	169,142	548,433	-	-	12,769	12,385	-	-	-	-	742,729
Accumulated depreciation	-	-	-	-	(189)	(24)	-	(2,652)	(237)	(20,864)	(7,583)	(31,549)
Net book amount	27,582	169,142	548,433	10,678	18,693	12,745	12,385	10,277	165	10,016	2,653	822,769
Year ended 31 December 2010												
Opening net book amount	27,582	169,142	548,433	10,678	18,693	12,745	12,385	10,277	165	10,016	2,653	822,769
Additions	63,931	-	-	-	-	-	113	-	101	2,250	1,363	67,758
Disposals	-	(22,781)	-	-	-	-	-	-	(111)	(949)	(1,500)	(25,341)
Accumulated depreciation on disposals	-	-	-	-	-	-	-	-	94	682	1,498	2,274
Write-offs during the year	-	-	-	-	-	-	-	(2,652)	-	(76)	-	(2,728)
Accumulated depreciation on write-offs	-	-	-	-	-	-	-	2,652	-	69	-	2,721
Revaluation increment/ (decrement)	-	(1,267)	(21,010)	-	-	(2,852)	-	-	-	-	-	(25,129)
Impairment charge recognised in profit and loss	-	-	-	-	-	-	-	-	-	(137)	-	(137)
Classified as non-current assets held for sale	-	-	-	-	-	-	-	-	-	(262)	-	(262)
Depreciation charge	-	-	(11,175)	-	(377)	(934)	-	(2,983)	(61)	(2,795)	(1,407)	(19,732)
Transfers/rounding	(65,974)	15,015	10,307	471	34,606	1,537	-	4,038	(1)	(1)	2	-
Closing net book amount	25,539	160,109	526,555	11,149	52,922	10,496	12,498	11,332	187	8,797	2,609	822,193
At 31 December 2010												
– Cost	25,539	-	-	11,149	53,488	-	-	14,315	391	31,527	10,097	146,506
– Valuation	-	160,109	526,555	-	-	10,523	12,498	-	-	-	-	709,685
Accumulated depreciation	-	-	-	-	(566)	(27)	-	(2,983)	(204)	(22,730)	(7,488)	(33,998)
Net book amount	25,539	160,109	526,555	11,149	52,922	10,496	12,498	11,332	187	8,797	2,609	822,193

26 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Work in progress	Land	Buildings	Service concession assets – land	Service concession assets – buildings	Leasehold improvements	Works of Art	Library Collections	Motor Vehicles	Other equipment and furniture	Computing equipment	Total
Consolidated	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Year ended 31 December 2011												
Opening net book amount	25,539	160,109	526,555	11,149	52,922	10,496	12,498	11,332	187	8,797	2,609	822,193
Additions	48,078	-	-	-	-	-	65	-	75	2,308	1,339	51,865
Disposals	-	(26,857)	(1,250)	-	-	-	-	-	(17)	(426)	(141)	(28,691)
Accumulated depreciation on disposals	-	-	-	-	-	-	-	-	14	373	139	526
Write-offs during the year	-	-	-	-	-	-	(26)	-	-	(20)	-	(46)
Accumulated depreciation on write-offs	-	-	-	-	-	-	-	-	-	17	-	17
Revaluation increments/(decrements)	-	7,497	(5,575)	-	-	448	-	-	-	-	-	2,370
Reclassifications in/(out)	-	-	-	-	-	-	-	(5,359)	-	-	-	(5,359)
Classified as non-current assets held for sale	-	(31,516)	-	-	-	-	-	-	-	(37)	(15)	(31,568)
Depreciation charge	-	-	(10,793)	-	(1,070)	(842)	-	(1,297)	(65)	(2,883)	(1,498)	(18,448)
Transfers/rounding	(62,310)	14,156	46,713	-	-	(1)	-	1,440	(1)	1	-	(2)
Closing 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
At 31 December 2011												
– Cost	11,307	-	-	11,149	53,488	-	-	10,531	440	33,149	9,590	129,654
– Valuation	-	123,389	555,650	-	-	10,131	12,537	-	-	-	-	701,707
Accumulated depreciation	-	-	-	-	(1,636)	(30)	-	(4,415)	(247)	(25,019)	(7,157)	(38,504)
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

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 DECEMBER 2011

26 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Parent entity	Work in progress \$'000	Land \$'000	Buildings \$'000	Service concession assets – land \$'000	Service concession assets – buildings \$'000	Leasehold improvements \$'000	Works of Art \$'000	Library Collections \$'000	Motor Vehicles \$'000	Other equipment and furniture \$'000	Computing equipment \$'000	Total \$'000
At 1 January 2010												
– Cost	27,582	-	-	10,678	18,882	-	-	12,929	374	30,788	10,093	111,326
– Valuation	-	169,142	548,433	-	-	12,706	12,385	-	-	-	-	742,666
Accumulated depreciation	-	-	-	-	(189)	-	-	(2,652)	(212)	(20,794)	(7,484)	(31,331)
Asset reclassification	-	-	-	-	-	-	-	-	-	-	-	-
Net book amount	27,582	169,142	548,433	10,678	18,693	12,706	12,385	10,277	162	9,994	2,609	822,661
Year ended 31 December 2010												
Opening net book amount	27,582	169,142	548,433	10,678	18,693	12,706	12,385	10,277	162	9,994	2,609	822,661
Additions	63,931	-	-	-	-	-	113	-	101	2,246	1,351	67,742
Disposals	-	(22,781)	-	-	-	-	-	-	(93)	(949)	(1,491)	(25,314)
Accumulated depreciation on disposals	-	-	-	-	-	-	-	-	77	682	1,490	2,249
Write-off during the year	-	-	-	-	-	-	-	(2,652)	-	(76)	-	(2,728)
Accumulated depreciation on write-offs	-	-	-	-	-	-	-	2,652	-	69	-	2,721
Revaluation increment/ (decrement)	-	(1,267)	(21,010)	-	-	(2,852)	-	-	-	-	-	(25,129)
Impairment charge recognised in profit and loss	-	-	-	-	-	-	-	-	-	(137)	-	(137)
Classified as non-current assets held for sale	-	-	-	-	-	-	-	-	-	(262)	-	(262)
Depreciation charge	-	-	(11,175)	-	(377)	(931)	-	(2,983)	(61)	(2,791)	(1,395)	(19,713)
Transfers/rounding	(65,974)	15,015	10,307	471	34,606	1,537	-	4,038	-	-	-	-
Closing net book amount	25,539	160,109	526,555	11,149	52,922	10,460	12,498	11,332	186	8,776	2,564	822,090
At 31 December 2010												
– Cost	25,539	-	-	11,149	53,488	-	-	14,315	382	31,434	9,953	146,260
– Valuation	-	160,109	526,555	-	-	10,460	12,498	-	-	-	-	709,622
Accumulated depreciation	-	-	-	-	(566)	-	-	(2,983)	(196)	(22,658)	(7,389)	(33,792)
Net book amount	25,539	160,109	526,555	11,149	52,922	10,460	12,498	11,332	186	8,776	2,564	822,090

26 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Parent entity	Work in progress \$'000	Land \$'000	Buildings \$'000	Service concession assets –		Leasehold improvements \$'000	Works of Art \$'000	Library Collections \$'000	Motor Vehicles \$'000	Other equipment and furniture \$'000		Total \$'000
				land \$'000	assets – buildings \$'000					equipment \$'000	furniture \$'000	
Year ended 31 December 2011												
Opening net book amount	25,539	160,109	526,555	11,149	52,922	10,460	12,498	11,332	186	8,776	2,564	822,090
Additions	48,078	-	-	-	-	-	65	-	75	2,305	1,336	51,859
Disposals	-	(26,857)	(1,250)	-	-	-	-	-	(17)	(426)	(141)	(28,691)
Accumulated depreciation on disposals	-	-	-	-	-	-	-	-	14	373	139	526
Write-offs during the year	-	-	-	-	-	-	(26)	-	-	(20)	-	(46)
Accumulated depreciation on write-offs	-	-	-	-	-	-	-	-	-	17	-	17
Revaluation increments/(decrements)	-	7,497	(5,575)	-	-	448	-	-	-	-	-	2,370
Reclassifications in/(out)	-	-	-	-	-	-	-	(5,359)	-	-	-	(5,359)
Classified as non-current assets held for sale	-	(31,516)	-	-	-	-	-	-	-	(37)	(15)	(31,568)
Depreciation charge	-	-	(10,793)	-	(1,070)	(840)	-	(1,297)	(65)	(2,880)	(1,487)	(18,432)
Transfers/rounding	(62,310)	14,156	46,713	-	-	-	-	1,440	-	-	-	(1)
Closing 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
At 31 December 2011												
– Cost	11,307	-	-	11,149	53,488	-	-	10,531	440	33,052	9,443	129,410
– Fair value	-	123,389	555,650	-	-	10,068	12,537	-	-	-	-	701,644
Accumulated depreciation	-	-	-	-	(1,636)	-	-	(4,415)	(247)	(24,944)	(7,047)	(38,289)
Netbook amount	11,307	123,389	555,650	1,149	51,852	10,068	12,537	6,116	193	8,108	2,396	792,765

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 DECEMBER 2011

26 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

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

Land, buildings and leasehold improvements were revalued as at 31 December 2011 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 2(l).

Works of art are heritage assets and have been valued as at 31 December 2009 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 has 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 will construct a 355 bed student village at the Mt Lawley Campus and will undertake refurbishment of existing accommodation at Mt Lawley, Joondalup and Bunbury campuses. CLV will assume 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 36.5 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 entity	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Land	11,149	11,149	11,149	11,149
Buildings	51,852	52,922	51,852	52,922
Net book amount	63,001	64,071	63,001	64,071

27 INVESTMENT PROPERTY

	Consolidated		Parent entity	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
At fair value				
Opening balance at 1 January	12,908	13,534	12,908	13,534
Gain/(loss) on revaluation	(1,995)	(626)	(1,995)	(626)
Closing balance as at 31 December	10,913	12,908	10,913	12,908

27 INVESTMENT PROPERTY (CONTINUED)

(a) Amounts recognised in profit and loss for investment properties

	Consolidated		Parent entity	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Fair value of investment property	(1,995)	(626)	(1,995)	(626)
Net rental income	-	621	-	621
	(1,995)	(5)	(1,995)	(5)

(b) Valuation basis

The fair value of all land has been determined by reference to recent market transactions and the fair value of buildings have been determined by reference to the cost of replacing the remaining future economic benefits. The investment properties have been valued as at 31 December 2011 by independent professional valuers.

28 DEFERRED TAX ASSETS AND LIABILITIES

	Consolidated		Parent entity	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Deferred tax assets	193	59	-	-
Total deferred tax assets	193	59	-	-

The balance comprises temporary differences attributable to:				
<i>Amounts recognised in profit or loss</i>				
Accrued expenses	5	6	-	-
Accounts payable	3	4	-	-
Customer deposits	2	15	-	-
Sundry other	5	6	-	-
Tax losses	178	30	-	-
	193	61	-	-
<i>Amounts recognised directly in equity</i>				
Revaluation of deferred tax opening balance	-	(2)	-	-
Net deferred tax assets	193	59	-	-
Deferred tax assets to be recovered within 12 months	15	29	-	-
Deferred tax assets to be recovered after more than 12 months	178	30	-	-
	193	59	-	-

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 DECEMBER 2011

28 DEFERRED TAX ASSETS AND LIABILITIES (CONTINUED)

Movements	Consolidated
	\$'000
Movements	
At 1 January 2010	147
Charged to the income statements	45
Charged directly to equity	(2)
Retrospective adjustments	(131)
At 31 December 2010	59
At 1 January 2011	59
Credited to the income statements	134
Charged directly to equity	-
Retrospective adjustments	-
At 31 December 2011	193

	Consolidated		Parent entity	
	2011	2010	2011	2010
	\$'000	\$'000	\$'000	\$'000
Deferred tax liability	87	74	-	-
Total deferred tax liabilities	87	74	-	-

The balance comprises temporary differences attributable to:

Amounts recognised in operating result

Accounts receivable	32	38	-	-
Accrued income	31	23	-	-
Sundry other	17	13	-	-
Accelerated capital allowance	2	3	-	-
Depreciation	5	6	-	-
	87	83	-	-

Amounts recognised directly in equity

Revaluation of deferred tax opening balance	-	(9)	-	-
Net deferred tax liabilities	87	74	-	-

Deferred tax liabilities to be settled after more than 12 months

	87	74	-	-
	87	74	-	-

28 DEFERRED TAX ASSETS AND LIABILITIES (CONTINUED)

Movements	Consolidated
	\$'000
Movements	
At 1 January 2010	77
Charged to the income statements	10
Charged directly to equity	(9)
Retrospective adjustments	(4)
At 31 December 2010	74
At 1 January 2011	74
Charged to the income statements	13
Charged directly to equity	-
Retrospective adjustments	-
At 31 December 2011	87

29 INTANGIBLE ASSETS

Consolidated	Computer software	Publishing titles	Library collections	Total
	\$'000	\$'000	\$'000	\$'000
At 31 December 2010				
– Cost	7,225	-	-	7,225
– Accumulated amortisation	(7,225)	-	-	(7,225)
Net book amount	-	-	-	-

Consolidated	Computer software	Publishing titles	Library collections	Total
	\$'000	\$'000	\$'000	\$'000
Year ended 31 December 2011				
Opening net book amount	-	-	-	-
Reclassification in/(out)	-	-	5,359	5,359
Additions	-	217	930	1,147
Amortisation charge	-	-	(868)	(868)
Closing net book amount	-	217	5,421	5,638
At 31 December 2011				
Cost	7,150	217	9,613	16,980
Accumulated amortisation and impairment	(7,150)	-	(4,192)	(11,342)
Net book amount	-	217	5,421	5,638

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 DECEMBER 2011

30 TRADE AND OTHER PAYABLES

	Consolidated		Parent entity	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Current				
Trade and other payables	11,418	12,834	11,184	12,542
CGS liability to Australian Government	-	111	-	111
OS HELP and Superannuation Supplementation Liability to Australian Government	41	25	41	25
Department of Education and Training	280	418	-	-
GST Payable	562	529	486	480
Total trade and other payables	12,301	13,917	11,711	13,158

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

Foreign currency risk

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

	Consolidated		Parent entity	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Australian Dollars	12,165	13,830	11,606	13,120
GB Pounds	21	36	-	-
SG Dollar	1	-	1	-
US Dollar	114	51	104	38
	12,301	13,917	11,711	13,158

For an analysis of the sensitivity of trade and other payables to foreign currency risk refer to note 45.

31 BORROWINGS

	Consolidated		Parent entity	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Current – unsecured				
WA Treasury Corporation	2,170	29,754	2,170	29,754
Total current borrowings	2,170	29,754	2,170	29,754
Non-current – unsecured				
WA Treasury Corporation	42,387	44,558	42,387	44,558
Total non-current borrowings	42,387	44,558	42,387	44,558
Total borrowings	44,557	74,312	44,557	74,312

31 BORROWINGS (CONTINUED)

(a) Financing arrangements

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

	Consolidated		Parent entity	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Credit standby arrangements				
Total facilities				
WA Treasury Corporation	100,852	101,059	100,852	101,059
Bank facilities	37,658	17,608	37,658	17,608
Total facilities	138,510	118,667	138,510	118,667
Used at balance date				
WA Treasury Corporation	44,557	74,312	44,557	74,312
Bank facilities	1,239	1,126	1,239	1,126
Total used at balance date	45,796	75,438	45,796	75,438
Unused at balance date				
WA Treasury Corporation	56,295	26,747	56,295	26,747
Bank facilities	36,419	16,482	36,419	16,482
Total unused at balance date	92,714	43,229	92,714	43,229

	Consolidated		Parent entity	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Bank loan facilities				
Total facilities	138,510	118,667	138,510	118,667
Used at balance date	45,797	75,438	45,797	75,438
Unused at balance date	92,713	43,229	92,713	43,229

The current interest rates on loans from WATC range between 5.61% and 7.10%, depending on the type of borrowing (2010: 4.84% and 7.10%).

A majority of the used bank facilities of \$1.239m (2010 – \$1.126m) represent credit card balances outstanding as at year end which are included in trade payables.

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 DECEMBER 2011

31 BORROWINGS (CONTINUED)

(b) Fair value

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

Consolidated	2011		2010	
	Carrying amount \$'000	Fair value \$'000	Carrying amount \$'000	Fair value \$'000
On-statement of financial position*				
<i>Non-traded financial liabilities</i>				
WA Treasury Corporation	44,557	44,557	74,312	74,312
	44,557	44,557	74,312	74,312

Parent Entity	2011		2010	
	Carrying amount \$'000	Fair value \$'000	Carrying amount \$'000	Fair value \$'000
On-statement of financial position*				
<i>Non-traded financial liabilities</i>				
WA Treasury Corporation	44,557	44,557	74,312	74,312
	44,557	44,557	74,312	74,312

*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 borrowings to interest rate changes and the contractual repricing dates at the balance dates are as follows:

	Consolidated		Parent entity	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
6 months or less	582	22,722	582	22,722
6 to 12 months	1,588	7,032	1,588	7,032
1 to 5 years	42,348	44,438	42,348	44,438
Over 5 years	39	120	39	120
	44,557	74,312	44,557	74,312
These borrowings are classified as follows:				
Current borrowings	2,170	29,754	2,170	29,754
Non-current borrowings	42,387	44,558	42,387	44,558
	44,557	74,312	44,557	74,312

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 45.

32 PROVISIONS

	Consolidated		Parent entity	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Current provisions expected to be settled within 12 months				
Employee benefits				
Annual leave and other compensated absences	5,780	5,357	5,606	5,247
Long service leave	8,067	7,013	8,012	7,013
Deferred government benefits for superannuation	2,952	3,144	2,952	3,144
Staff bonuses	1,043	850	1,043	850
Superannuation and other post employment benefits	1,797	1,621	1,797	1,621
Provision for Income Tax	3	25	-	-
Employee on-costs	960	862	960	862
Provision for service concession liabilities	948	948	948	948
Other	3,196	-	3,196	-
Subtotal	24,746	19,820	24,514	19,685
Current provisions expected to be settled after more than 12 months				
Employee benefits				
Annual leave and other compensated absences	426	468	426	468
Long service leave	6,889	6,521	6,889	6,521
Superannuation and other post employment benefits	821	794	821	794
Employee on-costs	507	488	507	488
Subtotal	8,643	8,271	8,643	8,271
Total current provisions	33,389	28,091	33,157	27,956
Non-current				
Employee benefits				
Long service leave	6,638	6,213	6,573	6,092
Deferred government benefits for superannuation	25,577	24,548	25,577	24,548
Provision for deferred salary	343	376	343	376
Superannuation and other post employment benefits	1,147	664	1,147	664
Employee on-costs	455	422	455	422
Provision for service concession liabilities	31,288	32,236	31,288	32,236
Other	957	-	957	-
Total non-current provisions	66,405	64,459	66,340	64,338
Total provisions	99,794	92,550	99,497	92,294

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 DECEMBER 2011

32 PROVISIONS (CONTINUED)

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 17.

(a) Movements in provisions

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

	Provision for Income Tax	Employment on-costs	Service concession liabilities	Other
	\$'000	\$'000	\$'000	\$'000
Consolidated – 2011				
Current				
Carrying amount at start of year	25	1,350	948	-
Additional provisions recognised	-	117	948	3,196
Amounts incurred and charged	(22)	-	(948)	-
Unused amounts reversed	-	-	-	-
Carrying amount at end of year	3	1,467	948	3,196
Consolidated – 2011				
Non-current				
Carrying amount at start of year	-	422	32,236	-
Additional provisions recognised	-	33	-	957
Amounts incurred and charged	-	-	(948)	-
Carrying amount at end of year	-	455	31,288	957
Consolidated – 2010				
Current				
Carrying amount at start of year	233	1,061	948	-
Additional provisions recognised	-	289	948	-
Amounts incurred and charged	(208)	-	(948)	-
Carrying amount at end of year	25	1,350	948	-
Consolidated – 2010				
Non-current				
Carrying amount at start of year	-	345	8,178	-
Additional provisions recognised	-	77	24,058	-
Carrying amount at end of year	-	422	32,236	-

33 OTHER LIABILITIES

	Consolidated		Parent entity	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Current				
Fees and grants received in advance	13,830	13,661	13,766	13,363
Financial assistance received in advance	1,202	3,087	1,202	3,087
Accrued expenses	10,744	13,172	10,654	13,023
Total other liabilities	25,776	29,920	25,622	29,473

34 RESERVES AND RETAINED EARNINGS

	Consolidated		Parent entity	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
(a) Reserves				
Property plant and equipment revaluation reserve	384,488	381,478	384,488	381,478
Investments revaluation reserve	2,962	4,655	2,962	4,655
Hedging reserve – cash flow hedges	(1)	(24)	(1)	(24)
Foreign currency translation reserve	(204)	(188)	-	-
	387,245	385,921	387,449	386,109

	Consolidated		Parent entity	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Movements:				
<i>Property plant and equipment revaluation reserves</i>				
Balance 1 January	381,478	427,681	381,478	427,681
Revaluation – gross	2,372	(25,129)	2,372	(25,129)
Transfers to retained earnings	638	(21,074)	638	(21,074)
Balance 31 December	384,488	381,478	384,488	381,478
<i>Investment revaluation reserve</i>				
Balance 1 January	4,655	2,632	4,655	2,632
Gain/(loss) on revaluation	(2,164)	778	(2,164)	778
Impairments	471	1,245	471	1,245
Balance 31 December	2,962	4,655	2,962	4,655

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 DECEMBER 2011

34 RESERVES AND RETAINED EARNINGS (CONTINUED)

	Consolidated		Parent entity	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
<i>Hedging reserve – cash flow hedges</i>				
Balance 1 January	(24)	(1)	(24)	(1)
Revaluation – gross	(1)	(24)	(1)	(24)
Transfer to inventory and other assets – gross	24	1	24	1
Balance 31 December	(1)	(24)	(1)	(24)
<i>Foreign currency translation reserve</i>				
Balance 1 January	(188)	(95)	-	-
Currency translation differences arising during the year	(16)	(93)	-	-
Balance 31 December	(204)	(188)	-	-

(b) Retained earnings

Movements in retained earnings were as follows:

	Consolidated		Parent entity	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Retained earnings at the beginning of the year	419,932	377,384	417,582	375,532
Operating result for the period	32,852	21,509	32,938	20,976
Transfer from property, plant and equipment reserve*	(638)	21,074	(638)	21,074
Retained earnings at 31 December	452,146	419,967	449,882	417,582

*Transfer from revaluation reserve of \$638,000 (2010: \$21,074,000) represents realisation of revaluation surplus on assets retired.

(c) Nature and purpose of reserves

(i) Property, plant and equipment 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 2(l).

(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 2(k). Amounts are recognised in profit and loss 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 2(u). Amounts are recognised in profit and loss when the associated hedged transaction affects profit and loss.

(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 2(u).

35 RESTRICTED FUNDS

	Consolidated		Parent entity	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Restricted funds				
ECU Foundation	6,374	5,539	6,374	5,539

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.

36 KEY MANAGEMENT PERSONNEL DISCLOSURES

Remuneration of members of the accountable authority

For the purposes of the Financial Management Act the University Council is the accountable authority of the University.

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

	2011	2010
Nil to \$10,000	19	18
\$100,001 to \$110,000	-	1
\$110,001 to \$120,000	1	-
\$140,001 to \$150,000	1	1
\$270,001 to \$280,000	-	1
\$290,001 to \$300,000	1	-
\$620,001 to \$630,000	-	1
\$660,001 to \$670,000	1	-
The total aggregate remuneration of members of the accountable authority ('000)	\$ 1,224	\$ 1,139

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. 17 members (2010:18 members) of the accountable authority received no remuneration, fees, superannuation or benefits.

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

No members of the accountable authority are members of the pension scheme.

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 DECEMBER 2011

36 KEY MANAGEMENT PERSONNEL DISCLOSURES (CONTINUED)

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:

	2011	2010
\$190,001 to \$200,000	-	1
\$240,001 to \$250,000	1	1
\$250,001 to \$260,000	-	1
\$300,001 to \$310,000	1	1
\$320,001 to \$330,000	1	1
\$340,001 to \$350,000	1	2
\$350,001 to \$360,000	-	1
\$370,001 to \$380,000	2	-
\$380,001 to \$390,000	1	-
The total aggregate remuneration of senior officers ('000)	\$ 2,358	\$ 2,377

The superannuation included here represents the superannuation expense incurred by the University in respect of senior officers other than senior officers reported as members of the accountable authority.

One senior officer is a member of the pension scheme.

37 REMUNERATION OF AUDITORS

Remuneration to the Auditor General and non related audit firms for the financial year is as follows:

	Consolidated		Parent entity	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Assurance services				
<i>Audit services</i>				
Office of the Auditor General (OAG)				
Auditing the accounts, financial statements and performance indicators	291	278	235	219
Non-OAG audit firms for the audit or review of financial reports of any entity in the consolidated entity	20	23	3	-
Total remuneration for audit services	311	301	238	219

38 CONTINGENCIES

Contingent liabilities

In addition to the liabilities incorporated in the financial statements, the consolidated entity has the following contingent liabilities:

Native title claims

Native title claims have been made on the University land for which judgement was handed down on 19 September 2006. It was held that Native Title exists in the area which was the subject of the claim. The existence of these Native Title rights is currently being appealed.

Contaminated sites

During 2011, the Bunbury campus was classified as a possible contaminated site by DEC, further investigation is required to determine the contaminate status of this site. ECU is currently unable to assess the likely outcome of the classification process and accordingly, it is not practical to estimate the financial effect or to identify the uncertainties relating to the amount or timing of outflows.

Outstanding litigation

ECU is a defendant in an action with an external party. It is too early at this stage to determine the likely outcome of the action or determine the quantum of the claim. The claim is currently being defended.

Workers compensation claims

The consolidated entity may have some potential liability towards workers compensation claims. The process of defending the claims are still at an early stage, however the claims are not material and sufficient insurance is in place to cover the potential liability.

Other contingencies

ECU has received advice of non-accreditation of a new course which is currently in the process of being appealed. It is too early at this stage to determine the likely outcome of the appeal process.

39 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 entity	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
<i>Property, plant and equipment</i>				
Within one year	16,411	21,815	16,411	21,815
	16,411	21,815	16,411	21,815

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 DECEMBER 2011

39 COMMITMENTS (CONTINUED)

(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 entity	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Within one year	432	459	247	297
Later than one year but not later than five years	458	560	247	342
Later than five years	3	32	-	-
	893	1,051	494	639
Representing:				
Cancellable operating lease	893	1,051	494	639

(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 entity	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Within one year	6,504	8,076	6,504	8,076

40 RELATED PARTIES

Subsidiaries

The University had one related party during the financial year. Interests in subsidiaries are set out in note 41.

(a) Transactions with related parties

The following transactions occurred with related parties:

	Consolidated		Parent entity	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Sales of goods and services	-	-	13	7
Purchases of goods	-	-	37	22

41 SUBSIDIARIES

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiary in accordance with the accounting policy described in note 2(b):

Name of entity	Country of incorporation	Class of shares	Equity holding	
			2011	2010
E.C.U. Resources for Learning Ltd (ECURL)*	Australia	Australian public company limited by guarantee	100%	100%

* The address of ECURL is 234 Great Eastern Highway, Ascot. WA6104.

42 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.

43 RECONCILIATION OF OPERATING RESULT AFTER INCOME TAX TO NET CASH FLOWS FROM OPERATING ACTIVITIES

	Consolidated		Parent entity	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Operating result for the period	32,852	21,509	32,938	20,976
Non-cash items:				
Depreciation and amortisation expense	19,316	19,732	19,300	19,713
Revaluation of investment property	1,995	626	1,995	626
Provision for impairment of receivables	570	-	570	-
Service concession income	(948)	(948)	(948)	(948)
Net gain on disposal of assets	(8,685)	(3,235)	(8,685)	(3,233)
Net loss on asset write-offs	55	30	55	30
Impairment of investments	471	1,245	471	1,245
Impairment of property, plant and equipment	-	137	-	137
Subtotal	45,626	39,096	45,696	38,546
Change in assets and liabilities				
(Increase)/decrease in receivables	(6,199)	(647)	(6,370)	(608)
(Increase)/decrease in tax assets	(134)	88	-	-
(Increase)/decrease in inventories	438	(137)	413	(60)
Increase/(decrease) in trade and other payables	(5,789)	8,361	(5,298)	8,437
Increase/(decrease) in tax liabilities	13	(3)	-	-
Increase/(decrease) in provisions	8,192	4,875	8,151	4,983
Subtotal of change in operating assets and liabilities	(3,479)	12,537	(3,104)	12,752
Net cash provided by/(used in) operating activities	42,147	51,633	42,592	51,298

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 DECEMBER 2011

44 NON-CASH FINANCING AND INVESTING ACTIVITIES

	Consolidated		Parent entity	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Proceeds accrued from sale of property, plant and equipment	9,087	8,365	9,087	8,365

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.

45 FINANCIAL RISK MANAGEMENT

The consolidated entity is exposed to the following financial risks as a result of its activities:

	Consolidated		Parent entity	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Financial assets				
Cash and cash equivalents	33,963	57,177	32,491	55,017
Trade and other receivables	11,439	8,250	10,785	7,592
Derivative financial instruments	-	218	-	218
Available-for-sale financial assets	17,884	20,600	17,884	20,600
Held-to-maturity investments	70,351	50,781	70,342	50,772
	133,637	137,026	131,502	134,199
Financial liabilities				
Trade and other payable	11,739	13,388	11,225	12,678
Borrowings	44,557	74,312	44,557	74,312
Derivative financial instruments	1	242	1	242
	56,297	87,942	55,783	87,232

(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.

45 FINANCIAL RISK MANAGEMENT (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.

Consolidated	Carrying amount	Interest rate risk				Foreign exchange risk				Other price risk			
		-1%		+1%		-10%		+10%		-10%		+10%	
31 December 2011	\$'000	Profit \$'000	Equity \$'000	Profit \$'000	Equity \$'000	Profit \$'000	Equity \$'000	Profit \$'000	Equity \$'000	Profit \$'000	Equity \$'000	Profit \$'000	Equity \$'000
Financial assets													
Cash and cash equivalents	33,963	(340)	(340)	340	340	(35)	(35)	35	35	-	-	-	-
Accounts receivable	11,439	-	-	-	-	(19)	(19)	19	19	-	-	-	-
AFS investments	17,884	-	-	-	-	-	-	-	-	(1,788)	(1,788)	1,788	1,788
Held to maturity investments	70,351	(704)	(704)	704	704	(1)	(1)	1	1	-	-	-	-
Derivatives – cash flow hedges	-	-	-	-	-	-	-	-	-	-	-	-	-
Sub Total		(1,044)	(1,044)	1,044	1,044	(55)	(55)	55	55	(1,788)	(1,788)	1,788	1,788
Financial liabilities													
Derivatives – cash flow hedges	1	-	-	-	-	-	-	-	-	-	-	-	-
Trade payables	11,739	-	-	-	-	(14)	(14)	14	14	-	-	-	-
Borrowings	44,557	(9)	(9)	9	9	-	-	-	-	-	-	-	-
Sub Total		(9)	(9)	9	9	(14)	(14)	14	14	-	-	-	-
Total increase/ (decrease)		(1,053)	(1,053)	1,053	1,053	(69)	(69)	69	69	(1,788)	(1,788)	1,788	1,788

NOTES TO THE FINANCIAL STATEMENTS (continued)

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45 FINANCIAL RISK MANAGEMENT (CONTINUED)

Consolidated		Interest rate risk				Foreign exchange risk				Other price risk			
		-1%		+1%		-10%		+10%		-10%		+10%	
31 December 2011	Carrying amount \$'000	Profit \$'000	Equity \$'000	Profit \$'000	Equity \$'000	Profit \$'000	Equity \$'000	Profit \$'000	Equity \$'000	Profit \$'000	Equity \$'000	Profit \$'000	Equity \$'000
Financial assets													
Cash and cash equivalents	57,177	(572)	(572)	572	572	(41)	(41)	41	41	-	-	-	-
Accounts receivable	8,250	-	-	-	-	(26)	(26)	26	26	-	-	-	-
AFS investments	20,600	-	-	-	-	-	-	-	-	(2,060)	(2,060)	2,060	2,060
Held to maturity investments	50,781	(508)	(508)	508	508	(1)	(1)	1	1	-	-	-	-
Derivatives – cash flow hedges	218	-	-	-	-	(22)	(22)	22	22	-	-	-	-
Sub Total		(1,080)	(1,080)	1,080	1,080	(90)	(90)	90	90	(2,060)	(2,060)	2,060	2,060
Financial liabilities													
Derivatives – cash flow hedges	242	-	-	-	-	-	-	-	-	-	-	-	-
Trade payables	13,388	-	-	-	-	(9)	(9)	9	9	-	-	-	-
Borrowings	74,312	(178)	(178)	178	178	-	-	-	-	-	-	-	-
Sub Total		(178)	(178)	178	178	(9)	(9)	9	9	-	-	-	-
Total increase/ (decrease)		(1,258)	(1,258)	1,258	1,258	(99)	(99)	99	99	(2,060)	(2,060)	2,060	2,060

(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 20.

45 FINANCIAL RISK MANAGEMENT (CONTINUED)

(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.

Consolidated – At 31 December 2011	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets					
Cash and cash equivalents	33,963	-	-	-	33,963
Trade and other receivables	11,439	-	-	-	11,439
Derivative financial instruments	-	-	-	-	-
Financial assets measured at fair value	-	-	-	17,884	17,884
Financial assets measured at amortised cost	70,351	-	-	-	70,351
Financial liabilities					
Trade and other payables	11,739	-	-	-	11,739
Borrowings	2,170	41,970	378	39	44,557
Derivative financial liabilities	1	-	-	-	1
Consolidated – At 31 December 2010	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets					
Cash and cash equivalents	57,177	-	-	-	57,177
Trade and other receivables	8,250	-	-	-	8,250
Derivative financial instruments	218	-	-	-	218
Financial assets measured at fair value	-	-	-	20,600	20,600
Financial assets measured at amortised cost	50,781	-	-	-	50,781
Financial liabilities					
Trade and other payables	13,388	-	-	-	13,388
Borrowings	29,754	2,170	42,268	120	74,312
Derivative financial liabilities	242	-	-	-	242

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 DECEMBER 2011

45 FINANCIAL RISK MANAGEMENT (CONTINUED)

The following are the average interest rates for the above financial assets and liabilities as at 31 December 2011:

Financial assets

1. Cash and cash equivalents – 5.14% p.a (2010: 5.48%)
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 – 5.99% p.a (2010: 6.31%)

Financial liability

1. Trade and other payable – Non-interest bearing financial liability
2. Borrowings – 6.68% p.a (2010: 6.28%)

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

(d) Fair value estimation

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

The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and traded securities) is based on quoted market prices at the reporting date. The quoted market price used for financial assets held by the consolidated entity is the current bid price.

The fair value of forward exchange contracts is determined using forward exchange market rates at the reporting date.

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.

46 WRITE OFFS

	Consolidated		Parent entity	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Total write-offs as approved by the accountable authority during the financial year				
Receivables written off against provision*	54	114	54	114
Property plant and equipment	29	7	29	7
Inventory	26	24	26	24
Total write-offs	109	145	109	145

* The vast majority of the receivables write-offs are relating to international student debts incurred in 2010 and before which have been identified as irrecoverable.

47 SUPERANNUATION

Government Employees Superannuation Board

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.

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.

Reconciliation of the assets and liabilities recognised in the statement of financial position

	Pension Scheme		Gold State Super	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Defined benefit obligation	27,656	26,611	873	1,081
(+) Fair value of assets	-	-	-	-
Deficit/(surplus)	27,656	26,611	873	1,081
(-) Unrecognised past service cost	-	-	-	-
(-) Unrecognised net (gain)/loss	-	-	-	-
Liability/(asset)	27,656	26,611	873	1,081

Reconciliation of the present value of the defined benefit obligation

	Pension Scheme		Gold State Super	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Balance at the beginning of the year	26,611	27,931	1,081	1,147
Current service cost	-	-	-	-
Interest cost	1,377	1,402	55	56
Contributions by plan participants	-	-	-	-
Actuarial (gains) and losses	2,574	106	140	46
Benefits paid	(2,906)	(2,828)	(403)	(168)
Past service cost	-	-	-	-
Balance at the end of the year	27,656	26,611	873	1,081

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 DECEMBER 2011

47 SUPERANNUATION (CONTINUED)

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

	Pension Scheme		Gold State Super	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
<i>Reconciliation of the fair value of plan assets:</i>				
Balance at the beginning of the year	-	-	-	-
Expected return on plan assets	-	-	-	-
Actuarial gains and (losses)	-	-	-	-
Contributions by employers	2,906	2,828	403	168
Contributions by plan participants	-	-	-	-
Benefits paid	(2,906)	(2,828)	(403)	(168)
Balance at the end of the year	-	-	-	-

	Pension Scheme		Gold State Super	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Current service cost	-	-	-	-
Interest cost	1,377	1,402	55	56
Expected return on plan assets	-	-	-	-
Net actuarial losses (gains) recognised in year	2,574	106	140	46
Total included in employee benefits expense	3,950	1,508	195	102

Scheme Assets

There are no assets in the pension scheme or Gold State Super for current employees to support the transferred benefits. Hence, there is

- No fair value of Scheme assets;
- No asset allocation of Scheme assets;
- No assets used by the employer;
- No expected return of Scheme assets;
- No actual return on Scheme assets.

47 SUPERANNUATION (CONTINUED)

The principal actuarial assumptions used were as follows:

	Pension Scheme		Gold State Super	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Discount rate (active members)	3.97%	5.48%	3.97%	5.48%
Discount rate (pensioners)	3.97%	5.48%	3.97%	5.48%
Expected salary increase rates	5.50%	4.50%	5.50%	4.50%
Expected pension increase rates	2.50%	2.50%	2.50%	2.50%

The discount rate is based on the 10 year Government bond rate at the relevant date. The decrement rates used (e.g. mortality and retirement rates) are based on those used at the last actuarial valuation for the Schemes.

(a) Historic summary

	2011 \$'000	2010 \$'000	2009 \$'000	2008 \$'000	2007 \$'000
Present value of defined benefit plan obligation – pension scheme	27,656	26,611	27,931	31,777	28,509
Fair value of scheme assets – pension scheme	-	-	-	-	-
Present value of defined benefit plan obligation – gold state super	873	1,081	1,147	1,098	1,308
Fair value of scheme assets – gold state super	-	-	-	-	-
(Surplus)/deficit in scheme	28,529	27,692	29,078	32,875	29,817
Experience adjustments loss – scheme liabilities – pension scheme	(314)	452	(1,536)	2,541	790
Experience adjustments loss – scheme liabilities – gold state super	24	56	45	63	53

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

Expected employer contributions	Pension Scheme		Gold State Super	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Expected employer contributions	2875			77

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 DECEMBER 2011

48 ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE

48.1 DEEWR – CGS and Other DEEWR Grants

Parent entity	Commonwealth Grant Scheme ¹		Indigenous Support Program		Partnership & Participation Program		Disability Support Program		Workplace Productivity Program		Capital Development Pool		Transitional Cost Programme	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programmes)	116,392	116,947	646	624	2,359	1,362	64	72	-	-	-	1,042	118	118
Net accrual adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Revenue for the period	116,392	116,947	646	624	2,359	1,362	64	72	-	-	-	1,042	118	118
Surplus/(deficit) from the previous year	-	-	-	-	-	50	(37)	(53)	135	190	-	-	-	-
Total revenue including accrued revenue	116,392	116,947	646	624	2,359	1,412	27	19	135	190	-	1,042	118	118
Less expenses including accrued expenses	(116,392)	(116,947)	(650)	(624)	(2,274)	(1,412)	(27)	(56)	(135)	(55)	-	(1,042)	(118)	(118)
Surplus/(deficit) for reporting period	-	-	(4)	-	85	-	-	(37)	-	135	-	-	-	-

Parent entity	Diversity and Structural Adjustment Fund		Other		Total	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programmes)	275	-	2,148	-	122,002	120,165
Net accrual adjustments	-	-	-	-	-	-
Revenue for the period	275	-	2,148	-	122,002	120,165
Surplus/(deficit) from the previous year	-	-	-	-	98	187
Total revenue including accrued revenue	275	-	2,148	-	122,100	120,352
Less expenses including accrued expenses	(56)	-	-	-	(119,652)	(120,254)
Surplus/(deficit) for reporting period	219	-	2,148	-	2,448	98

¹Includes the basic CGS grant amount, CGS Regional Loading, CGS-Enabled Loading and Science and Maths Transition Loading.

48.2 Higher Education Loan Programs (excl OS HELP)

Parent entity	HECS-HELP (Australian Government payments only)		FEE-HELP ¹		Total	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programmes)	62,033	57,816	9,280	6,507	71,313	64,323
Net accrual adjustments	2,112	(295)	854	948	2,966	653
Revenue for the period	64,145	57,521	10,134	7,455	74,279	64,976
Surplus/(deficit) from the previous year	-	-	-	-	-	-
Total revenue including accrued revenue	64,145	57,521	10,134	7,455	74,279	64,976
Less expenses including accrued expenses	(64,145)	(57,521)	(10,134)	(7,455)	(74,279)	(64,976)
Surplus/(deficit) for reporting period	-	-	-	-	-	-

¹Program is in respect of FEE-HELP for Higher Education only.

48.3 Scholarships

Parent entity	Australian Postgraduate Awards		International Postgraduate Research Scholarship		Commonwealth Education Cost Scholarships*		Commonwealth Accommodation Scholarships*		Indigenous Access Scholarships		Total	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programmes)	1,652	1,392	185	168	853	155	1,003	36	46	106	3,739	1,857
Net accrual adjustments	-	-	-	-	(460)	6	(568)	16	-	-	(1,028)	22
Revenue for the period	1,652	1,392	185	168	393	161	435	52	46	106	2,711	1,879
Surplus/(deficit) from the previous year	333	368	2	30	26	130	23	132	9	-	393	660
Total revenue including accrued revenue	1,985	1,760	187	198	419	291	458	184	55	106	3,104	2,539
Less expenses including accrued expenses	(1,655)	(1,427)	(187)	(196)	(419)	(265)	(458)	(161)	(55)	(97)	(2,774)	(2,146)
Surplus/(deficit) for reporting period	330	333	-	2	-	26	-	23	-	9	330	393

*Includes Grandfathered Scholarships, National Priority and National Accommodation Priority Scholarships respectively.

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 DECEMBER 2011

48.4 DIISR Research

Parent entity	Joint Research Engagement		Research Training Scheme		Research Infrastructure Block Grants		Implementation Assistance Program		Australian Scheme for Higher Education Repositories		Commercialisation Training Scheme		Sustainable Research Excellence in Universities	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programmes)	2,190	2,034	4,415	4,412	469	371	-	41	-	-	55	47	526	451
Net accrual adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Revenue for the period	2,190	2,034	4,415	4,412	469	371	-	41	-	-	55	47	526	451
Surplus/(deficit) from the previous year	-	-	-	-	-	-	-	27	-	125	44	10	-	-
Total revenue including accrued revenue	2,190	2,034	4,415	4,412	469	371	-	68	-	125	99	57	526	451
Less expenses including accrued expenses	(2,190)	(2,034)	(4,415)	(4,412)	(469)	(371)	-	(68)	-	(125)	(64)	(13)	(526)	(451)
Surplus/(deficit) for reporting period	-	-	-	-	-	-	-	-	-	-	35	44	-	-

Parent entity	Other		Total	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programmes)	1,989	-	9,644	7,356
Net accrual adjustments	-	-	-	-
Revenue for the period	1,989	-	9,644	7,356
Surplus/(deficit) from the previous year	-	-	44	162
Total revenue including accrued revenue	1,989	-	9,688	7,518
Less expenses including accrued expenses	(25)	-	(7,689)	(7,474)
Surplus/(deficit) for reporting period	1,964	-	1,999	44

48.5 Other Capital Funding

Parent entity	Better Universities Renewal Funding		Teaching and Learning Capital Fund		Total	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programmes)	-	-	-	-	-	-
Net accrual adjustments	-	-	-	-	-	-
Revenue for the period	-	-	-	-	-	-
Surplus/(deficit) from the previous year	-	894	7,902	10,902	7,902	11,796
Less expenses including accrued expenses	-	(894)	(7,902)	(3,000)	(7,902)	(3,894)
Surplus/(deficit) for reporting period	-	-	-	7,902	-	7,902

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 DECEMBER 2011

48.6 Australian Research Council Grants

(a) Discovery

Parent entity	Project		Total	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programmes)	161	72	161	72
Net accrual adjustments	-	10	-	10
Revenue for the period	161	82	161	82
Surplus/(deficit) from the previous year	47	77	47	77
Total revenue including accrued revenue	208	159	208	159
Less expenses including accrued expenses	(44)	(112)	(44)	(112)
Surplus/(deficit) for reporting period	164	47	164	47

(b) Linkages

Parent entity	Project		Total	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programmes)	518	784	518	784
Net accrual adjustments	(140)	-	(140)	-
Revenue for the period	378	784	378	784
Surplus/(deficit) from the previous year	343	475	343	475
Total revenue including accrued revenue	721	1,259	721	1,259
Less expenses including accrued expenses	(664)	(916)	(664)	(916)
Surplus/(deficit) for reporting period	57	343	57	343

48.7 OS-HELP

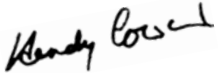
Parent entity	2011	2010
	\$'000	\$'000
Cash Received during the reporting period	278	232
Cash Spent during the reporting period	(240)	(230)
Net Cash received	38	2
Cash Surplus/(deficit) from the previous period	3	1
Cash Surplus/(deficit) for reporting period	41	3

48.8 Superannuation Supplementation

Parent entity	2011	2010
	\$'000	\$'000
Cash Received during the reporting period	3,185	2,796
University contribution in respect of current employees	195	357
Cash available	3,380	3,153
Cash Surplus/(deficit) from the previous period	22	270
Cash available for current period	3,402	3,423
Contributions to specified defined benefit funds	(3,584)	(3,401)
Cash Surplus/(deficit) this period	(182)	22

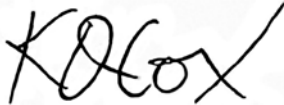
KEY PERFORMANCE INDICATOR REPORT CERTIFICATION

We hereby certify that the key performance indicators are based on proper records, are relevant and appropriate for assisting users to assess ECU's performance, and fairly represent the performance of ECU for the financial year ended 31 December 2011.



The Hon Dr Hendy Cowan
Chancellor

1 March 2012



Professor Kerry O. Cox
Vice-Chancellor

1 March 2012

KEY PERFORMANCE INDICATORS

INTRODUCTION

ECU's Key Performance Indicators (KPIs) focus on the University's core business (teaching, learning and research) and key stakeholders (students). The KPIs are informed by the functions of the University as set out in Section 7 of the *Edith Cowan University Act 1984* (WA) (ECU Act), particularly:

- S7(a) "to provide...courses of study appropriate to a university to meet the needs of the community in this State."
- S7(c) "to support and pursue research and scholarship and aid the advancement, development, and practical applications to education, industry, commerce and the community, of knowledge or any techniques."

The University's strategic directions document: *Edith Cowan University: Engaging Minds; Engaging Communities. Towards 2020* specifies ECU's mission and four strategic priorities which articulate the University's commitment to the communities it serves.

ECU's Mission is:

To further develop valued citizens for the benefit of Western Australia and beyond, through teaching and research inspired by engagement and partnerships.

ECU's four Strategic Priorities are:

- *Engaging and Serving Our Communities;*
- *Providing Programs to Meet the Needs of Our Communities, in a Supportive and Stimulating Learning Environment;*
- *Developing Research Focus, Depth and Impact; and*
- *Building Organisation Sustainability.*

The Annual Report section entitled Report on Operations has been structured around these strategic priorities, reflecting their importance in setting direction for the University's operations.

In this Key Performance Indicator Report, the functions specified in the ECU Act and reflected in ECU's current strategic priorities; provide the basis for the following outcomes, against which the University's performance is measured:

Outcome 1: ECU's courses of study meet the needs of the Western Australian community and are provided in a supportive and stimulating learning environment.

Outcome 2: ECU's research and scholarship advance and develop education, industry, commerce and the community, through the practical application of knowledge.

For each KPI, the Key Performance Indicator Report provides:

- ECU's performance over the last four or five years;
- a comparison to Target for the most recent year; and
- wherever possible, comparisons to the overall performance of universities in Australia ("National Average") and to public universities in Western Australia ("State Average").

Outcome 1: ECU's courses of study meet the needs of the Western Australian community and are provided in a supportive and stimulating learning environment.

This outcome has the following measures:

Key Effectiveness Indicators	Retention
	Course Satisfaction
	Quality of Teaching
	Graduate Employment
	Share of First Preferences
Key Efficiency Indicator	Teaching-Related Expenditure per Student Load

KEY PERFORMANCE INDICATORS (continued)

1. Retention

Many factors influence whether students decide to remain in their studies (Retention), including the relevance of those studies to their needs, and the learning environment in which that study takes place. Student retention is therefore an indicator of the extent to which ECU's courses meet the needs of the Western Australian community and are provided in a supportive and stimulating learning environment.

Retention is here defined as the percentage of all domestic and international students who commence a Bachelor Pass course in a given year (Year of Commencement) and either complete, defer or are still enrolled in the same course or another ECU course one year later.

Table 19: Retention Commencing Bachelor Pass Students

	Year of Commencement				
	2007	2008	2009	2010	2011 ¹
ECU	76.2%	78.9%	78.2%	80.4%	
Target	80.0%	80.0%	80.0%	80.0%	
National Average ²	82.7%	84.0%	84.0%	n/a	

Notes: 1. Retention data for students commencing in 2011 will not be available until March 2012.

2. The National Average figures are from Table 4.9 of Appendix 4 on the DEEWR website at: <http://www.deewr.gov.au/HigherEducation/Publications/HEStatistics/Publications/Pages/Students.aspx> The National Average figure for 2010 will not be available until mid-2012.

The retention rate for ECU students commencing in 2010 increased (by 2.2 percentage points) compared with the retention rate for those who commenced in 2009. The 2010 result is a continuation of an upward trend for retention rate since 2007. The retention rate for ECU students commencing in 2010 is 0.4 percentage points above Target, and is below the National Average.

2. Course Satisfaction

Graduates are more likely to rate their course highly, in terms of overall satisfaction, if the course was relevant to their needs, provided in a supportive learning environment and has proven useful and relevant in an employment context following graduation. Graduate satisfaction with the quality of their course is therefore an indicator of the extent to which ECU's courses of study meet the needs of the Western Australian community and are provided in a supportive and stimulating learning environment.

Comparative data on how ECU's graduates rate the quality of their courses is available from responses to the Course Experience Questionnaire (CEQ), a national survey of graduates conducted four to six months after course completion.

Course Satisfaction is here defined as the percentage of all domestic and international Bachelor level (Bachelor Pass, Bachelor Honours and Bachelor Graduate Entry) graduates who 'broadly agree' with the statement: "Overall, I was satisfied with the quality of this course" from the Course Experience Questionnaire. The percentage broad agreement is the percentage of responses which are 3 (neither agree nor disagree), 4 (agree) or 5 (strongly agree) on the five-point Likert scale.

Table 20: Undergraduate CEQ Course Satisfaction

	Year of Survey				
	2007	2008	2009	2010	2011 ¹
ECU	92.2%	92.1%	92.6%	95.0%	
Target	90.0%	93.0%	93.0%	93.0%	
National Average	89.8%	88.5%	88.1%	93.1%	
State Average	91.2%	90.0%	89.9%	93.5%	

Notes: 1. CEQ data for the 2011 survey was not made available by Graduate Careers Australia in sufficient time to allow inclusion in this Report.
 2. The performance results are shown here by “Year of Survey”, as is common practice across the sector.
 3. For the 2010 survey 2966 ECU Bachelor graduates were surveyed, of whom 1546 responded to the CEQ, equating to a response rate of 52.1%.

ECU graduates’ Course Satisfaction level in the 2010 survey increased (by 2.4 percentage points), compared with the 2009 survey. The latest result is the highest of the last eight years (2003-2010). The 2009 survey result is 2.0 percentage points above Target.

ECU’s Course Satisfaction results are consistently above both the National Average and the State Average.

3. Quality of Teaching

Graduates are more likely to rate highly the quality of the teaching in their course, if the content and teaching style was relevant to their needs and the course was provided in a supportive learning environment. Graduate satisfaction with the teaching they experienced during their course is therefore an indicator of the extent to which ECU’s courses of study meet the needs of the Western Australian community and are provided in a supportive and stimulating learning environment.

Comparative data on how ECU’s graduates rate the quality of the teaching they experienced is available from responses to the Course Experience Questionnaire (CEQ), a national survey of graduates conducted four to six months after course completion. Six items in the CEQ make up the Good Teaching Scale which is used to indicate how satisfied graduates were with the teaching experience during their course.

The Good Teaching Scale is here defined as the average of survey respondents’ percentage Broad Agreement. Percentage Broad Agreement is the proportion of a respondent’s scores on the six items which are 3 (neither agree nor disagree), 4 (agree) or 5 (strongly agree) on the five-point Likert scale and expressed as a percentage. Respondents are domestic and international Bachelor level (Bachelor Pass, Bachelor Honours and Bachelor Graduate Entry) graduates.

Table 21: Undergraduate CEQ Good Teaching Scale

	Year of Survey				
	2007	2008	2009	2010	2011 ¹
ECU	88.3%	89.6%	89.1%	92.4%	
Target	86.6%	90.0%	91.0%	91.0%	
National Average	83.4%	82.8%	82.8%	87.7%	
State Average	85.4%	85.0%	85.5%	88.7%	

Notes: 1. CEQ data for the 2011 survey were not made available by Graduate Careers Australia in sufficient time to allow inclusion in this Report.
 2. The performance results are shown here by “Year of Survey”, as is common practice across the sector.
 3. For the 2010 survey 2966 ECU Bachelor graduates were surveyed, of whom 1546 responded to the CEQ, equating to a response rate of 52.1%.

ECU graduates’ level of satisfaction with the quality of teaching for the 2010 survey increased (by 3.3 percentage points), compared with the 2009 survey. The latest result is well above those in the survey years 2007-2009. The level of satisfaction in the 2010 survey year is above Target by 1.4 percentage points.

ECU’s Good Teaching Scale results are consistently above both the National Average and the State Average.

KEY PERFORMANCE INDICATORS (continued)

4. Graduate Employment

There is strong evidence that many students undertake higher education for employment-related reasons (i.e. to gain employment, or to advance their career). The employers, on whom the job prospects of graduates largely depend, seek employees who have the skills and attributes needed in their professions and occupations. Graduate employment is therefore an indicator of the extent to which ECU's courses of study meet the needs of the Western Australian community and are provided in a supportive and stimulating learning environment.

Comparative data on employment outcomes for ECU graduates is available from the Graduate Destination Survey (GDS), a national survey of graduates, conducted four to six months after course completion.

Graduate Employment is here defined as the percentage of domestic Bachelor level (Bachelor Pass, Bachelor Honours and Bachelor Graduate Entry) graduates in full-time employment as a proportion of all domestic Bachelor level graduates in, or seeking, full-time work (including those who were working part-time or on a casual basis while seeking full-time employment).

Table 22: Domestic Bachelor Course Level Graduates in Full-time Employment

	Year of Survey				
	2007	2008	2009	2010	2011 ¹
ECU	85.7%	84.7%	78.0%	75.6%	
Target	85.0%	87.0%	87.0%	83.0%	
National Average	85.2%	86.1%	81.1%	78.5%	
State Average	88.0%	87.9%	82.2%	77.5%	

Notes: 1. GDS data for the 2011 survey were not made available by Graduate Careers Australia in sufficient time to allow inclusion in this Report.

2. The performance results are shown here by "Year of Survey", as is common practice across the sector.

3. For the 2011 survey 2366 ECU Bachelor graduates were surveyed, of whom 1309 responded to the GDS, equating to a response rate of 55.3%.

The proportion of ECU graduates in full-time employment at the time of the 2010 survey declined by 2.4 percentage points, compared with those surveyed in 2009. The 2010 survey result is 7.4 percentage points below Target and is below both the National Average and the State Average.

The decline in ECU's Full-time Employment results for the 2010 survey are consistent with the State Average decline between the surveys conducted in 2009 and 2010 (4.7 percentage points) and reflects the prevailing economic and employment conditions in Western Australian for the year in which the graduates were surveyed.

5. Share of First Preferences

The relevance of courses and quality of the learning environment in which they are taught, as perceived by prospective students and the wider community, will influence demand for places at a university. ECU's Share of First Preferences, processed through the Western Australian Tertiary Institutions Service Centre (TISC), is an indicator of the level of demand for the University's undergraduate courses within the broader competitive market in the State. It is therefore an indicator of the extent to which ECU's courses of study meet the needs of the Western Australian community.

Share of First Preferences is here defined as the number of first preference applications for ECU's undergraduate courses, expressed as a percentage of all first preference applications to Western Australia's public universities as processed by TISC. Data is taken at the end of the applications process for that year's entry to university. A definitional change was applied from 2010 to limit the data to applications for Bachelor and Associate Degree courses only.

Table 23: Undergraduate Share of First Preferences

	Entry Year				
	2007	2008	2009	2010	2011
ECU	17.7%	18.9%	19.5%	20.1%	16.6%
Target		20.0%	21.0%	21.0%	18.0%
Curtin	33.6%	31.6%	31.6%	34.0%	34.0%
Murdoch	15.6%	15.2%	14.5%	13.6%	14.2%
UWA	33.1%	34.2%	34.4%	32.3%	35.1%

Notes: From 2010 a revised definition, approved by ECU's Council at its meeting of December 2009, has been applied. The change in definition provides better comparisons between the universities by limiting the data to applications for Bachelor and Associate Degree courses only. Therefore figures for 2006-2009 inclusive vary from those reported in earlier Annual Reports.

ECU's share of first preference applications for undergraduate courses processed through TISC decreased by 3.5 percentage points between the 2010 and the 2011 entry years. This was not unexpected as ECU seeks to diversify entry pathways.

Murdoch and UWA increased their respective share of first preference applications, while the share of first preferences at Curtin University remained unchanged.

ECU's first preference share in 2011 was below Target by 1.4 percentage points.

6. Teaching-related Expenditure per Student Load

Teaching-related expenditure per Student Load shows the cost associated with providing teaching and learning support to a full-time equivalent student in a given year. Over time, the measure shows whether such costs are decreasing or increasing, which could be interpreted as indicating either increased efficiency or reduced efficiency respectively.

This measure must, however, be interpreted in the context of other KPIs associated with Outcome 1. A decrease in cost does not necessarily indicate improved efficiency if it leads to, for example, lower retention, graduate satisfaction or graduate employment outcomes. For example, a substantial increase in class size (student: staff ratio) may reduce costs, but might adversely impact on performance against other indicators.

Trends on this measure can also be affected by factors such as changes in the overall ECU student load, the proportion of costs which are fixed, and the proportion of student load in higher cost disciplines.

Teaching-related Expenditure per Student Load is here defined as the total expenditure less research-only expenditure, divided by total full-time equivalent students (EFTSL) in the year.

Table 24: Teaching-related Expenditure per Student Load

	2007	2008	2009	2010	2011
Teaching-Related Expenditure (\$'000)	228,321	246,399	252,064	277,172	282,800
Total Student Load (EFTSL)	15,254	15,978	17,583	18,711	18,478 ¹
Teaching-Related Expenditure/Total Student Load (\$)	14,968	15,417	14,336	14,813	15,305
Target (\$)		15,619	14,756	14,572	14,719 ²
Teaching-Related Expenditure/Total Student Load (2011 \$ equiv) ³	16,734	16,618	15,130	15,239	15,305
Target (2011 \$ equiv)		16,831	15,573	14,990	14,719

Notes: 1. 2011 student load figure is as at 01/02/2012 (the sum of the March, August and preliminary post-August census date load) and includes VET course load.
2. Target for 2011 is derived from Teaching-Related Expenditure based on the Original 2011 Full year Budget (\$279,612,000) divided by the total Student Load (18,997 EFTSL) from the 2011 Budget. 3. Prior year expenditure is indexed for current costs, based on CPI for December Qtr 2011.

Teaching-related expenditure per Student Load (2011 \$ equivalent) increased slightly between 2010 and 2011. The 2011 figure is slightly higher than targeted.

KEY PERFORMANCE INDICATORS (continued)

Outcome 2: ECU's research and scholarship advance and develop education, industry, commerce and the community, through the practical application of knowledge.

This outcome has the following measures:

Key Effectiveness Indicator	Research Income
Key Efficiency Indicators	Higher Degree Research Completions
	Research Publications

7. Research Income

Universities attract research income as a result of their: historical competitiveness in winning grants; previous research outcomes; and perceived ability to deliver quality research and scholarship. Research income, across the four categories listed below, reflects the relevance and potential impact of ECU's research as perceived by various funders. It is therefore an indicator of the extent to which ECU's research and scholarship, advance and develop education, industry, commerce and the community.

Research Income is here defined as the level of external research funding obtained during a year, in total and in each of the four categories defined by the Department of Innovation, Industry, Science and Research (DIISR).

Table 25: Research Income (\$m)

Category	2007	2008	2009	2010	2011'
1 – National Competitive Research Grants	1.619	2.154	2.907	2.750	
2 – Other Public Sector Research Funding	5.512	7.235	7.709	8.301	
3 – Industry and Other Funding for Research	2.341	2.926	2.012	4.211	
4 – Co-operative Research Centre Funding	0.112	0.075	0.182	0.050	
Total	9.584	12.390	12.809	15.312	
Target	10.015	10.015	13.629	13.629	

Note: 1. Research income for 2011 is unavailable until verified by audit in June 2012.

Between 2007 and 2010, total research income has increased by \$5.728 million. Between 2008 and 2009 research income increased in two of the four categories defined by DIISR. Total research income in 2010 was above Target by \$1.683 million.

8. Higher Degree Research Completions

Doctorate and Master by Research completions is a measure of ECU's success in training new researchers who will undertake research activity and scholarship, to advance and develop education, industry, commerce and the community.

Higher Degree Research Completions per 10 Academic FTE is a measure of the efficiency of ECU's higher degree research programs in providing new researchers to education, industry, commerce and the community.

Higher Degree by Research Completions is defined here as the number of Research Doctorates and Masters by Research theses passed in a year. Completions are also expressed per 10 full-time equivalent (FTE) academic staff, where academic staff are those at Level B and above, classified as 'teaching and research' or 'research only'.

Table 26: Higher Degree Research Completions by level, total number and per 10 Academic FTE

	2007	2008	2009	2010	2011 ¹
Doctorate by Research	53	58	41	51	
Master by Research	28	35	23	19	
Total Completions	81	93	64	70	
Total State Completions	746	639	659	647	
Total National Completions	7,141	7,178	7,092	7,403	
Academic Staff FTE	444	448	494	531	
Completions per 10 FTE	1.8	2.1	1.3	1.3	
Target	1.8	1.9	2.2	2.2	

Notes: 1. Research completions for 2011 are unavailable until verified by audit in June 2012.

2. State and National Higher Degree by Research completions for 2010 are from Table 8 of the 2010 Award Course Completions listings on the DEEWR website at: <http://www.deewr.gov.au/HigherEducation/Publications/HEStatistics/Publications/Pages/Students.aspx>

Total completions for Research Higher Degree Students increased between 2009 and 2010. However, due to an increase in the Academic Staff FTE between 2009 and 2010, completions per 10 Academic Staff FTE remained steady (at 1.3) and below Target by 0.9 completions per 10 Academic Staff FTE.

9. Research Publications

The number of recognised research and development publications produced in a year, as reported to the Department of Innovation, Industry, Science and Research (DIISR), is a direct measure of research output.

The number of weighted research and development publications per 10 Academic Staff FTE is a measure of the efficiency of research output and an indicator of how efficiently ECU's research and scholarship advance and develop education, industry, commerce and the community.

Research and Development "Weighted Publications" is defined as the number of publications in the DIISR-defined categories A1, B, C1, E1 and J1 in a year. The number of publications is assessed annually in a rigorous, externally audited system prior to submission to DIISR. Weighted publications are expressed per 10 full-time equivalent (FTE) academic staff, where academic staff are those at Level B and above, classified as 'teaching and research' or 'research only'.

Table 27: Research and Development Weighted Publications per 10 Academic FTE

	2007	2008	2009	2010	2011 ¹
Unweighted Publications per 10 FTE					
A1 – Authored Research Books	0.21	0.37	0.36	0.38	
B – Book Chapter	1.16	0.59	1.03	0.88	
C1 – Articles in Scholarly Refereed Journal	5.00	5.48	5.02	5.06	
E1 – Full Written Paper – Refereed Proceedings	3.91	4.25	3.32	3.53	
J1 – Major Original Creative Works	0.0	0.0	0.0	0.0	
Total Unweighted Publications	456.2	479.0	480.9	522.1	
Total Weighted Publications	493.2	545.8	552.9	602.1	
Academic Staff FTE	444	448	494	531	
Weighted Publications per 10 FTE	11.1	12.2	11.2	11.3	
Target	10.6	11.5	12.8	12.8	

Note: 1. Research publications figures for 2011 are unavailable until verified by audit in June 2012.

Both Total Unweighted Publications and Total Weighted Publications increased in number between 2009 and 2010, by 41.2 and 49.2 publications respectively. Weighted Publications per 10 Academic Staff FTE increased slightly between 2009 and 2010 (from 11.2 to 11.3), but was below Target by 1.5 publications per 10 Academic Staff FTE in 2010.

OTHER FINANCIAL 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 28: Major Capital Projects Completed, 2011

Project	Estimated total cost (\$m)	Actual total cost (\$m)
Campus Renewal Program	1.950	5.049
Community Clinical School	2.000	2.000
Engineering and Technology Building, Joondalup	40.000	40.000
WAAPA Workshop, Mount Lawley	4.950	4.950

Note: The actual total cost of the Campus Renewal Program exceeded the estimated total costs by \$4.243 million, due to the increase scope of work resulting from the University's implementation of its *One University: Students First* initiatives.

Table 29: Major Capital Projects in Progress, 2011

Project	Estimated total cost (\$m)	Actual total cost to complete (\$m)	Expected year of completion
Sports and Fitness Centre Expansion, Joondalup	7.500	7.500	2012
Building 2 Leak Rectification, Joondalup	5.000	5.000	2012
Research Support Facility (Engineering Pavilion), Joondalup	4.000	4.000	2013

Employees and Employee Relations

Table 30: Academic Staff by Contract Type, 2007-2011

Staff	2007	2008	2009	2010	2011
Permanent Full-time	387	370	367	372	369
Permanent Part-time	19	18	29	27	33
Temporary Full-time	88	112	146	142	141
Temporary Part-time	23	27	36	41	45
Casual	155	175	178	180	105
Total	672	702	756	761	693

Notes: Figures are based on full-time equivalency, rather than headcount and therefore prior year figures are not as reported in earlier annual reports. Figures are average full-time equivalents for the 12 calendar months. Figures include staff in VET provision.

Table 31: General Staff by Contract Type, 2007-2011

Staff	2007	2008	2009	2010	2011
Permanent Full-time	601	592	610	636	641
Permanent Part-time	89	96	102	107	117
Temporary Full-time	131	167	170	145	183
Temporary Part-time	73	77	80	74	79
Casual	67	65	65	67	112
Total	961	998	1026	1029	1052

Notes: Figures are based on full-time equivalency, rather than headcount and therefore prior year figures are not as reported in earlier annual reports. Figures are average full-time equivalents for the 12 calendar months. Figures include staff in VET provision.

Occupational Safety, Health and Injury Management

Commitment to Occupational Safety, Health and Injury Management

ECU places a high priority on maintaining a safe and healthy environment for all students, staff and visitors; one that is conducive to study, job satisfaction and productivity. ECU is proactive in preventing and minimising the potential for injury and harm and aims to exceed the requirements for compliance with the State Government's Code of Practice: *Occupational Safety and Health in the Western Australian Public Sector*.

Formal Mechanism for Consultation with Employees on Occupational Safety, Health and Injury Management Matters

ECU's committee structure for occupational safety and health matters comprises four levels:

- Occupational Safety and Health Policy Committee (reporting to the Vice-Chancellor);
- Institutional Bio-safety Committee/Radiation Committee (reporting to the Occupational Safety and Health Policy Committee);
- Occupational Safety and Health Campus Working Groups (reporting to the Director, Facilities and Services); and
- Faculty-level and Service Centre-level Occupational Safety and Health Committees and special working parties (reporting to senior business managers and the University Occupational Safety and Health Policy Committee).

Each of these committees engages with elected safety and health representatives and employee representatives to facilitate consultation at all levels. Information on these University committees is available from the ECU website.

In addition to statutory responsibilities, the University expects all managers and supervisors to provide information, instruction, training and supervision on safety and health procedures and work practices to support a safe and healthy working environment. This responsibility is achieved via the consultative committee process where hazards, risks and all matters relating to occupational safety and health are discussed and aligned to the business unit's operational safety plan.

A Statement of Compliance with the Workers' Compensation and Injury Management Act (WA)

ECU has a formal Occupational Safety and Health and Injury Management Policy developed in consultation with employees and elected safety and health representatives. ECU's safety and injury management programs are communicated via its safety committees and incorporated into the operational plans of all business units. The University's target is to achieve a zero lost time injury rate. The University's Workers' Compensation and Injury Management policy is available from the ECU website.

Table 32: Performance against 2010/11 Injury Management Targets

Indicator	Target 2010/11	Result 2010/11	Result 2009/10
Number of fatalities	Zero (0)	0	0
Lost time injury/diseases incident rate ¹	Zero or 10% reduction on previous year	0.11	0.09
Lost time injury severity rate	Zero or 10% improvement on previous year	0	0
Percentage of injured workers returned to work within 28 weeks	100%	100%	100%
Percentage of managers trained in occupational safety and health and injury management ²	See Note 2	n/a	n/a

Notes: 1. Lost time injury/diseases incident rate and lost time injury severity rate are defined as the incidents per 100 employees.

2. ECU does not provide training specifically in Occupational Safety and Health (OSH) and Injury Management. Obligations relating to these activities are incorporated into broader OSH training and information sessions provided to managers.

Occupational Safety and Health Management Systems

ECU has implemented an occupational safety and health management system for mandatory self-assessment based on the primary functions and supporting principles of the Australian and New Zealand Standard AS/NZS 4801:2001. All business units of the University have developed strategic and operational plans to achieve best practice. A number of business units have elected to be formally accredited against the Standard. ECU's occupational safety and health performance statistics are reported to two committees of Council: the Resources Committee and the Quality, Audit and Risk Committee.

Additionally, staff attitudes to, and perceptions of, safety in their work environment are monitored through a bi-annual staff survey. The results of the latest survey were reported in the ECU Annual Report for 2009 and the survey will be repeated in 2012 and reported in the Annual Report for that year.

GOVERNANCE DISCLOSURES

Corporate Standards and Risk Management

Equity

ECU is committed to encouraging and supporting potential and current students as well as the broader community to reach their potential. To achieve this, a whole-of-University approach has been taken to integrate equity principles and practices into planning processes and strategic and operational activities. The University maintains a number of specific action plans which describe initiatives, performance measures and responsibilities for progressing equity and social inclusion. These plans are monitored through the Equity Committee and its sub-committees and through standing review processes.

ECU also supports two volunteer equity networks. University Contact Officers help to resolve equal opportunity issues by providing referral advice on equity policies and practices for students and staff, while “Allies” provide a network of trained contacts for Gay, Lesbian, Bisexual, Transgender and Intersex students and staff.

Equity Initiatives and Activities in 2011

The University completed the development of its first Reconciliation Action Plan (RAP) in 2011 and launched the document on National Sorry Day on 26 May 2011. The RAP outlines the University’s vision for reconciliation and its objective is to translate its commitments to Indigenous Australians into actions. Broad consultation was carried out during the development of the RAP and ECU became only the 6th university in Australia to have its RAP endorsed by Reconciliation Australia. The RAP Working Group met quarterly during 2011 to monitor progress on the initiatives outlined in the RAP. A report on progress will be provided to Council in 2012.

A new five-year Disability Access and Inclusion Plan (DAIP) for 2011-2016 was finalised in July 2011. The DAIP was informed through consultation with students, staff and community members and articulates a number of high level objectives to guide the University’s access and inclusion plans over the next five years. The Disability Access and Inclusion Sub-Committee will develop DAIP Annual Implementation Plans, and monitoring is undertaken through the Equity Committee.

In 2011 the University celebrated the 150th anniversary of the birth of Edith Dirksey Cowan, the 90th anniversary of her election to the Parliament of Western Australia, and the 20th anniversary of the university established in her name. These celebrations guided a number of activities relating to supporting and encouraging female staff in the workplace. The late Edith Cowan, together with: Honorary Doctorate recipient, former staff member, renowned Australian athlete and conservationist the late Shirley Strickland de la Hunty; senior lecturers Dr Anne Aly and Dr Lekkie Hopkins; research fellow Dr Abigail Bray; and former staff member, Ms Estelle Blackburn, were all inducted into the *WA Women’s Hall of Fame* to coincide with the centenary of *International Women’s Day* in March 2011.

The University was not required to report to the Australian Government’s Equal Opportunity for Women in the Workplace Agency (EOWA) in 2011, having demonstrated that the University is not only compliant with all aspects of the *Equal Opportunity for Women in the Workplace Act 1999* (Cwlth), but has gone further by taking all practicable steps to advance women and remove barriers to their employment and promotion.

ECU hosted a range of events for students, staff and the community in 2011. These included celebrating Harmony Week, International Women’s Day, NAIDOC Week, International Day of People with a Disability, Pride Month and Mental Health Week.

Other compliance and legislative reporting completed during the year included the submission of the Indigenous Education Statement and Equity Statement for the Australian Government’s Institutional Performance Portfolio, and the annual report to the Western Australian Aboriginal Education and Training Council.

Quality

ECU's Quality Unit provides leadership and strategic advice in the planning, and management of quality matters within the University, while ECU's *Quality@ECU* model, incorporating the *Plan, Do, Review, Improve* cycle, provides a consistent approach to continuous quality improvement across different levels of planning and review.

The ECU Quality Review Policy supports the various quality review processes and defines the purpose, function and frequency of all Annual, School, Research Centre and Offshore program reviews. The guidelines for these processes provide a consistent and robust approach to the review process at ECU.

As part of the five-yearly cycle of external school reviews, one school was reviewed in 2011. Four offshore partners and two research centres were also reviewed in 2011. Refinements made in previous years were incorporated into the Annual Review process for 2011. This process continues to be underpinned by an evidence-based approach and 2011 saw the introduction of performance-based metrics for service centres.

The Tertiary Education Quality and Standards Agency (TEQSA, formerly AUQA) conducted its Cycle Two Audit of ECU in October 2011. Prior to the visit, ECU submitted its Performance Portfolio, which focused on progress since the 2004 Cycle One Audit and provided a reflective analysis of the two themes of 'Internationalisation' and 'Engagement'. The Audit Panel visited the South West Campus and offshore partners in Singapore, Malaysia and Sri Lanka before making a four-day visit to the Joondalup and Mount Lawley campuses. ECU is awaiting the draft report from the audit panel which should be available in early 2012.

More information on the Cycle Two Audit visit can be found on the ECU website.

Risk Management

A major component of corporate governance at ECU is effective risk management. To this end, ECU revised its Strategic Risk Register during 2011 and completed the first round of operational risk registers based on the Strategic Risk Register. In addition, ECU developed a high level assurance map that matches the University's standing review mechanisms with its strategic risks.

Fraud and misconduct prevention training for senior staff was delivered across all three campuses during 2011. In addition, the University revised its Public Interest Disclosure procedures and has appointed additional Public Interest Disclosure Officers. Also in 2011, ECU assessed its operations for legislative compliance with the *Copyright Act 1968* (Cwlth) and the *Gene Technology Act 2000* (Cwlth). In both cases, the University was assessed as being materially compliant.

Business Continuity Plans are in place for all ECU campuses. The plans for ECU's Mount Lawley Campus were tested in 2011, while the documentation and testing of IT disaster recovery plans and key IT systems continued during 2011. All critical IT systems were tested during the year.

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

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.

OTHER LEGAL REQUIREMENTS

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 2011 totalled \$4,280,470. The amount in each expenditure class and the organisations paid, are listing in Table 33 below.

Table 33: Advertising Expenditure, 2011

Advertising agencies	1,633,685
303 Group Pty Ltd	
Hobsons Australia Pty Ltd	
Market research organisations	0
Polling organisations	0
Direct mail organisations	0
Media advertising organisations	2,646,785
Mitchell and Partners Australia Pty Ltd	
Google	
Other organisations	
Total Expenditure	4,280,470

Recordkeeping

The Electronic Document and Records Management System (EDRMS) is the University's approved record keeping system, allowing emails and documents from the Microsoft Office Suite to be saved electronically. A project is in train to roll out the EDRMS across the University.

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.

Under the *Universities Retention and Disposal Schedule* collaborative work is underway to develop a common Disposal Schedule for Western Australia's public universities. Nine completed functions were submitted to the State Records office in March 2011 for approval, with the remainder to be submitted by the end of 2011.

The ECU-wide Disaster Recovery Plan was completed and can be accessed by ECU staff through the ECU website intranet. Staff completed disaster recovery training in September 2011 which included participation in a scenario-based exercise.

An independent review of the University's Record Keeping Framework and the EDRMS project was conducted in July 2011. The review acknowledged best practice in both areas and made a number of recommendations relating to resources and further management championship.

Record keeping surveys have been conducted as part of the EDRMS project roll-out.

The organisation conducts a record keeping training program.

ECU conducts regular record keeping training programs including:

- A basic record keeping induction training package is available and is integrated into the University's overall professional development and training program.
- The Records Awareness Training System was implemented in 2008 to raise record management awareness for staff and continues to be offered to staff. Since implementation, over 80 percent of staff have completed, or are working through the course.
- Monthly training courses on the University's record keeping software (TRIM) are provided at Basic and Intermediate levels.
- One-on-one training occurs, on request.

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

The outcomes of the Records Awareness Training are monitored and staff feedback is collected through a questionnaire. The feedback is reviewed to assess whether the training has been effective. An intermediate user course was introduced as a result of the 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 May 2011, 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 2010/11 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 2010/11 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.

- The Course Management System was updated to enable staff to enter details on inherent course requirements, which will now appear on ECU's course information website.
- Principles for inclusive curriculum development and design were embedded in the Teaching at ECU Principles and Practices and Teaching Online @ ECU units of recommended staff professional development.

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

- Access and Mobility Maps for the ECU Bunbury, Joondalup and Mount Lawley campuses have been developed and finalised.
- Feasibility assessments for the provision of accessible bus stop points and shelters for each campus have been undertaken.

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.

- All digitised reserve readings provided in OCR format to assist vision impaired students.
- All Blackboard sites updated to conform to accessibility guidelines.

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.

- Disability Awareness Training was delivered with attendance from key customer service areas, including the Library, Student Services Centre and IT Service Centre.
- Mental Health Workshops were delivered with 157 staff in attendance.

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

- A review of outcomes of complaints received in 2010 was undertaken and a report provided to Council.
- The Complaints Process has been updated to require referral of the complaint to a senior member of staff within the relevant area.

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

- ECU's five year DAIP was published on ECU's Planning, Quality & Equity website along with the DAIP Annual Implementation Plan.
- The 2010-2011 DAIP Annual Implementation Plan was finalised following extensive consultation via the University's Equity Committee structures, which includes student and staff representation.

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

- The new online recruitment system eRecruit has been launched and features accommodations depending on the type of disability that is disclosed.
- ECU's Staff Kiosk now includes functionality for staff to update EEO details, including the option of disclosing a disability.

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.

- Annual ECU events were held to commemorate International Day of People with a Disability and Mental Health Week.
- A Timeline Fact Sheet was produced during Mental Health Week highlighting the impact of mental health issues and legislation on Indigenous Australians.

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For calls outside Australia
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For calls regarding South West region
phone **(61 8) 9780 7709**

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Every effort has been made to ensure that the information contained in this publication is correct at the time of printing. The information is subject to change from time to time and the University reserves the right to add, vary or discontinue courses and impose limitations on enrolment in any course. The publication constitutes an expression of intent and is not to be taken as a firm offer or understanding.

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GREENING ECU: Edith Cowan University is committed to reducing the environmental impact associated with its operations by conducting its activities in a socially and environmentally responsible manner. This includes implementing strategies and technologies that minimise waste of resources and demonstrate environmentally sensitive development, innovation and continuous improvement.



ECU IS SMOKE-FREE

