



Annual Report

2004

Review of Operations

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Statement of Compliance

The Hon A J Carpenter MLA
Minister for Education and Training
12th Floor, Dumas House
2 Havelock Street
WEST PERTH WA 6005

28 February, 2005

My Dear Minister

In accordance with Section 66 of the *Financial Administration and Audit Act 1985*, we hereby submit for your information and presentation to Parliament the Annual Report of Edith Cowan University for the year ending 31 December 2004.

The Annual Report has been prepared in accordance with the provisions of the *Financial Administration and Audit Act 1985*.

Yours sincerely

Hendy Cowan
Chancellor
On behalf of the University Council.

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Chancellor - The Honourable Hendy Cowan

Hendy Cowan has been Chancellor of ECU since 1 January 2005. He is the former Deputy Premier of Western Australia, an office he filled during a long parliamentary career. For more detailed biographical notes, visit: <http://www.ecu.edu.au/GPPS/council>

Chancellor's Foreword

The governing Council of ECU continued to fulfill a range of important responsibilities during 2004.

The Federal Government's recent reforms to higher education provided a major focus for the Council's work.

The Higher Education Support Act 2003 permitted universities to increase their Higher Education Contribution Scheme (HECS) fees in accordance with the Government's 'user pays' reforms. The most challenging decision of Council was to enact an increase of 25 per cent for most students commencing study in 2005. The decision reflected a need for ECU to pursue all available avenues for sustainable income in the face of a declining proportion of funding from the public purse. To help address unmet demand for university education in Western Australia, Council also agreed to make more use of its existing capacity to offer full fee-paying places to domestic undergraduate students.

Council also examined governance issues arising from the national reforms. The Government introduced a set of National Governance Protocols designed to strengthen university governance by, among other things, increasing the responsibilities of university councils in overseeing commercial activities, requiring councils to discharge these responsibilities in a transparent way and ensuring the protection of the public interest.

Compliance with the protocols requires changes to the respective enabling Acts of most universities including ECU. It gave Council the opportunity to consider other governance issues which may also require legislative change, namely

- the size and composition of Council
- the role of the South West Campus (Bunbury) Advisory Board and WAAPA Board and their respective relationships with Council and
- a model for student representation and the provision of non-academic services to students.

At the same time, much attention was given to relations with the University's Student Guild in order to improve dialogue and clarify responsibilities.

The year marked the end of the term of office of Justice Robert Nicholson AO as Chancellor after eight years. He provided strong leadership to the governing Council and brought extensive experience to the office of Chancellor. He executed the responsibilities of the office with distinction, chairing 50 Council meetings and inducting 35 new members of Council. Justice Nicholson showed faith in the collective judgement of Council, particularly on challenging matters. I record the gratitude of the Council and the whole ECU community for his great record of service.

I was honoured to be elected by Council to succeed Justice Nicholson from 1 January 2005. I look forward to the challenges of the role.

I commend the work of all members of Council, the Vice-Chancellor, the senior management team and all the staff of ECU for their commitment and achievements during 2004. The excellent audit outcomes from the Australian Universities Quality Agency stand out as a pinnacle.

Hendy Cowan

About ECU

Named after the first woman elected to an Australian Parliament – Edith Dircksey Cowan – Edith Cowan University (ECU) is an exciting fusion of traditional education principles with contemporary enterprise.

Working to its three defining themes of *service, professionalism and enterprise*, the University has positioned itself as a professionally-oriented tertiary education institution providing service to and preparation for the knowledge-based service professions. ECU prides itself on producing graduates who can operate effectively in today's globalised workplace.

Since 1902, ECU through its forerunner organisations, has been Western Australia's major provider of teacher education. Given university status in 1991, ECU has since developed innovative and practical courses across a wide range of disciplines, established a vibrant research culture and attracted a growing range of quality research partners and researchers, many working at the cutting edge of their fields.

ECU has the largest enrolment of Western Australian students of all the State's universities. It is now WA's second largest university, and has more than 22,500 enrolled students at both undergraduate and postgraduate levels. In addition to Australian students, the University has approximately 3,500 international students originating from almost 80 countries. International students comprise over 16 per cent of the student body.

The University has embarked on an extensive program of consolidating its campuses in areas of population growth, established density and regional relevance.

ECU works closely with private and public sector organisations, locally and overseas, in designing its study programs. Research is undertaken in collaboration with industry, particularly the service industries and professions.

The University strives to offer education of the highest quality in the service professions. Differentiating itself in the WA tertiary education market, ECU recognises and concentrates on its areas of particular strength – education, nursing, finance, business, computing, communications and the creative and performing arts.

University Mission

To provide, within a diverse and dynamic learning environment, university education of recognised quality, especially for those people employed in, or seeking employment in, the service professions.

Defining Themes

Three defining themes inform the way ECU pursues its mission:

Service:

- Encouraging the highest standards of learning by adopting a student-centred approach to teaching, learning and the administration of student services
- Seeking opportunities for close and productive involvement with the professions, government, industry, the community and educational institutions at local, national and international levels

Professionalism:

- Building on, and expanding, the University's strengths in professional education and training to produce graduates who contribute to the workforce and the economy
- Seeking to demonstrate the highest standards of professional behaviour in its relationship with students, staff and the community

Enterprise:

- Building a culture which constantly seeks to improve itself by supporting and rewarding initiatives which enhance the University's performance
- Increasing the international dimension of the University's teaching, research and community service programs through selective partnerships and enterprises
- Collaborating with other institutions and organisations in strategic partnerships to accomplish objectives that would be beyond the capability of individual institutions acting alone
- Promoting the University's strengths in local, national and international contexts through community service, targeted marketing and publicity

These themes have been adopted across the broad sweep of the University's activities, and guide all aspects of its strategic planning.

Highlights of the Year 2004

Successful Year for ECU

- ECU received 23 commendations from the Australian Universities Quality Agency (AUQA) in the first national quality audit of the University since the agency was established.
- ECU was successful in its application to the Commonwealth for new places made available as part of the *Our Universities: Backing Australia's Future* package. ECU received the sixth largest allocation in the nation.
- A multi-million dollar alliance was ratified with global technology giant IBM.
- In an historic event, ECU graduations were held for the first time at the University itself in the ceremonial forecourt of the Joondalup Campus.
- The \$7.7m Callista Student Management System went live, placing ECU at the forefront of student enrolment management in Australia.
- ECU undertook extensive planning, software upgrades and staff training to prepare for the Higher Education Support Act (HESA) changes.
- ECU took a leadership role in establishing the first sector-wide benchmarking framework for positive Occupational Safety and Health indicators.

Enrolments, graduations reach record levels

- ECU's market share of first preferences for 2004 was 26.01 per cent.
- Enrolments grew to 21,736 students.
- Student enrolments have grown by 25 per cent since ECU was founded in 1991.
- 6,000 students graduated in seven ceremonies.
- More than 300 graduates from Malaysia and Singapore attended a graduation celebration in Kuala Lumpur
- Faculty of Regional Professional Studies academics and graduating students staged a pre-ceremony parade through the main streets of Bunbury.

Teaching and Learning enhanced

- Three Professorial Chairs were filled – completing the program of 15 new Chairs.
- An ECU Law School was approved for establishment in 2005.
- ECU's first Bachelor of Law course will commence in 2005.
- 134 new courses were approved, from Certificates to Doctorates, as part of ECU's regular review of its course offerings.
- The Bachelor of Education (Primary to Middle Years) was established – first of its kind in Australia.
- The Bachelor of Science (Sustainable Forestry) was established – first of its kind in WA.
- The Western Australian Screen Academy was created for digital television production.
- Credentialed Professional Learning (professional development for school teachers) fast-tracked postgraduate study for teachers.
- A Statement of Good Teaching Attributes was trialled.
- 300 academic staff participated in the Professional Development of Tertiary Teachers program.

Student focus strengthened

- ECU doubled the number of scholarships to be offered in 2005 – valued at \$3.2 million.
- The ECU Advantage scheme was established giving students economical access to state-of-the-art laptop computers through partner IBM.
- The campus wireless network will be operative from the 2005 academic year.
- A regular online news bulletin was e-mailed to students.
- *Campus Buzz* newspaper was launched.
- A new Student Information website was developed.
- A new Virtual Information Pack (VIP) was introduced for enrolling students to reduce the paper burden.
- A new student e-mail system was introduced.
- All student administrative processes were enhanced through sophisticated new student management software.
- Students gave ECU's Counselling Service a 98 per cent approval rating.
- A Co-ordinator, Employer Partnerships was appointed to Careers Advisory Service to expand employer contacts for potential links/programs.
- The Student Guild funded a Guildlink Employment Officer to source and grow part-time employment opportunities for students.
- The Multi-faith Chaplaincy service precipitated increased faith groups on campus.

Global Reach Expands

- Onshore enrolments grew to a record 2,518.
- 3,886 international students were enrolled at ECU.
- International enrolments have increased by 114 per cent since 1998.
- International students came from more than 80 countries.
- 37.7 per cent of international students were enrolled in postgraduate programs.
- ECU was the WA market leader for the number of onshore international students from Norway, Kenya, India, Zambia, UK, Seychelles, Bangladesh, Sweden Malawi, Ghana and Uganda.
- ECU ranked first in Australia in on-campus students from Zambia, Seychelles, Malawi, Ghana and Uganda.
- ECU had 88 agreements to cater for student mobility through exchange programs.
- ECU's *Karibu* – a peer support/mentoring group for African students – was recognised by the Council of International Students of WA as a best practice model.
- ECU led Australian universities in exploration of the Russian market through its chairing of the DEST Russia Market Entry Pilot Project's Government advisory Committee and Industry Grouping.

Research grows

- Other Public Sector Funding for ECU research improved by a staggering 68.5 per cent over 2003.
- Industry funding for ECU research grew by 45.1 per cent in 2004.
- Approximately \$7 million was granted to ECU by PanoramaFLAT for microphotronics research.
- The Centre for Microphotonic Systems also attracted \$1.9 million from the State Government's WA Centres of Excellence in Science and Innovation Program.
- \$1.3 million was granted by the Emirates Group to Professor Narayan Srinivasan for longitudinal study of border protection.

- Associate Professor Paul Lavery was awarded around \$535,000 from the Geraldton Port Authority and the State Government's Strategic Research Fund for Marine Environment for a study of the ecophysiology of benthic primary producers.
- Approximately \$452,000 was awarded to Professor Linda Kristjanson from the US National Institutes of Health and the University of Manitoba for dignity interventions for terminally ill cancer patients.
- Dr Simon Laws, Professor Ralph Martin, Dr Ian Martins were awarded around \$423,000 from the NHMRC for a project on molecular and neuropsychological predictive markers of cognitive decline.
- ECU-Industry Collaborative Scheme continued to grow with 48 per cent of sponsorships agreed for 2005 being with new industry partners.
- ECU's newly established Early Career Researcher Grant Scheme funded 13 proposals.
- ECU attracted external research funding of \$5.4 million, comprising more than 100 separate grants from around 70 agencies.
- The Vario Health Institute, a comprehensive, trans-disciplinary alliance of capabilities within the University, was established in 2004 to strengthen ECU's ability to improve health and the performance of the health/education/recreation systems.
- ECU established the Electron Science Research Institute.
- ECU established the Western Australian Centre for Cancer and Palliative Care.
- *Research @ ECU*, a publication showcasing sample research projects, was published by the Office of Research Services.
- In 2004 there were 68 higher degree by research completions – 37 PhDs, 23 Masters and eight Professional Doctorates.
- Around 290 students undertook postgraduate research degrees at ECU.

Equity and Diversity Advances

- ECU employed the highest level and the greatest number of Indigenous staff of all WA universities.
- ECU employed around three times the education sector average of Indigenous Australians.
- An Indigenous Consultative Committee was established to commence in 2005, to enhance Indigenous Australian input to ECU decision making.
- An Equity Statement of Commitment and a Statement of Commitment to Indigenous Australians were developed to guide University-wide planning on ECU's equity commitments.
- New scholarships for students from disadvantaged backgrounds will apply in 2005.
- Two new traineeships were introduced.
- Events were held to recognise NAIDOC Week and Gay Pride Week.

ECU features in outstanding awards

- Dr Richard Brightwell, School of Biomedical and Sports Science, won the *Pearson Education's Court Compass Award of Excellence* – the first non-American to win this award.
- Professor Donna Cross, Professor of Health and Wellness won Rotary's *2004 Building Resiliency in Children Award*.
- Professor Donna Cross was also a finalist in *the 2004 Healthway Excellence in Health Promotion: Health Promotion Research Award*.

- Dr Trevor Cullen, School of Communications and Multimedia, was appointed a media delegate and working journalist for the 15th International Conference on HIV/AIDS in Thailand.
- Ms Robyn Davis, School of Indigenous Australian Studies, was awarded one of five Commonwealth Government National Indigenous Staff Scholarships.
- Dr Jennifer Fenwick, Co-ordinator, Postgraduate Midwifery Programs, was named *Nurse Educator of the Year* by the Nurses Board of Western Australia.
- Associate Professor Dieter Fink, School of Management Information Systems, won the *Emerald Literati Awards Outstanding Paper* for best article published in *Journal of Intellectual Capital*.
- Associate Professor Lynne Hunt, School of Nursing and Public Health, was appointed to the board of the new *Carrick Institute for Learning and Teaching in Higher Education*.
- Associate Professor Lynne Hunt was also awarded a *Fellowship of the Higher Education Research and Development Society Australasia* by Malaysia's Deputy Minister of Education.
- Associate Professor Adrienne Kinnear, School of Natural Sciences, won the *Tertiary Science Teacher* category in the *2004 WA Premier's Science Awards*.
- Professor John Kinsella, Adjunct Professor, School of International, Cultural and Community Studies, was awarded the *2004 WA Premier's Prize for Poetry*.
- Associate Professor Paul Lavery, School of Natural Sciences, (with PhD student David Holley) won the national *Indigenous Landcare Award*.
- Professor Paul Moyle, School of Justice and Business Law was elected to the Board of Directors of the *International Society for the Reform of Criminal Law*.
- Foundation Professor in Exercise and Sport Science, Professor Robert Newton was named *Outstanding Sports Scientist of 2004* by the American National Strength and Conditioning Association – its highest award.
- Associate Professor Sue Nikoletti, School of Nursing and Public Health, was named *Nurse Researcher of the Year* by the Nurses Board of Western Australia.
- Dr Lynn Oldham, School of Nursing and Public Health, won an NHMRC Postdoctoral Fellowship.
- Professor Ron Oliver, CCI Teaching and Learning, and his ECU team won *Best Web Project* at the 2003 ASCILITE Awards.
- Associate Professors Gary Partington and Andrew Taggart, Kurongkurl Katitjin and School of Education respectively, were awarded *Fellowships by the Western Australian Institute for Educational Research*.
- Mr John Rapsey, School of Communications and Multimedia, was series creator and script consultant for children's television drama series, *Foreign Exchange*.
- IT Support Services Manager, Mark Ridge, SOE rollout Project Manager David Sizer and Senior Customer Support Officer Valentin Evtimov received *IT Hero Awards* from Australian-based company, Managesoft.
- Mr Leon Salom, WAAPA, was awarded *Best Set Design for Film and Television* by the Design Institute of Australia for the production of "Fat Boy".
- Museum of Childhood Director, Brian Shepherd won the Museums Australia (WA Branch) Institutional Award (shared with the John Curtin Prime Ministerial Library).
- Adjunct Professor Andrew Taylor, was awarded a six-month residency in Rome from the *Australia Council for the Arts*.
- Dr Magdalena Wajrak, School of Natural Sciences, won the 2003 *Royal Australian Chemical Institute Centenary of Federation Tertiary Education Award in Chemistry*.

- Dr Anne Williams, School of Nursing and Public Health, received a NHMRC Australian Clinical Fellowship.

Campus Consolidation progresses

- Student numbers at Joondalup Campus have increased by 3,450 and by 2,000 at Mount Lawley Campus since campus consolidation commenced in 2001.
- ECU secured title to the Churchlands Campus, and State and Local Government rezoning and planning approvals were finalised.
- Following a tender process, agreement was reached to transfer the Claremont Campus to the University of Western Australia, protecting the Campus's heritage and educational character.
- Construction commenced on the \$6.5 million Indigenous Centre at Mount Lawley, scheduled for completion in early 2005.
- The \$5.2 million Mount Lawley Campus Recreational Centre opened in mid-2004.
- The Mount Lawley Campus \$2.3 million car park is due for completion in early 2005.
- Design work commenced on the new Library and Technology Centre and the Health and Wellness Building on the Joondalup Campus. Construction on the two buildings (\$35 million each) will commence in 2005 for a late 2006 completion.
- The \$3.2 million Joondalup Campus Services Building was completed in 2004.

Community involvement broadens

- International jurist and human rights campaigner, Justice Marcus Einfeld, delivered the HC Coombs Lecture.
- Free public lectures and seminars were conducted on a range of topical issues by renowned national and international experts including US political scientist Professor Rick Battistoni and media presenter Geraldine Doogue, AO.
- JLP worked with City of Joondalup to promote educational, business and community interests and activities.
- ECU participated in the Joondalup Festival.
- Record attendances (10,000+ people) were achieved at ECU's two open days – *ECU Live!* – held on the Joondalup and Mount Lawley Campuses.
- ECU Alumnus Rolf Harris participated in ECU's Australia Day celebrations attended by more than 2,500 people.
- ECU hosted the WA Curriculum Council awards in an outdoor ceremony attended by 2,000 young people and their families.
- The Pines Picture Garden official opening on the Joondalup Campus was attended by hundreds of community and business people.
- The ECU Visitors' Centre greeted, toured and directed around 10,000 people to campus features and facilities.
- WAAPA music and music theatre students created and performed the show *Horizons* for the Perth Convention and Exhibition Centre opening.
- *Animalistic: An Exhibition going ballistic over animals* – an exhibition of more than 60 works from ECU's art collection celebrating animals, began its three year tour of WA.
- Kurongkurl Katitjin, ECU's School of Indigenous Australian Studies, presented a public film festival for NAIDOC week on the Mount Lawley Campus.

University Council

The Work of the University Council

The University Council is responsible for the statutory task of guiding and overseeing the University's affairs. It comprises community and alumni members, staff and student members, together with the Vice-Chancellor, who as the Chief Executive Officer is an ex-officio member.

The Council is responsible for determining University policy and direction, and receiving reports on academic and other affairs of the University.

Members of Council make an important contribution in assisting the University through their roles on committees and sub-committees dealing with a range of matters from resources allocation, development and marketing through to matters of strategy and quality. Council members also actively engage with the wider community especially through interaction with business, government and other stakeholders.

The Council met on seven occasions during 2004 (6 regular and 1 special meeting). Meetings of Council are typically held on the Joondalup Campus. In 2004, Council however also met on the Claremont Campus and the South West (Bunbury) Campus respectively.

The major activities of the Council in 2004 included:

Strategy

- Council increased the student contribution for fee paying domestic Commonwealth supported places for units in all funding clusters except education and nursing and made provision for ECU scholarships to be awarded on criteria reflecting both merit and disadvantage.
- Council approved the Budget for 2005.
- Council received the Asset Management Plan 2005 – 2009.

Governance

- The Honourable Hendy Cowan was appointed Chancellor for the period 1 January 2005 – 31 December 2007.
- The Annual Report 2003 was endorsed. It was noted that the University was in a very strong liquidity position. It was also noted that the first stage of campus consolidation had been completed.
- Council received the AUQA Audit Report and noted particularly the favourable outcome for ECU.
- Council took all reasonable steps to comply with the National Governance Protocols. The opportunity was also taken by Council to consider other governance issues such as:
 - the size and composition of Council
 - the roles and functions of the South West Campus (Bunbury) Advisory Board and WAAPA Board and their respective relationships with Council
 - the relationship of the University with the Student Guild.

- Appointments were made to the Quality and Audit Committee, Resources Committee, Legislative Committee, South West Campus (Bunbury) Advisory Board, WAAPA Board, Academic Appeals Committee, Human and Animal Ethics Committees and Council Executive. The composition of Council Executive and of the Legislative Committee were also varied.
- The operation of the External Relations, Strategy and Development Committee was reviewed and Council decided to suspend the committee and create the Community Taskforce.
- Arrangements for the Aboriginal Consultative Committee were reviewed and an Indigenous Consultative Committee was established and will commence operations in 2005.
- The Amenities and Services Fee for 2005 was set by Council, continuing the level of the fee at the 2004 rate.
- Council approved Standing Orders to facilitate meeting procedure.
- Amendments to the following University Statutes and Rules were approved:
 - Statute No 11 – Student Guild
 - ECU (Admission, Enrolment and Academic Progress) Rules
- A wide variety of prizes and degrees was conferred on students throughout the year, including the conferral of forty-two (42) PhDs.

Monitoring and Compliance

- Throughout the year, Council received regular reports on University activities from the Vice-Chancellor, Boards, committees, working parties and senior officers. The reports addressed areas such as:
 - the academic program of the University
 - financial management
 - performance indicators
 - information technology
 - capital and other works
 - risk management.
- Regular reports were received on matters relating to the Student Guild Elections and the financial accountability requirements of the Guild pursuant to Statute 11 and Council's responsibility in relation to these matters.
- The Guild's audited 2003 annual statements were received.

ECU Council Members

For a list of ECU Councillors visit: www.ecu.edu.au/GPPS/council

*To view ECU's Committee Structure Chart visit:
www.ecu.edu.au/GPPS/committees/Committee%20Structure.pdf*

*To view ECU's Organisational Structure Chart visit:
www.ecu.edu.au/msc/hrs/establishments/org_charts/docs/ECU_Org_Structure.pdf*

Attendance by Council Members at Council Meetings

Council held six regular meetings and one special meeting during the year. The bracketed figure indicates the potential number of attendances for members whose term of office did not cover the full year.

| | |
|---|-------|
| Justice Robert Nicholson AO (Chancellor) | 6 |
| Mrs Danielle Blain (Pro Chancellor) | 4 |
| Mr Steve Abbott | 6 |
| Mr Robert Amos-O'Callaghan | 3 (3) |
| Ms Jenni Ballantyne | 4 |
| Mr Kevin Campbell AM | 7 |
| Mrs Helen Charlesworth | 7 |
| Hon Hendy Cowan | 5 (6) |
| Mr Andrew Crevald | 6 |
| Mrs Carol Devitt | 7 |
| Mr Neil Douglas | 6 |
| Mr Roland Heese | 2 (3) |
| Mrs Karen Macdonald | 7 |
| Mr John May | 7 |
| Mr Graham McHarrie | 5 (6) |
| Mr Kevin O'Keefe | 5 |
| Professor Ron Oliver | 6 |
| Mr David Pilkington | 2 (2) |
| Professor Millicent Poole (Vice-Chancellor) | 5 |
| Ms Elizabeth Prime | 6 |
| Mr Paul Snellgrove | 2 (2) |
| Professor Peter Thompson, AM | 5 |
| Mr Serge Walberg | 6 |
| | |
| Professor Patrick Garnett (A/Vice-Chancellor) | 1 (1) |
| Professor John Wood (A/Vice-Chancellor) | 1 (1) |

Vice-Chancellor – Professor Millicent Poole, BA, BED Q/d, MA Hons NE, PhD LaT, FASSA

Professor Millicent Poole has been Vice-Chancellor of ECU since 1997. She has a distinguished career in scholarship, leadership and management. She has researched at prestigious international universities and held teaching and executive roles in a range of universities around Australia. For more detailed biographical notes visit www.ecu.edu.au/VC@home/bio.html

Vice-Chancellor's Commentary

Creating our own future

Despite the increase in the Federal Government's higher education funding from 2005 onwards, it is now broadly recognised that Australia's universities can no longer expect to obtain the majority of their funding from the public purse. The return of the Coalition Government in 2004 cements an acceptance by universities that the share of funds from taxpayers is limited, obliging the universities to seek to meet more of their costs from other sources of income.

For Australian universities to continue to provide quality higher education to our students, we must build diverse funding sources and grow each of them. Rather than becoming a critic of the changing funding situation and fight a rear-guard battle to resist it, ECU sought to take a lead and shape our own future.

While we welcomed an eight per cent lift in the Commonwealth's base funding to ECU, we realised that we cannot meet our future needs to retain and reward staff, peg burgeoning staff-student ratios, improve the quality of student life, invest in new technology and infrastructure and complete campus consolidation without securing more money from students, partnerships and development activities.

We took the hard decision in 2004 to require our future students to make a bigger investment in their university education. We felt we had little choice but to exercise our ability, consistent with Dr Nelson's reforms, to increase deferred fees by 25 per cent in all but education and nursing courses from 2005. At the same time, we laid the ground for a measurable intake of domestic undergraduate students, qualified for a place, who are willing to pay full fees.

The year generated a shining example of our ability to secure partnerships for development purposes. We unveiled the biggest strategic educational alliance in our history. ECU became the Asia-Pacific showcase university for the global technology and corporate consulting company, IBM, as part of a 10-year agreement. IBM is a huge new partner for ECU. It employs more than 310,000 people in 165 countries. Its annual revenue touches \$90 billion. We are ready to collaborate with IBM on researching IT projects in the academic and business spheres. The alliance will encourage innovation and foster skills development between industry and the education sector and ultimately benefit the whole community. IBM will fund a professorial chair in computer information and security, an area in which it has huge expertise.

The University secured the sixth highest allocation of new Commonwealth-supported places in Australia, totalling more than 440 in 2005 and rising above 1200 in 2008. The Government explicitly recognised the case for extra places in universities which needed to expand

developing campuses and meet demand in rapid growth zones of Australia. This is where the New Generation Universities, for which I have been the key advocate during 2004, contribute strongly to Australia's higher education system.

For ECU this meant continuing to cater for needs in two of Western Australia's strongest growth corridors, the State's South-West and Perth's northern corridor. While the overall increase in places for WA was welcome and overdue, it did not resolve the issue of WA's uniquely high unmet demand. However a troubling trend emerged late in the year when the total pool of applicants for university places in WA dropped by about eight per cent. This decline cannot be attributed to universities' soaking up demand; it is more likely a reflection of adverse reaction by mature age applicants to price rises. Nevertheless, ECU alone among the WA public universities lifted its market share by almost two per cent.

ECU's capacity to service its markets was underlined impressively by the findings of an independent panel of auditors from the Australian Universities Quality Agency (AUQA). The panel was overwhelmingly positive about ECU's performance. It applauded ECU for significant progress across all major areas of the University's operations.

The auditors summarised their key findings in these words: "ECU is to be applauded for the significant progress it has made on a range of fronts in recent years. It has clearly grown in stature and now offers diverse and differentiated programs which make it the second largest university in WA. Strategically, ECU has developed a strong identity as a university focusing on the service professions. This identity is firmly embedded within the University community's practices and strategic thinking and the wider public perception. The University is to be congratulated for achieving such a unity of purpose. AUQA commends ECU's leaders for establishing a clear strategic focus, which provides strong guidance for the University's internal efforts and helps present a distinctive image to the University's external communities."

The main improvements recommended by the panel relate to the need for greater consistency in some of the things we do and the report gave us renewed impetus to attain consistency and equivalence in areas such as course and unit reviews, academic quality assurance, entrance standards, student outcomes and research-informed teaching.

New student administration software, rolled out in 2004, put us at the leading edge of systems which electronically manage all facets of a student's journey through university. It needs to be said that a heightened administrative burden squarely fell upon the universities. Why? Because while the Federal Government espoused greater flexibility and less regulation for individual universities, it required us to re-shape, collect and supply enrolment data on a scale and complexity previously unimaginable. Conforming with the many processing and reporting provisions of the Higher Education Support Act (HESA) 2003 is also a major cost burden.

A striking feature of the year was attaining the ability to stage University graduation ceremonies on our own grounds for the first time, using the spectacular open-air setting of the grassed and paved Chancellery forecourt during early autumn.

A number of significant investments was made in our future. We officially opened \$8 million worth of new theatrical facilities for the WA Academy of Performing Arts at Mount Lawley Campus, which was also the site of a new gymnasium and sports centre shared with the adjoining senior high school.

The year's end was marked by the retirement of Justice Robert Nicholson AO who served for eight years as Chancellor of ECU. I wish to record my gratitude for his generous commitment of time and support for ECU. Amid the many achievements realised during his

period chairing Council, one thing stands out for me – his gracious and sincere interaction with our students. His warm approach and obvious interest in their success has, I am sure, helped inspire many of the students who have passed through ECU's doors.

All members of the ECU community – students, staff, Council members and other stakeholders – can take great pride in the successful performance of the University. I record my thanks and congratulations to our community who have worked hard to take ECU into a united and prosperous future.

Millicent Poole

Teaching and Learning

A dedication to delivering teaching and learning of the highest quality sits at the heart of all ECU's activities. The University aims to develop a top-calibre teaching cohort and to support its teaching and learning activities with a variety of mechanisms including planning, consultation, training, incentives, recognition and state-of-the-art technology.

The University's goal is to be a national leader in education for the knowledge-based professions. In that regard, teaching and learning at ECU received several commendations in the recent Australian Universities Quality Agency (AUQA) Audit. AUQA commended ECU for:

- *its system of Area of Scholarship Reviews, which is comprehensive, useful and clearly leading to improvements*
- *the effectiveness of its newly delegated course approval processes*
- *its effective use of Unit Plans, which supplement Unit Outlines with information valued by students*
- *the extent to which it has thoroughly embedded information from the Unit and Teaching Evaluation Instrument into its quality assurance processes such as Unit Reviews*
- *its strong emphasis on teaching, including its professional development opportunities and the **Teaching@ECU** publication, which is an excellent resource for all people involved in teaching ECU courses and units.*

Teaching and learning at ECU are underpinned by the Teaching and Learning Functional Plan 2003-2005 whose objectives are to:

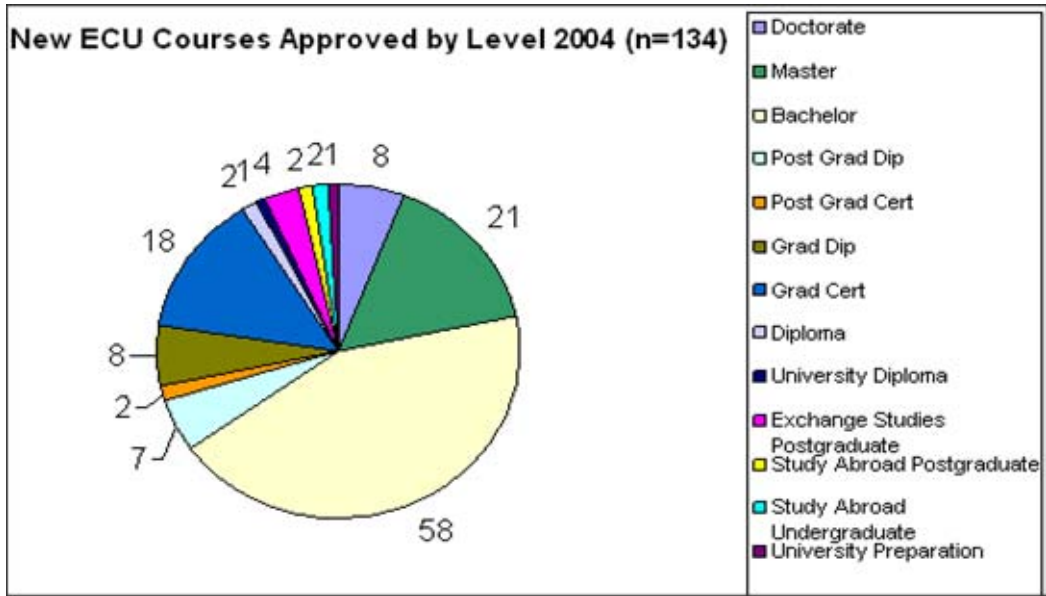
- improve courses
- enhance flexibility
- improve teaching and learning.

For more information on ECU's Teaching and Learning Management Plan visit: www.ecu.edu.au/GPPS/planning/docs/TLP2003_05.pdf

Considerable work was done across the University in 2004 to achieve the three objectives of the Teaching and Learning Plan.

Improving courses involves strengthening existing programs, developing new courses appropriate to the knowledge-based service professions and reviewing existing offerings with a view to further development or archiving.

All Faculties in 2004 undertook a review of the ECU course mix by discipline and by level and, as a result, generated new courses and archived courses with diminishing market appeal. New courses ranged from Graduate Certificates to Masters Degrees. Faculties also commenced a review of their international curricula to ensure offerings are relevant to their regions and that they embody cross-cultural awareness. In all, 134 courses were developed and 225 were superseded for eventual archiving. A breakdown of new courses by level is shown below.



Some outstanding examples of improving course offerings include:

- the Western Australian Legal Practice Board approved the establishment of a Law School at ECU from 2005 with Board accreditation received for first-year law units. A School of Justice and Business Law Consultative Committee has been established with the WA Chief Justice, the Hon Mr Justice David Malcolm, AC and President of the Bar Association, the Hon Ian Viner, AO, QC, as Chair and Deputy Chair respectively
- the *Western Australian Screen Academy* was created by the Faculty of Communications and Creative Industries and offers an intensive industry-driven program in digital television production
- a Bachelor of Education (Primary to Middle Years) was developed by the Faculty of Regional Professional Studies and approved by the WA Department of Education and Training. The only one of its kind in Australia, the degree equips students to teach in primary and lower schools from years 1 to 10
- the School of Natural Sciences created the Bachelor of Science (Sustainable Forestry) which will be the first WA course to focus on the sustainable use of forest resources.

In preparation for the AUQA audit, a review of ECU's course approval process was undertaken which included the mechanisms for approving online products.

In 2003, ECU mandated a set of key graduate attributes – *Service, Professionalism, Enterprise and Workplace Skills*, supported by a set of generic attributes. Over the past year, faculties progressed embedding the Graduate Attributes Framework in their curricula.

Usage of the Learning Management systems continues to grow with *Blackboard* outgrowing its infrastructure and generating upgrades to software, servers and networks.

The University made considerable progress in 2004 in its second teaching and learning objective of enhancing the flexibility of student choice of units, courses and mode of delivery.

A Flexible Teaching and Learning Policy was completed which rationalises ECU progress and defines ongoing plans for flexible learning development. A Pilot for *ECU Advantage* – a program enabling students to obtain the best laptop technology at a reasonable price – is planned for early 2005 and a campus wireless network will operate from the start of the academic year.

The Faculty of Community Services, Education and Social Sciences is progressing the concept of Credentialed Professional Learning (CPL) whereby modules of Professional Development (PD) targeted at school teachers are offered by the School of Education. On successful completion of three linked modules, participants can apply for advanced standing of one unit at the Graduate Certificate/Masters level.

Digitisation of print-based materials has been undertaken by the Centre for Learning Development Services (LDS) in preparation for a move to digital operations for distance education materials.

Work was progressed in 2004 on developing an increasingly flexible teaching calendar including flexible semesters for overseas clients, use of summer sessions with varying numbers of semesters, especially with partner institutions, and monthly sessions of boards of examiners to accommodate the different calendars.

Flexible course structures are continually being developed, creating an increasingly distinctive academic profile for ECU and incorporating interdisciplinary awards such as Law/Business.

2004 saw continued efforts across the relevant sectors of the University to fulfil the third objective of the Teaching and Learning Functional Plan – improve teaching and learning.

The quality of teaching and learning is monitored and maintained through a range of formal and informal review processes. Data for reviewing teaching and learning outcomes come from a variety of sources and includes data from student feedback surveys.

In semester 2 2002, the University implemented the Unit and Teaching Evaluation Instrument (UTEI) for collecting student feedback data. The UTEI is now administered every time a unit is offered, collecting data on the unit and each of its teachers. For Semester 1, 2004, the ECU mean for overall satisfaction with units was +45, the mean for overall satisfaction with lecturing was +55, while the mean for overall satisfaction with tutoring was +53. As mean scores range from -100 to +100, these results indicate a high level of student satisfaction with both the units offered and their teaching. From semester 2, 2002 to semester 1, 2004, there has been a slight but steady increase in all three UTEI mean overall satisfaction values, indicating a steady increase in student satisfaction with both units and teaching.

In semester 2, the University implemented the eUTEI, a comprehensive online version of the Unit and Teaching Evaluation Instrument (UTEI). This online version of the UTEI will assist with the data collection process, particularly from off-shore classes and students studying externally or in fully online mode. Furthermore, its linkage to the new online student administration system will assist with the integrity of the data collected.

A statement of attributes of good teaching across a range of contexts that can be applied to recruit, retain, promote and acknowledge academic staff was trialled in the Faculties of Community Services, Education and Social Sciences and Communications and Creative Industries.

ECU provides ongoing professional development to its teaching staff to ensure they stay abreast of current education developments. *Professional Development of Tertiary Teachers* has had its first full year of operation with over 300 academic staff engaged in the induction. More than 170 sessional staff were involved in the introduction to Teaching and Learning@ECU for new sessional academic staff.

The *Professional Development for Tertiary Teaching* Policy was finalised and implemented in 2004 and the profiles used for new academic teaching staff.

Various teaching and learning support and incentive measures were established by the faculties.

The Faculty of Community Services, Education and Social Sciences offered five \$3,000 Teaching and Learning Professionalism in Teaching Grants. These are open to individuals or teams, and are based on high quality initiatives which support the Faculty's Teaching and Learning Plan.

The Vice-Chancellor's Awards for Excellence in Teaching were developed specifically to encourage and recognise excellence in teaching. Recipients of this year's awards were:

- **Dr Marilyn Clark-Murphy**, Senior Lecturer in the School of Accounting, Finance and Economics
- **Dr Barnard Clarkson**, Lecturer in the School of Communications and Multimedia
- **Ms Jenny Devine**, Lecturer in the School of Management
- **Dr Yvonne Hauck**, Senior Lecturer in the School of Nursing and Public Health.

The quality of ECU's teaching was also recognised in the Australian University Teaching Awards with a staff team from ECU's Geraldton Regional Centre being a finalist.

External perceptions of the quality of ECU's teaching and learning are assessed by a standard sector performance indicator – the *Share of First Preferences*. ECU's share of first preference applications for 2004 was 26.01 per cent.

Students

Providing students with a quality educational experience focused on achieving their study goals, underpins ECU's commitment to its students. This commitment is supported by high calibre teaching, learning and research, state-of-the-art technology, and by providing a diverse, safe environment that offers both social and intellectual exchanges.

While faculties, schools and many university centres provide specific students services, the Student Service Centre (SSC) is the focal point for provision of student services. For more information on the SSC visit: www.ecu.edu.au/SSC/homepage/SSC

Continually growing student numbers demonstrate that ECU is fulfilling its commitments to its student body and enrolments again grew in 2004, reaching 21,736.

| |
|--|
| Student enrolments have grown by 25 per cent since ECU was founded in 1991. |
|--|

Approximately three-quarters (17,726) of this year's students are studying an undergraduate degree, with the largest faculty being Community Services, Education and Social Sciences.

Despite international concerns about SARS and terrorism, the number of onshore international students increased by 17 per cent this year to 2,202 students from 76 countries, with the biggest increases coming from emerging markets in Africa and China.

The year brought an historic first for ECU. Graduation ceremonies were conducted at the University itself in the forecourt alongside the new Chancellery building on Joondalup Campus. Four spectacular outdoor ceremonies were staged in late February and early March. Another first occurred the following month when the Faculty of Regional Professional Studies staged a pre-ceremony parade through the main streets of Bunbury, featuring graduating students and an academic procession party.

In total, almost 6,000 students graduated during 2004 in seven ceremonies. A record 34 PhDs were awarded at these ceremonies. A graduation celebration was also held in the Malaysian capital of Kuala Lumpur, attended by more than 300 graduates from the key South-East Asian hubs of Malaysia and Singapore. This event had not been held since 2002 due to the SARS health scare in the intervening year. The University also held its first graduation celebration in Dubai for Diploma in Aviation Security Management graduates.

In October the University's Chancellor, Justice Nicholson, presided at his final graduation ceremony. Over the eight years in this role, it was estimated he had conferred degrees and other awards on more than 40,000 students in some 50 ceremonies.

During the year, ECU put more effort into communicating with current students. Utilising a new online student administration system, a regular online news bulletin was e-mailed to students. As well, a newspaper featuring campus life at ECU, called *Campus Buzz*, was launched through a pilot edition circulating on all campuses.

Feedback from students is a vital part of determining student needs and priorities and ECU has a variety of mechanisms to ensure students' voices are heard. These include the Student Experience Survey, the Vice-Chancellor's Student Advisory Forum, Faculty and Centre feedback processes, Student Guild feedback processes, Student Complaints, and the Unit and Teaching Evaluation Instrument. Students are represented on the University Council, ECU's highest governing body. A Student Discussion Board provides an electronic forum for students to raise issues of interest. Results of all these processes are prioritised and fed back into all relevant University centres.

ECU's close attention to determining its student needs received the following commendation from AUQA in its recent audit:

AUQA commends Edith Cowan University for the manner in which it analyses and uses data to plan and assess student services.

Key achievements in 2004 focused on the implementation of a new student management system (SMS), known as *Callista*, and preparation for the requirements of the Higher Education Support Act 2003 (HESA). Other highlights included offering hundreds of new scholarships to ECU students, and the introduction of a new student email system.

The *Callista* SMS went live in April replacing the University's legacy student records system. The completion of the \$7.7m implementation project was a major success.

Callista includes interfaces to other core University systems such as Oracle FMIS, the Central Authentication System and the Admin timetable system. Direct, web-based, student self-management was also introduced with *SIMO* (Student Information Management Online), allowing students to perform such tasks as re-enrolling, result checking, and viewing their personalised timetable. In addition, during 2004:

- first runs of core University business processes such as mid-year admissions, enrolments, student liability generation and invoicing, assessments, release of results, and re-enrolment occurred on *Callista*
- *Callista's* VET functionality was implemented for WAAPA students and reporting, commencing in 2005
- *Callista* was upgraded three times, through four new database versions, to implement functionality required for HESA compliance.

A significant 2004 project was preparing for the implementation of comprehensive administrative reforms required by the HESA. More than 50 existing processes required modification and several new systems were implemented. HESA legislation also prompted a major review of the University's Admission, Enrolment and Academic Progress Rules and a significant investment in IT infrastructure, time and resources. The University established a HESA Steering Committee to oversee its HESA preparations and to ensure the resources required were available.

The major HESA-related deliverable for 2004 was offering 314 Commonwealth Learning Scholarships (CLS) to ECU students from regional, remote and indigenous backgrounds. These scholarships were offered by the mid-year deadline, and some 300 applications have already been received for the 2005 allocation of CLS. New ECU scholarships for students from disadvantaged backgrounds will also be implemented in 2005.

Continuing initiatives to use technology to deliver cost-effective services included a new student information website, developed in consultation with a student reference group. This resulted in a student-centric approach to the information delivery rather than the previous institution-centric approach.

From 2005, the University's Handbook and Course Information will be based on the web and a Virtual Information Pack (VIP) for new students will replace the current extensive paper information. The VIP is a cost-effective, environmentally sustainable, just-in-time based initiative to assist students in the transition to studying at ECU.

2004 was another successful year for the specialist student support services of the Student Health Service, Counselling Services, Equity and Diversity Unit, the Careers Advisory

Service, and the Multi-faith Chaplaincy Service. Overall satisfaction with the Student Health Service was high, with the majority of students indicating the service was excellent, it minimised potential decline in their academic work from ill health and helped them cope better with the demands of their course.

Trends in Counselling Services mirrored those in the Student Health Service. The demand for 1:1 counselling is constantly increasing and in 2004 there was more emphasis on psychological counselling and less involvement in assessing grounds for academic concessions. Overall satisfaction with Counselling Services improved from 90 per cent to 98 per cent in the 2004 student survey. 40 per cent of students said they would have dropped out of their course without Counselling Services assistance and the vast majority indicated their academic work would have suffered without counselling.

As a result of a successful ECU Strategic Bid, the Careers Advisory Service (CAS) appointed a Co-ordinator - Employer Partnerships. This has enabled greater proactivity in initiating employer contact for developing potential links/programs, including vacation employment, graduate opportunities, project-based work experience and internships.

In a collaborative initiative between the Student Guild and CAS, a Guild-funded Guildlink Employment Officer position was created to proactively source, maintain and grow part-time paid employment opportunities for ECU students.

The Multifaith Chaplaincy service has a vision to 'support spirituality, provide care and create community' at ECU. The creation of this service has seen a growth in the number of recognised faith groups on campus, a raising of staff interest in faith issues, and an increased engagement with the community and external faith bodies with a view to increasing the number and range of chaplaincy services offered at ECU.

The high calibre of ECU students is demonstrated in their impressive array of awards and scholarships set out below.

Outstanding Achievements by Students

Among the best examples:

- Masters of Clinical Nursing student, Rosalyn Aspinall won a *HESTA Professional Development Scholarship Award*
- Computer and Information School students, Aaron Bonser, Aaron Ellery, Chester Jardine and Doug Hanson were finalists in the *Western Australian Information Technology and Telecommunications Awards (WAITTA) in the Student Project Category*
- Also reaching the *WAITTA finals* were Computer and Information School students Sue Paterni and Adrian McGrath
- David Chilalama received a commendation in the *University Council Student Awards* for his work in establishing an ECU African Student Association
- School of Natural Sciences PhD candidate, Catherine Collier, for the second consecutive year, was awarded for an *outstanding research presentation* at the annual symposium of the *Strategic Research Fund for the Marine Environment* and was also awarded a *commendation at the International Seagrass Biology Workshop*.
- Shirley Denis, International student, won the *Seychelles Vice-President's Cup* for her outstanding performance during her university studies in Australia
- ECU International Students Council received the *University Council Student Prize Team Award* for organising the Orientation Volunteer Program
- Danial Galvao, PhD student in the School of Biomedical and Sports Science won a *Development Award* for his presentation at the recent Pre-Olympic Congress in Greece

- Ute Goeft, School of Natural Sciences postgraduate student, was awarded the *ECU University Council Student Prize* for her outstanding contribution to university life
- Lexie Harrison, Clare Canham, Melanie Mercury and Claire Bushby represented ECU's School of Contemporary Arts in the annual *Healthway National Student Graduate Show* which showcases a selection of the nation's finest arts graduates
- Nathan Hobby, Library Studies student, published his first book *The Fur: The Millennial Adolescence of Michael David Sullivan* and won the 2003 *T.A.G. Hungerford Award*
- School of Natural Sciences PhD student, David Holley, with Professor Paul Lavery, won the national *Indigenous Landcare Award*
- Business students Simon Loader and Jonathon Henderson, Science student Ahmad Fouda and Communications student Melissa Fazari were placed fourth from 31 competing universities in the *Students in Free Enterprise Australia National Competition*
- Postgraduate Information Services student, Richard Maker won the *2003 Australian Research Libraries annual award* for best essay
- Phillip Mayes, Biological Sciences PhD student received a *travel grant from the European Society of Collaborative Endocrinologists*
- Education student Jayde Moyle was invited to present as *keynote speaker* at a symposium in Florida, USA
- Bachelor of Social Science students Shelly Muncey and Alison Bairnsfather-Scott jointly won *ECU's Indigenous Australian Scholarship*
- Paul O'Neill, WAAPA Voice student, was an *Australian finalist in the prestigious New York Metropolitan Opera* finals and is a *finalist in the Marianne Mathy Scholarship Awards*
- Melissa Oakley, Communications and IT student won the *Australian Society of Archivists Mander Jones Award* for best essay in 2003
- Lisa Perry, Roslyn Huizenga, Sophie Keigh, Anna Lichovidova, Wendy Wardell and Sally Cribb were winners in the *Public Relations Institute of Australia – WA Branch academic posters competition*
- Lucia Ravi, postgraduate Information Systems student won the *Swets Blackwell* prize for the best practicum project in 2003
- Science student, Anja Steinwendler, won the *City of Joondalup Community Services Award*
- Performance Degree (Music) student, Alexander Sunman, was the *only Australian* chosen to perform in the renowned *56th Prague Spring International Music Competition*
- Scott Thompson, School of Natural Sciences PhD student, *worked with the BBC on its document, Dragons*
- Communications and Multimedia student, Clair Tonkin, is part of a team *awarded a NSW Film and TV Office production grant* to produce one of her short film scripts
- Biological Sciences Honours student, Rob White was awarded the *Best Oral Presentation at the Australia and New Zealand Society for Comparative Physiology and Biochemistry Conference*
- Jo Wilson, postgraduate student in nursing, won the *Helen Bailey Scholarship* for 2004.
- Zhen Zeng, Performing Arts student was selected as the *WA representative in the national final of the Hephzibah Menuhin Memorial Scholarships*
- 63 of the 128 Undergraduate Nursing Scholarships awarded by the WA Department of Health Office of the Chief Nursing Officer were presented to ECU nursing students
- For the third consecutive year, ECU's Golden Key Chapter has won an award for the quality of its membership newsletter and the Chapter itself gained an honourable mention at the organisation's US international convention

International and Commercial

A rapidly changing Australian tertiary education environment and an increasingly interactive global community combine as driving forces for ECU's broadening international activities. The University's approach to international activities extends beyond resource generation to issues of student diversity and internationalisation of the curricula, students and staff.

Key themes during 2004 were:

- consolidation of existing markets
- continuation of the strategy to diversify source countries and
- enhancement of support services for international students.

ECU is mindful of the risks associated with increasing dependency and reliance on international students as an ongoing, increasing revenue source. During 2003, the Australian dollar appreciated significantly – in some instances by 30 per cent – against the currencies of most countries where the University is active. It has remained strong, and some effect on the ability of international students to undertake Australian higher education was inevitable.

However, a key component of ECU's international marketing strategy was the development of a diversified range of source markets for international students. The importance of this strategy was exemplified during 2004.

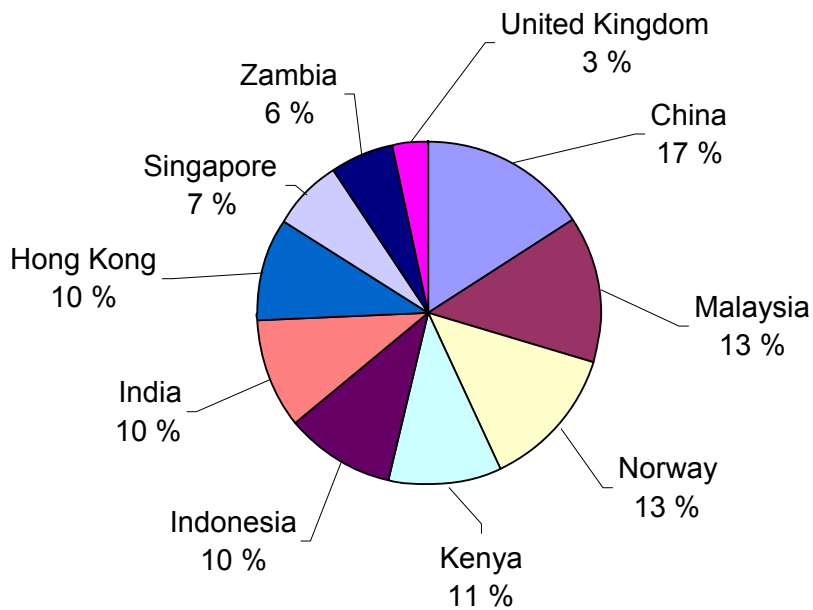
In 2004

- **3,886 international students were enrolled at ECU**
- **onshore enrolments grew to a record 2,518 – an increase over Semester 1, 2003 of 2.9 per cent and over Semester 2, 2003 of 27.2 per cent**
- **offshore enrolments declined by 12.1 per cent in semester 1 and 6.1 per cent in semester 2 as anticipated**
- **international enrolments have increased by 114 per cent since 1998**
- **ECU's international students are drawn from over 80 countries**
- **37.7 per cent of international students are enrolled in postgraduate programs, just below the national average.**

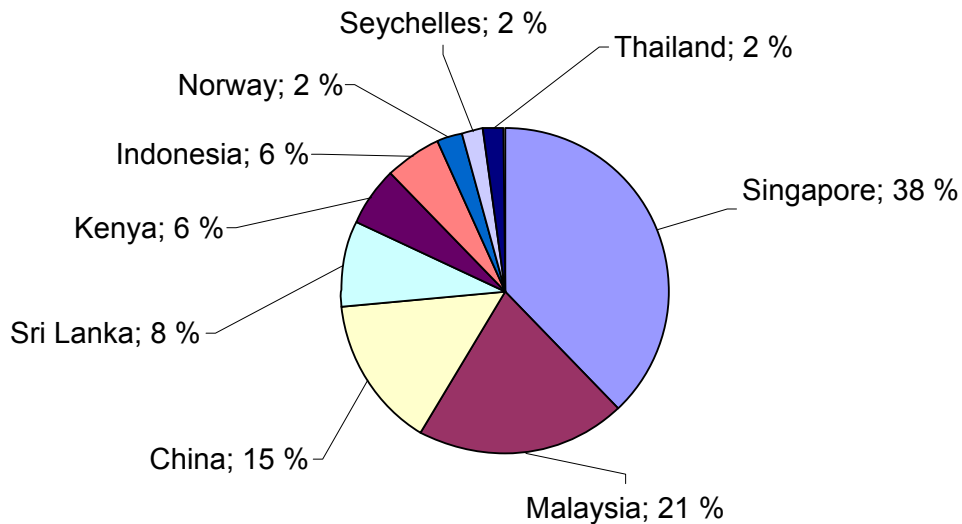
Key source countries for the year included China, Malaysia, Norway, Kenya, Indonesia, India, Hong Kong, Singapore, Zambia, United Kingdom, Japan, Thailand and Zimbabwe. The top three source countries grew strongly in semester two: China by 88 per cent, Malaysia by 18 per cent and Norway by 33 per cent. India and Zambia also showed exceptional growth.

- **ECU was the market leader in WA for the number of onshore international students from Norway, Kenya, India, Zambia, United Kingdom, Seychelles, Bangladesh, Sweden, Malawi, Ghana and Uganda.**
- **The University ranked first in Australia in terms of on-campus students from Zambia, Seychelles, Malawi, Ghana and Uganda.**

**International onshore students at August 2004
(top 10 source countries)**



**International offshore students at August 2004
(principal locations)**



Several initiatives were introduced in 2004 including piloting onshore and offshore agent workshops, the first of which was held in conjunction with *ECUlive!* The University brought agents from across the globe to see ECU's facilities and the breadth of its programs. The workshop was highly successful and a similar exercise was held in Kuala Lumpur for

Malaysian agents. Additionally, ECU hosted over 100 international visitors, mostly student recruitment agents.

China and India proved to be strong recruitment areas in 2004, with Canada emerging as a valuable source country. The traditional South East Asian source markets of Malaysia, Singapore and Indonesia continued to be important, as did Norway. Marketing efforts also focused on building diversity in the student mix from source markets such as Europe.

ECU has also been aggressive in the pursuit of market differentiation. The theme of *excellence* was adopted as an integral part of international marketing communications. Exposure for new campus buildings was also a major focus of publicity and publications.

ECU's Strategic Plan recognises the importance of strategic partnerships with overseas institutions for research collaboration, delivery of academic programs, recruitment of international students, student/staff exchanges, and for the purposes of quality benchmarking. Developments during 2004 built on earlier successes and opened new frontiers.

Consolidating relationships was a major focus for 2004. Fewer agreements were signed and a stronger emphasis was placed on signing schedules for delivering additional programs with existing partners. Agreements were signed with two major partners in Singapore and Malaysia, confirming the continuation of successful five-year partnerships. ECU also signed a ten-year agreement with Perth Institute of Business and Technology (PIBT), the University's major feeder college for international students already studying in Perth.

Underlying the initiation and implementation of all strategic alliances was the ECU Quality Framework for Offshore Programs, for which ECU received the following commendation by the Australian Universities Quality Agency (AUQA) during the 2004 audit:

AUQA commends Edith Cowan University for demonstrating improvements to its quality assurance processes in relation to bilingual activities in light of its experiences in this area.

The AUQA panel recommended some improvements in ECU's international activities, citing the need for standards, practices and policies to be applied consistently across all campuses and in all international markets. It also recommended that this consistency be provided in areas such as course and unit reviews, academic quality assurance, entrance standards, student outcomes and research-informed teaching.

ECU's commitment to student mobility recognises the importance of study tours and student exchanges as learning tools for students preparing for employment in a global environment. In 2004, 38 ECU students took part in exchange activity. The USA was the most popular destination, followed by Canada, the UK and Japan. ECU hosted 51 students from 11 countries. The key source country was the USA, followed by the UK and Germany.

The University was successful in obtaining funding under the University Mobility in Asia and the Pacific (UMAP) scheme which supported three students in exchanges at Himeji Dokkyo and Kansai Gaidai University in Japan.

Four ECU students received a one-week Hyogo Floating University On-Board Scholarship which allowed them to sail from Bali to Fremantle on board the Fuji Maru. The scholarships were funded by the Hyogo Prefectural Government, with which WA has a 23-year sister-state relationship. The students joined 400 Japanese students from universities in Hyogo Prefecture, participating in lectures and practising their Japanese language skills.

Several new exchange partnerships were negotiated in 2004. ECU has signed an agreement with Jönköping University (Sweden) for the exchange of Engineering students and provision of two \$1,000 scholarships for ECU participants to assist with living expenses. An innovative arrangement with the Bordeaux Business School (France) will see participating MBA students able to graduate with an award from each institution.

The University has a range of support mechanisms in place for international students. These include International Student Advisers who rotate between campuses, school-based support officers, a comprehensive orientation program and a commitment to the development of student-run peer group support structures. The quality of this support was recognised in a commendation from the Australian Universities Quality Agency (AUQA) Review Panel in the following commendation:

AUQA commends Edith Cowan University for the level of support it provides to international students at its campuses in Western Australia.

ECU also received recognition from the Council of International Students of Western Australia (CISWA) for the success of *Karibu*, the peer support/mentoring group for African students. Considered a best practice model for peer support groups, ECU has assisted Murdoch University, Curtin University and Canning College to establish chapters.

In 2004, significant time resources were devoted to assisting students to develop their own student peer support groups. The Indian, Malaysian and Singaporean students have all launched groups, supplementing those already in place for the Norwegian, African and Chinese students. It is envisaged that these groups will significantly enhance the experience of students of ECU and as such will continue to be supported.

For some years, ECU International has recruited international student volunteers to assist at Orientation events. This year the invitation was extended to Australian students to increase interaction between overseas and local students. The response was outstanding, with more than 160 students volunteering, over 25 per cent of whom were Australian.

ECU showcased its commitment to international student support at conferences throughout 2004 with papers presented at the IDP International Education Conference in Sydney, the EDUCOM 2004 conference in Thailand and at the International Student Advisers' Network of Australia (ISANA) conference in Melbourne. All presentations elicited favourable feedback and interest in practices at ECU.

Through its participation in the DEST Russia Market Entry Pilot Project and chairing of both the Government Advisory Committee and Industry Grouping, ECU led Australian universities in exploration of the Russian market. This is part of a long-term strategy of market diversification with benefits not being realised until 2006 and beyond. Australian Education International (AEI) committed \$115,000 to the project which will address the barriers to entry. ECU also signed Memoranda of Understanding with the St Petersburg State University of Engineering and Economics and the International Management Institute of St Petersburg.

In 2001, IDP launched the Global Peace and Understanding scholarship scheme for students from developing countries. ECU pledged \$5000 and the equivalent of four fee-waiver scholarships for one semester. In July this year, ECU welcomed Ms Cynthia Jeanette Hernandez Tijerina from the inaugural cohort of Peace Trust Scholarship recipients. Ms Tijerina, who is from Mexico, enrolled in Psychology units and will complete her studies in mid-2005.

The third round of triennial reviews of offshore programs was completed during 2004. The University reviewed operations with three partners in Malaysia, Singapore and Norway

interviewing staff and students and assessing teaching and learning and administrative matters. The reviews were welcomed by offshore students and partner organisations who valued the University's commitment to quality education. They were acknowledged by AUQA in the following commendation:

AUQA commends Edith Cowan University for establishing and implementing a system of thorough and constructive Set-up Checklists and Triennial Reviews for its teaching programs offshore.

Individual faculties were also active in their international areas.

The Faculty of Business and Public Management undertook a comprehensive review of its international and commercial operations which led to new appointments and a new I & C Client Manager structure. The faculty now has eight Market Clusters with a Client Manager and Project Co-ordinator for each.

Articulation programs were developed with several Chinese universities, and universities in Seoul and Hong Kong. Accounting courses were introduced with the Management Development Institute of Singapore, and the Perth Institute of Business and Technology (PIBT) relationship was expanded with the introduction of the MBA (International) in Sri Lanka in collaboration with ACBT. Increased opportunities for ECU students to participate in a range of intensive courses in France, Austria and Sweden were negotiated and will be effective in July 2005 and January 2006.

Memoranda of Understanding (MoUs) were established by the Faculty of Computing, Health and Science with colleges and universities in China, Thailand, Singapore, Malaysia, the USA and Norway. A range of offshore diploma, undergraduate and masters programs was offered in countries ranging from the United Arab Emirates to Singapore. Partnerships to offer ECU courses offshore were established in Kenya, Sri Lanka, India, Ireland, Norway, Malaysia, Singapore, Indonesia, United Arab Emirates, China, Hong Kong, Zambia and Germany. Thailand's Minister of Public Health nominated ECU as a centre for training senior nurse educators from its many provincial centres.

In Bunbury, the Faculty of Regional Professional Studies also stepped-up its international activities, signing an MoU with Bournemouth University in the UK. The 2002 RPS creation, the Indo-Pacific Journal of Phenomenology, a peer-reviewed academic journal, has developed into a fully online academic partnership with Rhodes University in South Africa.

Research and Higher Degrees

Research at ECU is focused on selected areas of excellence and seeks to generate research outcomes which positively impact on policy and practice, enrich teaching and scholarship and serve community needs. The University strives to provide quality and challenging research opportunities for its staff and students.

That ECU is achieving these goals was demonstrated recently when its research and research training were favourably reviewed by the Australian Universities Quality Agency (AUQA) in its 2004 audit of the University. The audit report included four commendations in the research area. AUQA strongly endorsed ECU's approach to research development and management, stating:

"AUQA commends Edith Cowan University for establishing pervasive and effective research linkages with communities, government, professions and industry, and for examples of research excellence fostered through a strategy of supporting concentrations that are linked to the needs of these groups."

Research Grant Income 2004

Research grant income in 2004 showed a dramatic improvement over the previous year. This improvement was in the category of Other Public Sector Funding, where income increased by a staggering 68.5 per cent, demonstrating both ECU's improving ability to win research funding from this sector and the positive outcomes of its strategy to collaborate as widely as possible. Financial support for the University's top researchers to build Centres of Excellence or to enter research consortia will increase in the future.

- **Other Public Sector Funding for ECU research increased by 68.5 per cent in 2004.**
- **Industry funding for ECU research grew by 45.1 per cent over 2003.**

The University's strategy to collaborate as widely as possible is paying dividends, primarily through our ECU-Industry Collaboration Scheme. ECU researchers are highly successful in nurturing and developing partnerships with external sponsors, and in each of the last three years, ECU has maintained its rate of 50 per cent of research sponsors being new to the University.

With its two rounds, the ECU-Industry Collaboration Scheme continues to attract external funding. The first round attracted industry funding of \$90,000 from six grants followed by \$178,000 from eight grants in the second round.

The ECU Early Career Researcher Grant scheme, launched last year, provides 'seeding' grants for new researchers to gain experience in grant application, research methodology, project implementation and reporting procedures. This year a good crop of proposals was submitted and thirteen projects were funded totalling \$156,552.

In 2004 the University attracted external research funding totalling approximately \$8.1 million, comprising over 100 separate grants from some 70 agencies including National Competitive Grants and funding from industry, business, the public sector and community organisations. Included in this funding is a significant international component.

| | 2003 (\$) | 2004 (\$) | Difference |
|-----------------------------|-----------|-----------|------------|
| National Competitive Grants | 1,505,540 | 1,888,667 | +25.4% |
| Other Public Sector Funding | 2,512,203 | 4,233,442 | +68.5% |
| Industry Funding | 1,353,880 | 1,964,713 | +45.1% |
| CRC | 27,600 | 17,000 | -38.0% |

| | | | |
|--------------|------------------|-------------------|---------------|
| TOTAL | 5,399,223 | 8,103,822* | +50.1% |
|--------------|------------------|-------------------|---------------|

*This figure is a preliminary figure only.

Block Grant Funding for 2004

| Block Grant | 2004 Allocation | Preliminary 2005 Allocation | Difference |
|--------------------|--------------------|-----------------------------|--------------------|
| IGS | \$1,534,666 | \$1,697,769 | +10.63% |
| RTS | \$3,937,219 | \$3,971,307 | +0.86% |
| RIBG | \$523,182 | \$471,939 | - 9.8% |
| Total Funds | \$5,995,067 | \$6,141,015 | + \$145,948 |

ECU was again successful in gaining highly competitive grants from the Australian Research Council (in both the Discovery and Linkage programs) and the National Health and Medical Research Council. The second round of ARC Linkage is not yet determined and offers further opportunity for ECU researchers.

Major grants include:

- approximately \$7 million from PanoramaFLAT, an international company with operations in the USA and Western Australia, for research into microphotonics
- \$1.9 million from the State Government's Centres of Excellence in Science and Innovation Program for the Centre for Microphonic Systems
- \$1,259,000, Professor Narayanan Srinivasan, Professor in Security and Risk, from the Emirates Group
- \$534,853, Associate Professor Paul Lavery, School of Natural Sciences, from the Geraldton Port Authority and the State Government's Strategic Research Fund for Marine Environment
- \$451,741, Professor Linda Kristjanson, Professor in Palliative Care, from the US National Institutes of Health, in association with the University of Manitoba
- \$422,750, Dr Simon Laws, Professor Ralph Martins, Dr Ian Martins, School of Biomedical and Sports Science, from the National Health and Medical Research Council
- \$359,500, Professor Donna Cross, Professor in Health and Wellness, from the WA Health Promotion Foundation (Healthway)
- \$269,500, Professor Linda Kristjanson and Dr Lynn Oldham from the National Health and Medical Research Council
- \$256,459, Dr Glenn Hyndes, School of Natural Sciences, from the State Government's Strategic Research Fund for the Marine Environment
- \$164,467, Dr Suzanne Nikoletti, School of Nursing and Public Health, from the Commonwealth Department of Health and Ageing
- \$153,000, Dr Ray Freund and Professor Will Stock, School of Natural Sciences, from the WA Water Corporation
- \$149,344, Professor Donna Cross, from the Department of the Premier and Cabinet.

In the past year ECU Research has continued to attract valuable partnerships and associations with external entities interested in advancing research and development. These take the form of Memoranda of Understanding and include:

- the WA Department of Justice, to facilitate access to Family Court records by Postdoctoral Fellow Dr Paul Murphy. This is the first time an academic researcher has been granted a formal working relationship with the Family Court since its inception in 1975
- Villanova University, Pennsylvania, USA, to facilitate staff and student exchanges and collaborative research in computer science, engineering and mathematics

- Curtin, Murdoch and UWA, to establish, share local access to and maintain the Lotterywest Biomedical Research Facility
- Curtin, the Centre for Remote Health (Flinders and Charles Darwin Universities) and Tangentyere Council Inc., to facilitate collaboration with the Tangentyere Council to develop an Indigenous research hub to carry out social research in and around Alice Springs
- the State Government, Curtin, Murdoch and UWA, to establish the Western Australian Institute of Chemical Sciences whose aim is to strengthen the co-ordination and viability of chemistry-related education, research and training in WA
- the McCusker Foundation for Alzheimer's Disease Research Inc, to facilitate funding for ECU research under the direction of Professor Ralph Martins
- Curtin, Murdoch, UWA, CSIRO and the State of Western Australia to establish and operate a Forest Industry Research, Education and Training Alliance
- Curtin, Murdoch and UWA for continuing collaboration in supporting the inter-university Centre for Research for Women.

In 2004, the University established a number of new research institutes and centres to co-ordinate and facilitate research activity. Research institutes have national and international impact and are supported with significant faculty funding. University designated research centres support research with a national impact. The relationship between research strengths, institutes and centres is summarised in the table below.

| Research strength | New Research institutes | New University designated research centres |
|--|-------------------------------------|--|
| Health and Environment | Vario Health Institute | The Western Australian Centre for Cancer and Palliative Care |
| Communications, Information and Microelectronic Technologies | Electron Science Research Institute | |

The School of Marketing Tourism and Leisure has established a new research centre – the Centre for Applied Social Marketing Research.

Early in 2004, a position of Manager, Commercialisation in the Management Services Centre was created and a University-wide awareness-raising campaign through training was initiated for targeted staff. In a whole-of-University approach, the Manager, Commercialisation now liaises with other sections of the University on the management and protection of Intellectual Property (IP).

Internal reviews of the operation and funding of the Research Activity Index and the Postdoctoral Fellowship program were undertaken during the year.

Over 2004, considerable progress was made through the *Callista* Research software going 'live'. As a result, a redesign of grant management processes has improved productivity, and web access capabilities at faculty administrator and individual researcher level will be provided next year.

Marketing efforts for University research gained further momentum this year. ECU researchers using the Community of Science (COS) database are now better able to search for funding opportunities and potential collaborators but importantly, via the new ECU Expertise Database, they can also publish their research profiles and expertise. COS provides ECU researchers with exposure to over 1,600 institutions, universities and corporations in more than 170 countries.

The third edition of *Research@ECU*, a publication featuring a selection of the University's diverse research activities and promoting ECU's research capacity, was published in 2004. It has been distributed to current and prospective research sponsors. Marketing of ECU research also included regular features on research projects internally, as well as promotion at corporate events such as *Science Week*, *WA on Show* and conferences. This year a two-page feature on research activities ran in *WA Business News*.

Increased federal activity in 2004 regarding the research policies of the major parties leading up to the Federal election, the announcement of the provisions of *Backing Australia's Ability II* and its impact on the sector and ECU, the review of Commonwealth's Block Funding arrangements with universities, the review of the Commonwealth's Co-operative Research Centre guidelines, and the development of a National Research Infrastructure Strategy, involved the Office of Research Services in increased information dissemination across the University and in additional consultations with Department of Education, Science and Training (DEST).

Seminars and presentations on all campuses covering a range of research-related topics enhanced professional development for ECU researchers throughout the year.

With the shift of the administration of Honours and coursework Master students to the faculties, the Graduate School will assume responsibility only for research (Master and PhD) and professional doctorate students. In 2004 there were 68 completions – 37 PhDs, 23 Masters by Research and eight Professional Doctorates. Around 60 candidates were admitted during 2004, the majority at the start of the year and currently there are around 290 EFTSUs in research. The University has a commitment to grow research training with a target of three per cent of Commonwealth- funded load (around 370 EFTSU).

The Graduate School recorded a number of significant achievements in 2004 including:

- improved communication with Faculty Higher Degree Offices through the implementation of *Callista*
- provision of workshop training to supervisors of research higher degree students on supervision issues and policy developments to over 90 staff members
- benchmarking best practice PhD examinations processes and procedures against seven other Australian universities
- participation in a University of Melbourne project to benchmark processes and procedures in 24 international universities relating to the management of Master by research and PhD candidates which has enabled identification of strengths and weaknesses
- 30 scholarships – DEST Australian Postgraduate Awards, ECU, three International Postgraduate Research Scholarships and 10 ECU Excellence Scholarships were offered to distinguished applicants
- the current Progress Report/Progress Contract system has been reviewed and the latter placed in the University Rules.
- the *Management of Honours Candidature*, *Grading of Honours Performance and Student Support Policy*, the *Postgraduate Research Student Support Policy*, and the *Supervision of Postgraduate Research Students Policy* were revised in 2004
- the *University Research Medal Policy* was revised in 2004
- reporting to the University Research and Higher Degrees Committees, the Graduate School has reviewed its operations, procedures and range of services provided to postgraduate research students and supervisors
- Working with Risk Management, the Graduate School has focused on ensuring the integrity of the information collected, stored and reported
- the Vice-Chancellor's Award for Excellence in Research Supervision, of which two will be awarded annually, has been approved.

Staff

Recognising the relationship between the quality of its staff and the quality of its outcomes at every operational level, ECU aims to employ staff of the highest calibre and to create a working environment that is challenging, equitable and rewarding.

ECU's Staffing Plan (2003-06) is designed to meet these aims. The Plan's five key objectives, which are replicated in all University staffing plans, are:

- ensuring 'fit for purpose' staffing profile and staffing practices, including flexibility and diversity
- positioning ECU to be competitive in attracting and retaining quality staff
- developing a high-quality performance culture
- providing a safe and positive work environment
- establishing and maintaining quality assurance and benchmarking systems for HR practices and staffing outcomes.

For more information on ECU's Staffing Plan visit:

www.ecu.edu.au/msc/hrs/Strategic_HR/Staffplan/Staffing_Plan_2003.pdf

In 2004, many key priorities were achieved including:

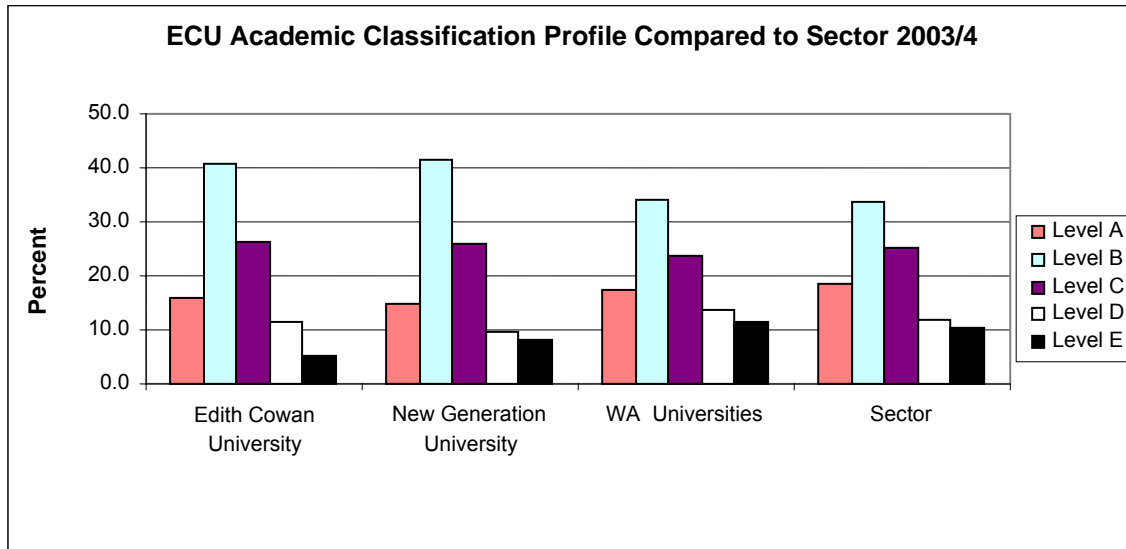
- enhancing and streamlining the management for performance processes – for which ECU received the following commendation by the Australian Universities Quality Agency (AUQA) Audit:

AUQA commends ECU for the management for performance system which is well embedded and found to be beneficial by staff and management alike.

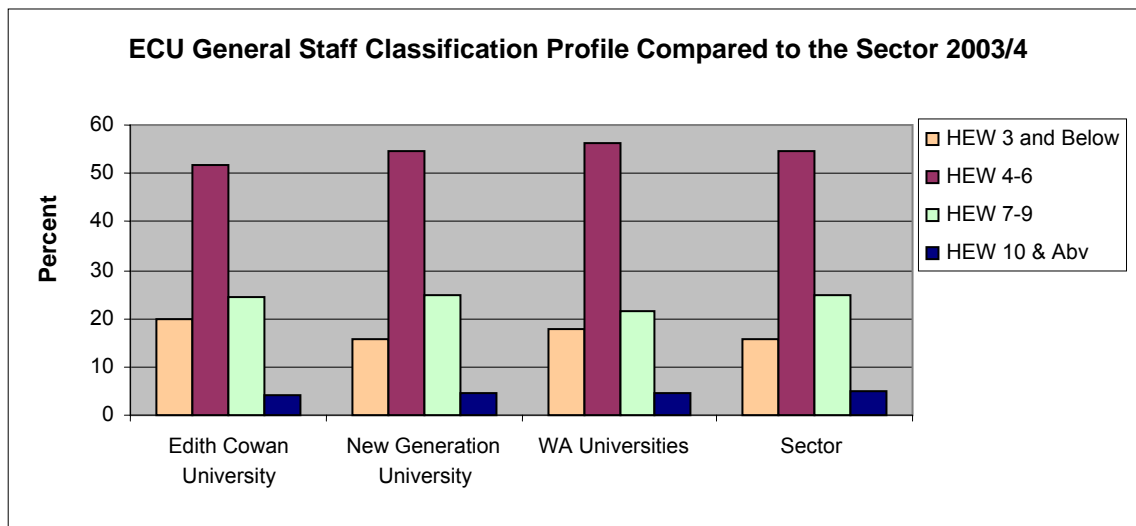
- implementing a new centrally-funded delivery model for professional development (PD) across the University with PD priorities mapped to strategic priorities of the University
- implementing the second round of the bi-annual staff survey process with an increased response rate of 50 per cent for all staff and a significantly improved response rate for academic staff
- successfully completing negotiations for the Fourth Enterprise Bargaining Agreement
- completing the New Chairs recruitment strategy with 15 Chairs being appointed to strategic areas over an 18-month period
- implementing a confidential exit survey process for staff
- developing and delivering formal training and education for handling staff grievances and staff codes of conduct
- extending salary packaging arrangements to enhance competitiveness
- delivering the first formal report and comparisons through an HR benchmarking network of 19 universities to share/compare staffing indicators and HR process efficiency measures
- co-ordinating the successful establishment of the first sector-wide Occupational Safety and Health (OSH) benchmarking framework using positive performance indicators
- implementing online registration for PD programs and automated data capture
- using the Joondalup Learning Precinct to share professional development and training resources.

The finalisation of a major initiative in improving ECU's *fit for purpose* profile was achieved in 2004 with the following appointments to Professorial Chairs – Professor Donna Cross, Professor of Health and Wellness, Professor Ralph Martins, Professor of Ageing and Alzheimers and Professor Nara Srinivasan, Professor of Security and Risk.

A goal of the Staffing Plan is to more closely align ECU's academic profile with sector averages for new generation universities, and strategies implemented are increasingly successful, however, there is further scope to selectively increase the proportions of early career academics – associate lecturers (Level A) and professors (Level E) in the profile.



In the general staff classification profile, ECU continues to have a profile more heavily weighted at the lower end (H3 and below) than its comparators, but trends show it is moving in the same direction as other Universities with further reductions in the proportion below H3 and corresponding growth, particularly in the H4-6 levels.



Ensuring a fit for purpose staffing profile also involves providing for succession planning. The University devised a project to address this area in the year ahead.

Recognising the problems for quality and continuity of too high a dependence on casual staff, ECU has implemented a program of workforce planning, converting casuals to core staffing where appropriate and changing staffing practices. Casual academic levels reduced from 31 per cent in 2001 to 28 per cent in 2004.

The proportion of academic staff at ECU with PhD qualifications has stabilised at around 43 per cent over the last three years. This is in line with available sector data for 19 Universities showing that in 2003, the average level was 42 per cent. The proportion of staff with a higher degree at 75 per cent has grown since 2003 and compares favourably with sector and state university averages.

The fit for purpose staffing profile also encompasses equity and diversity. Over a period of six years the distribution of females through the profile has consistently improved and now exceeds sector averages. Female representation in general staff overall is high (64 per cent), but women are significantly under-represented at management levels H10 and above and this falls well below the mean levels across the sector. However, the trend for females at H8 and above is a more robust internal indicator and presents a more positive picture.

Providing an inclusive and equitable working and study environment is a major commitment of the University and in this regard a number of achievements occurred in 2004 including:

- an Equity Statement of Commitment and a Statement of Commitment to Indigenous Australians were developed by the Equity Committee to provide a clear outline of the University's equity commitments and to guide institution-wide planning in this area
- an Indigenous Consultative Committee is to commence early in 2005 to enhance Indigenous Australian input into the University's decision-making
- two new traineeships (one school-based) were introduced
- a staff member was appointed for the Indigenous *HealthInfoNet* on a fixed-term contract.

The Australian higher education sector employs 87,658 staff. Of this figure 700 (0.8 per cent) are Indigenous. ECU employs the highest level as well as the greatest number of Indigenous staff of all WA Universities as shown below. In short, ECU employs approximately three times the education sector average of Indigenous Australians.

| University | Indigenous staff | Total staff | % |
|------------|------------------|-------------|-----|
| ECU | 47 | 1743 | 2.7 |
| Curtin | 28 | 2801 | 1.0 |
| UWA | 28 | 3081 | 0.9 |
| Murdoch | 15 | 1279 | 1.1 |

(Source: DEST staff publication 2004)

The Equity and Diversity Unit continued its work on a draft Disability Access and Inclusion Plan to cater for staff and students and on preparation for an Access Audit to inform that plan.

In 2004, more than 100 professional development workshops were offered. More than 2000 staff members enrolled in PD activities through a new online registration system.

ECU made further improvements to its promotions process in 2004, consolidating an online mechanism for applicants and promotion committees. An application rate of 9.9 per cent puts ECU in the middle of the top quartile of the QUT Australian Universities benchmarking comparison group for 2003. There is no significant gender disparity in application or success rates. A total promotion rate of 5.4 per cent positions ECU in the lower end of the top quartile for the sector comparison group.

Communication with and feedback from staff at ECU is provided by a staff newsletter and a biennial staff survey. During 2004 all staff received a fortnightly online newsletter, *Staff News*, in their e-mail. Use of this bulletin grew considerably through the 22 editions.

The 2004 ECU Staff Survey indicated staff are generally more positive about ECU as an employer and an institution than they were in 2002. They are generally more satisfied with their faculties or centres and their local work area teams. Through 2005 these results will be analysed and communicated to all staff and used to identify further opportunities to improve staffing outcomes. The most significant areas for improvement were identified by staff as working relationships and workplace leadership.

ECU considers providing a safe work environment a priority. Its occupational health and safety performance continues to improve and compare well with other WA universities and the sector. This reflects in lower workers' compensation insurance premiums. ECU has also taken a leadership role in establishing the first sector-wide benchmarking framework for positive OSH indicators. During 2004, a new hazard reporting system and CHEMALERT procedures were implemented.

ECU was recognised by the WA Committee of Defence Reserve Support Council as the 2004 Employer of the Year for Medium Sized enterprises through the work of supporting staff in RMAA, CCI and Facilities and Services.

The Vice-Chancellor again acknowledged individual and team efforts with the *Vice-Chancellor's Awards for Excellence in Service Professionalism and Enterprise* which promote the University's core themes and recognise excellence in staff performance. A record 77 nominations were received this year. 2004 recipients were:

- **Service Award** – won jointly by Human Resources Officer Jean Edwards and School of Education Senior Lecturer, Heather Sparrow
- **Professionalism Award** – Faculty of Communications and Creative Industries Executive Dean, Professor Robyn Quin
- **Enterprise Award** – Senior Data Communications Officer, Chris Blanksby
- **Team Award** – WAAPA's Music Theatre team

Other staff achievements included:

- Dr Richard Brightwell, School of Biomedical and Sports Science, won the *Pearson Education's Court Compass Award of Excellence* for superior use of ECU's online teaching and learning environment – the first non-American to win this award
- Professor Donna Cross, Professor of Health and Wellness won *Rotary's 2004 Building Resiliency in Children Award*
- Professor Donna Cross was also a finalist in *the 2004 Healthway Excellence in Health Promotion: Health Promotion Research Award*
- Dr Trevor Cullen, School of Communications and Multimedia, was appointed as a media delegate and working journalist for the 15th International Conference on HIV/AIDS in Thailand
- Ms Robyn Davis, School of Indigenous Australian Studies, was awarded one of five Commonwealth Government National Indigenous Staff Scholarships
- Dr Jennifer Fenwick, Co-ordinator, Postgraduate Midwifery Programs, was named *Nurse Educator of the Year* by the Nurses Board of Western Australia
- Associate Professor Dieter Fink, School of Management Information Systems, won the *Emerald Literati Awards Outstanding Paper* for best article published in *Journal of Intellectual Capital*
- Associate Professor Lynne Hunt, School of Nursing and Public Health, has been *appointed to the board of the new Carrick Institute for Learning and Teaching in Higher Education*

- Associate Professor Lynne Hunt was also awarded a *Fellowship of the Higher Education Research and Development Society Australasia* by Malaysia's Deputy Minister of Education
- Associate Professor Adrienne Kinnear, School of Natural Sciences, won the *Tertiary Science Teacher category in the 2004 WA Premier's Science Awards*
- Professor John Kinsella, Adjunct Professor, School of International, Cultural and Community Studies, was awarded the *2004 WA Premier's Prize for Poetry*
- Associate Professor Paul Lavery, School of Natural Sciences, (with PhD student David Holley) won the national *Indigenous Landcare Award*
- Professor Paul Moyle, School of Justice and Business Law was elected to the *Board of Directors of the International Society for the Reform of Criminal Law*
- Foundation Professor in Exercise and Sport Science, Professor Robert Newton was named *Outstanding Sports Scientist of 2004* by the American National Strength and Conditioning Association – its highest award
- Associate Professor Sue Nikoletti, School of Nursing and Public Health, was named *Nurse Researcher of the Year* by the Nurses Board of Western Australia
- Dr Lynn Oldham, School of Nursing and Public Health, won an NHMRC Postdoctoral Fellowship
- Professor Ron Oliver, CCI Teaching and Learning, and his ECU team won *Best Web Project* at the 2003 ASCILITE Awards
- Associate Professors Gary Partington and Andrew Taggart, Kurongkurl Katitjin and School of Education respectively, were awarded *Fellowships by the Western Australian Institute for Educational Research*
- Mr John Rapsey, School of Communications and Multimedia, was series creator and script consultant for children's television drama series, *Foreign Exchange*
- IT Support Services Manager, Mark Ridge, SOE rollout Project Manager David Sizer and Senior Customer Support Officer Valentin Evtimov received *IT Hero Awards* from Australian-based company, Managesoft
- Mr Leon Salom, WAAPA, was awarded *Best Set Design for Film and Television* by the Design Institute of Australia for the production of "Fat Boy"
- Museum of Childhood Director, Brian Shepherd won the Museums Australia (WA Branch) Institutional Award (shared with the John Curtin Prime Ministerial Library)
- Adjunct Professor Andrew Taylor, was awarded a six-month residency in Rome from the *Australia Council for the Arts*.
- Dr Magdalena Wajrak, School of Natural Sciences, won the 2003 *Royal Australian Chemical Institute Centenary of Federation Tertiary Education Award in Chemistry*
- Dr Anne Williams, School of Nursing and Public Health, received a NHMRC Australian Clinical Fellowship

Professional and Community Engagement

Continual interaction with broader community sectors – business, government, educational institutions and local communities – is considered by ECU to be an integral part of fulfilling a relevant, contemporary educational and societal role.

To this end, professional and community engagement is embedded in the University's 2003-2007 Strategic Plan in the priorities of *Engaging with the Professions and Professional Life* and *Building Partnerships, Pathways and Precincts*.

The effectiveness of ECU's engagement with external entities was recognised in the recent Australian Universities Quality Agency (AUQA) audit of ECU, in the following commendation:

AUQA commends Edith Cowan University for its role in implementing Precincts, a concept which demonstrates a substantial and effective commitment to community partnerships.

Actualising the concept of professional and community engagement takes a variety of forms and occurs at all levels of the University's operations.

At executive level, in 2004 the Vice-Chancellor spearheaded a round of high-profile professional and community briefings with many industry leaders and figures of influence. These functions, held on three ECU campuses, proved excellent forums for updating key stakeholders and partners on ECU's progress and exchanging views about collaborative opportunities for future growth.

From a research perspective, ECU is continually broadening its range of partners and the scope of its research. In particular, the Institute for the Service Professions focuses the University's research enterprise on the emerging issues and concerns of the service professions. These professions include human services associated with children and families, youth, senior, disability, women, Indigenous people as well as the disciplines of education, nursing, policing, social work and psychology.

Research at the Institute is conducted through:

- Centre for Social Research
- Centre for Psychological Research
- Centre for Nursing and Health Professions Research
- Centre for Applied Language and Literacy Research
- The Sellenger Centre

Monitoring the 'health' of Australia's key professions and Building and sustaining core public services in regional Western Australia, are indicative of the collaborative research projects undertaken by the Institute.

In the first project, State government agencies, unions, professional associations and other organisations are working with the Institute to benchmark the 'health' (e.g., stress, organisational commitment and job image) of the policing, teaching and nursing professions. The second project represents a collaborative research effort with the Institute for Regional Development (University of Western Australia) investigating trends and issues associated with the attraction and retention of people in regional, rural and remote WA to develop strategies to improve attraction and retention rates particularly for key service professionals.

Together with such research, the Institute is also responsible for delivering innovative initiatives to engage with the service professions, both within the University and the

community. The Institute launched the Inaugural Early Career Awards 2004, a program recognising graduates employed in WA who had made an outstanding contribution to their profession, employer, project or work environment within the first five years of their career. Working with some of WA's leading professional associations, employers and other relevant agencies, the program culminated in a prestigious gala night hosted by Professor Millicent Poole in July 2004.

Launched in December 2003, the Fogarty Learning Centre provides professional development to teachers and undergraduates in the area of literacy and numeracy teaching as well as further research into these curriculum areas. The Centre, funded by the Fogarty Foundation and ECU, houses WA's Reading Recovery program which supports teachers of children who are having trouble learning to read and provides specialised tuition for children with learning difficulties. The Foundation also provides scholarships for working teachers to undertake postgraduate studies at ECU in the area of learning difficulties.

ECU is part of a tri-partite alliance with the Western Australian Policy Academy and the West Coast College of TAFE. The three institutions, on adjoining campuses, form the Joondalup Learning Precinct (JLP) and collaborate with the local Joondalup City Council. The JLP has developed several initiatives this year including:

- a pilot Peer Mentoring Program which entails staff from the institutions sharing knowledge and skills through a share-and-learn program
- a Leadership Centre that will meet the professional development needs of senior management in the service professions and of the institutions. This is the partners' first attempt to develop a collaborative commercial venture
- a major infrastructure project – the development of a shared child care facility – for which a feasibility study is underway
- sharing of services and facilities between the JLP partners was expanded in 2004 to include access to library facilities and sharing of teaching space – ECU law students will have access to the Police Academy's mock courtroom and crime scenario village.

A number of specific articulation arrangements for TAFE students were also progressed over the year in fields as diverse as nursing, Sports Science, Network Engineering, Hospitality and Tourism, Screen Studies, Visual Arts, Applied and Analytical Chemistry and, Children and Family Studies.

Individual faculties and schools also engage with their local communities and relevant professions in research and community projects. Just some of these projects include:

- In the Faculty of Business and Public Management, the Finance, Markets and Accounting Research Centre joined with 11 other Australian universities and industry and government bodies to form a Financial Integrity Research Network (FIRN) which will place Australia amongst the key players in new research technologies.
- School of Contemporary Arts students collaborated with IKEA on a project to reconfigure the structure and aesthetics of IKEA products.
- Co-sponsored by the World Health Organisation, the School of Biomedical and Sports Science in the Faculty of Communications, Health and Science conducted a Conference on Genetics and Population Health which attracted 230 delegates from 23 nations.
- The School of Education and the WA Department of Education and Training have commenced a four-year *Pipeline* project, mapping the academic progress of students with challenging behaviour. These two groups are also undertaking a \$2 million research project to produce a video on effective teaching and learning strategies for improved student literacy and numeracy.

- Four researchers from the Faculty of Regional Professional Studies were invited to give presentations at the Fifth Qualitative Research Conference in Health and Social Care at Bournemouth University in the UK.

Showcasing their talents, WAAPA music and music theatre students devised and performed the show *Horizons* for the opening of the Perth Convention and Exhibition Centre. Thousands saw the performance.

Public and community events such as the *Labrats* program, *Siemens Science Experience*, *TripleS* project, *Science for School Students*, *Co-operative Enterprise for Education Development (CEED) Program*, *Mathematics Problem Solving Program for Young Australians*, *ECU Real Day*, *Really Cool Scientists Program*, the *StepUp! Peer Mentoring Program* and the ECU Aviation Shark Patrol of Perth's beaches were again conducted.

The wider community enjoyed a number of opportunities to visit ECU's campuses and participate in entertainment and education. The year began with an Australia Day weekend concert at Joondalup featuring Rolf Harris, followed by ECU's hosting of the WA Curriculum Council awards for Year 12 achievers in an outdoor ceremony attended by more than 2,000 young people and their families.

For the first time in 2004 two open days – *ECU Live!* – were conducted, one on the Joondalup Campus and the other on the Mount Lawley Campus. More than 10,000 people attended. The educational flavour of the open days was enriched by science talks from headline guest Dr Karl Kruszelnicki and a showcase of talent from the WA Academy of Performing Arts. Rock musicians added to the youthful feel.

The opening of the 2004-05 season at the Pines Picture Garden at Joondalup Campus was attended by hundreds of community and business people with valuable ties to ECU.

The ECU Visitors Centre operated for its first full year on the reception level of the Chancellery. The services of the centre proved highly successful with 9,206 people greeted, toured and directed to campus features and facilities. An inaugural set of displays and a touch-screen kiosk were installed in the centre for visitors' information.

In recognition of his contribution to the arts, the University conferred an honorary doctorate on renowned classical pianist, David Helfgott, at its autumn graduation ceremony.

The intrigue of animals drew thousands of people to ECU's latest and most popular travelling exhibition *Animalistic: An Exhibition going ballistic over animals*. Sixty works were drawn from ECU's extensive art collection to celebrate animals and their impact on us. It featured artists such as Sidney Nolan, Arthur Boyd, John Olsen, ECU Visual Arts graduates, donors and indigenous artists. Its three-year tour of regional Western Australia includes Kalgoorlie, Geraldton, Mandurah, Bunbury, Katanning and Ballidu.

The use of art to reach audiences also advanced during the year with the acquisition of a second major work for the University's Sculpture Park at Joondalup, while a third was commissioned.

Kurongkurl Katitjin, ECU's School of Indigenous Studies celebrated NAIDOC Week with a ceremony and a public film festival on the Mount Lawley Campus and the International Students Office celebrated Multicultural Day with a range of activities including dancing, sports and music from different cultures.

ECU's public lecture series featured international jurist and human rights campaigner, Justice Marcus Einfeld, delivering the annual H C Coombs Lecture in 2004.

Another source of sustained community and professional engagement is ECU's alumni movement which gained strength during the year. The number of active chapters grew and the level of involvement in university life and development work expanded. In 2004 the University's alumni magazine merged with the corporate title, *ECUupdate*, enabling the organisation to reach more than 50,000 community and professional stakeholders with a free, mailed colour magazine three times a year.

The University upgraded its online marketing products and streamlined its traditional marketing output through better targeted media and more visible participation in youth-focused events in the regional community. The level of school visits increased both in frequency and geographic spread.

Additional forums such as pizza nights were used to reach target groups and collaboration on career counselling expanded. More work was done with school-based careers advisors and better information issued to parents. Improvements were also made in the inquiry centre's management, response mechanisms, reporting systems and staffing levels. ECU's ability to effectively communicate with the student market continued to attract national conference and media attention in 2004.

Once again ECU's leading researchers and academic experts made regular contributions to public debate and discussion through forums and media appearances.

Planning and Management

Planning

Strategic planning and management at ECU are undertaken within the context of the University's Strategic Plan 2003-2007 – an integrated, whole-of-University strategic plan focusing on five Strategic Priorities which provide direction for all other functional and operational planning. These priorities are:

1. Enhancing teaching, learning and research
2. Engaging with the professions and professional life
3. Building partnerships, pathways and precincts
4. Improving outcomes for students and staff
5. Strengthening enterprise and the resource base

The effectiveness of ECU's Strategic Planning was recognised in the recent Australian University Quality Agency (AUQA) audit by the following commendation:

AUQA commends Edith Cowan University's leaders for establishing a clear strategic focus, which provides strong guidance for the University's internal efforts and helps present a distinctive image to the University's external communities.

The ECU planning framework has been further embedded as part of the normal operating environment of the University. For the first time the Finance division met with key stakeholders to ensure their planning and budget operations were undertaken in close collaboration.

Refinement of the process for preparation of Operational Plans was continued in 2004 with a kit being updated and made available to Faculties and Centres to help in preparation of their operational plans.

Planning processes were extended in 2004 as a result of successful bids prepared by Policy, Planning and Academic Support in conjunction with VCPMG and Faculties for extra places provided by the Commonwealth Government. In total, ECU received 1211 places to be phased in from 2005 -2008. This represented approximately 28 per cent of the total places allotted to the four public universities and was the sixth highest allocation nationally.

The Higher Education Support Act 2003 (HESA) provided the University with the opportunity to increase HECS fees and expand full fee-paying domestic places. The University conducted a detailed analysis of this issue and monitored national developments in the area, culminating in a decision by Council in June, that ECU would increase HECS fees by 25 per cent and increase to 35 per cent (of total enrolments) full-fee paying places in most of ECU's courses. These decisions were made out of necessity to allow the University, in the absence of full indexation and decreasing Commonwealth Government support, to meet growing costs. The University is providing additional scholarships to reduce the burden on students disadvantaged by background or economic status.

ECU undertook extensive planning to meet the requirements of the national higher education reforms. Communications and training were underway by year's end to ensure staff and students understand the way the HESA changes will impact on them.

The consolidation of courses and administrative functions onto the Joondalup and Mt Lawley Campuses from Churchlands Campus has continued. The impact of further campus consolidation to Mt Lawley Campus in particular, will need to be monitored as the Campus is

nearing capacity, with limited opportunity for further development within the constraints of budget and local planning regulations. Such monitoring is undertaken through the Academic Planning and Campus Co-ordinating Committee.

An overview paper of the role of *Precincts* at ECU was developed and presented to the Academic Planning and Campus Co-ordinating Committee and VCPMG. This paper directs the further development of the *Precinct* concept at ECU and guides ECU's community engagement and general strategic and academic profile development across its different campuses.

A review of the Key Performance Indicator Framework began late in 2004. This review will make recommendations on the appropriateness of the current indicators and other indicators that may replace them or be added to the Framework.

Campus development

ECU's campus consolidation strategy continued as a key priority during 2004. The process involves closing operations at the Claremont and Churchlands campuses and progressively consolidating activities at the Joondalup, Mount Lawley and South West (Bunbury) campuses. The consolidation strategy offers many benefits to ECU and its stakeholders including :

- further enhancement of the University's public image, particularly through the Joondalup campus development
- strong positioning of ECU in the high-growth northern metropolitan corridor of Perth, which is home to many potential first generation university students
- efficiencies gained through the running of fewer campuses
- greater critical mass and enhanced student life on campus.

The campus consolidation process is now well advanced. Since the progressive relocation of activities commenced in 2001, student numbers (EFTSU) have increased by around 3,450 at Joondalup and 2,000 at Mount Lawley. When the relocations are completed in early 2008, Joondalup will be accommodating nearly 8,000 students and Mount Lawley 8,000.

The University's Asset Management Plan incorporates a number of major projects which are needed to support the consolidation strategy and the growth of the University. Proceeds from the redevelopment of the Churchlands campus and the transfer of Claremont will be used to fund projects at Joondalup and Mount Lawley.

Major milestones were achieved for both Churchlands and Claremont during 2004. For Churchlands, State and Local Government rezoning and planning approvals were finalised , and, through a process of negotiation with the State Government, ECU secured title to the campus. This enabled the redevelopment program to proceed and in late 2004 the first stage of demolition commenced. Redevelopment work will proceed in 2005 with a view to having the first package of residential lots available for sale in early 2006.

In late 2004, a tender process was finalised for the future use of the Claremont campus. The outcome was a decision to transfer the site to the University of Western Australia. The State Government endorsed this result and ECU welcomed the move as a major step forward in its campus rationalisation plans. The transfer is the culmination of six years of work to ensure ECU exits Claremont with funds to assist development of other campuses while the heritage and educational character of Claremont campus is protected.

Capital development work focused on Mount Lawley and Joondalup during 2004.

At the Mount Lawley campus:

- construction work on the distinctive Indigenous Centre (\$6.5M) continued towards a completion target of early 2005.
- work progressed on two jointly funded projects which are located on the Mount Lawley Senior High School site and use innovative leasing and management arrangements to enable shared use by the High School and ECU. The Recreation Centre (\$5.2M) opened in mid 2004 and the two level carpark (\$2.3M) is due for completion in early 2005.
- work commenced on a package of projects that will achieve a dramatic lift to the campus environment using more contemporary colours, materials and furniture in a range of streetscape, landscape and refurbishment works.

At the Joondalup campus:

- detailed design work commenced on two major new projects, the New Library and Technology Centre and the Health and Wellness Building. Each costing in the order of \$35M, construction of these projects will commence during 2005 to enable completion in late 2006.
- the Services Building (\$3.2M) was completed to enable the co-location of a range of support services.

Quality@ECU

ECU's approach to quality is encapsulated within a Plan-Do-Review-Improve model and articulated through seven quality principles adapted from the Australian Business Excellence Framework. The quality model is embedded into the core activities of the University, particularly within its planning and review frameworks and all staff are encouraged to be responsible for quality and to improve processes, services and outcomes.

The quality agenda for the University during 2004 focused upon the March 2004 audit by the Australian Universities Quality Agency (AUQA) which bases its audits on the organisation's objectives, together with the Ministerial Council on Education, Employment, Training and Youth Affairs' (MCEETYA) National Protocols for Higher Education Approval Processes.

In the first quarter of 2004 ECU's quality agenda built upon the quality activities of 2003, notably the Guided Self Assessment and the Mock AUQA Audit in preparation for the 2004 external audit by AUQA. ECU's Performance Portfolio was submitted in December 2003 – in advance of the March 2004 audit visit. Briefing materials were prepared and briefing sessions held for internal and external stakeholders, in addition to managing the logistics associated with conducting the transnational and local components of the audit.

The AUQA audit was conducted between 22-25 March 2004, with the Audit Panel meeting with more than 250 staff, students and stakeholders. The ensuing AUQA Audit Report, which was made public on 27 October 2004, is seen by ECU as a reasonable and fair assessment of quality processes at ECU. The report contains 23 Commendations confirming the University's strategic growth, particularly its diverse and differentiated programs and its focus on the service professions; and crediting it with good practices in its core and enabling processes.

Strategies have been implemented to manage the various Opportunities for Improvement arising from the AUQA audit process and the University spent significant time during 2004 addressing these issues and developing an action plan. Implementation and monitoring of Affirmations and Recommendations will continue throughout 2005 through key University Committees.

Benchmarking remained a focus of ECU's approach to quality during 2004. The *Benchmarking Framework: Guidelines for Faculties and Centres* was finalised following consultation in 2003 with University stakeholders. A series of internal benchmarking presentations was conducted in 2004 with the objectives of further promoting the Framework and identifying barriers to implementation of benchmarking activities. As a result of feedback to these presentations, the University will be considering strategies to further strengthen benchmarking in the University.

In 2004, ECU hosted the Association of Commonwealth Universities *University Benchmarking Program* and provided strategic overviews and logistical support throughout the Program. The University participated in discussions in the areas of engagement with the community and region, multi-campus management and commercialisation, topics which are closely aligned to our strategic priorities. The expertise of a number of international facilitators was shared with ECU staff after the Program to further embed concepts of, and approaches to, excellence.

Review processes in the University, particularly the Area of Scholarship Reviews and the Annual Review of Faculties and Centres, continue to inform improvements not only to curriculum and research program, but also to management processes, professional and community engagement and staffing. Major review processes in the University have been informed by feedback from stakeholders and improvements continue to be implemented to ensure Reviews are streamlined and achieving their objectives.

During 2004 ECU was actively involved in contributing to discussion papers and initiatives aimed at enhancing the quality and delivery of offshore education by Australia's Higher Education sector. ECU was one of 14 Australian universities to be awarded a grant by the Australian Vice-Chancellors' Committee to develop an enhanced model for the selection and management of offshore partners and/or agents.

For more information on Quality@ECU visit: www.ecu.edu.au/Quality@ECU

Finance and Financial Management

ECU, along with other Australian universities, continues to operate in an environment that is increasingly resource-constrained and competitive, both domestically and in the context of a dynamic and at times uncertain global market.

To support the University in meeting its strategic priorities in this environment, the following key financial management objectives were planned for 2004:

- develop key financial policies and procedures
- develop a commercial plan for the University
- increase the transparency of the budget and resource allocation process
- further embed Activity Based Costing
- centralise the debtor system
- co-ordinate, efficient and effective working cash flow management across the University to deliver funding for operational and capital needs
- establish the Fees and Charges Working Group
- continue to lower the University's cost of risk through innovative and appropriate risk financing strategies
- continue the alignment of the whole of University strategic procurement processes to achieve better value for money in purchasing

- improve the University's financial, staff and student reporting through the delivery of a standard suite of monthly reports.

The University is pleased to report that against planned objectives noted above the following were achieved in 2004:

- several policies were completed and approved by the Executive, including University Business Travel, Joint Ventures, Credit and Receivables and Banking and Receipting
- significant work has been undertaken to develop a Commercial Framework for the University
- the establishment of the Vice Chancellor's Resource Planning Committee and the Asset Planning & Procurement Committee has enabled a more transparent approach to resource planning and allocation
- the University's budget process was completed and approved by Council in the year prior to operation.
- Activity Based Costing is being further embedded, enabling managers to identify strong performing units and allows for better accountability of the University's outputs
- further work has been undertaken this year to centralise debtor management
- strong cash flow management has delivered better than benchmarked returns and funding for all operational and capital programs with minimal drawdown or approved borrowing facility.
- the coordination of the 2005 fees setting process for domestic fee paying post-graduate and international on-shore fees. The Fees and Charges Working Group will manage the fee setting across all student fee types for 2006
- strong management of risk financing arrangements has again delivered low premiums
- strategic procurement processes have continued to grow the preferred supplier base to 22 with an annual spend of \$11.5 million and saving back to the University of \$2.7million
- completion of a standard suite of financial and human resource prototype reports, which will be automated and rolled out in the first half of 2005.

Financial Outcomes

The University's operating surplus of \$56.12million for the year ended 31 December 2004 compares very favourably with the operating surplus of \$8.93 million for the previous year.

The large operating surplus is primarily the result of a "one-off" grant of \$57.73million from the Western Australian State Government for the acquisition of freehold title to Churchlands campus. Additionally, the University also incurred a number of "abnormal" or "one-off" expenditures during the 2004 year that negatively impacted the year end operating result.

When adjusted for these "one-off" revenue and expenditure items the adjusted operating result for the University is \$8.04million which has produced an adjusted Operating Margin in 2004 of 3.7%. This compares favourably to the University's Operating Margin in 2003 of 4.3%.

The University's liquidity position continues to remain sound. The current ratio for 2004 is 0.67 compared to a current ratio in 2003 of 0.88. As noted above strong cash flow management has delivered both better than benchmarked returns and funding for all operational and significant capital programs with minimal drawdown of our approved borrowing facility.

(Please refer to the Financial Statements and notes for detailed explanations of the 2004 financial outcomes of the University).

Risk Management and Audit Assurance

ECU aims to have risk management as an integral component of all its management practices. Its Risk Management and Audit Assurance (RMAA) arm is active across all the University's operations. The systematic rollout of the university-wide risk management process is approximately 50 per cent complete and software for developing a risk register will be implemented in 2005.

To improve governance, Council approved a Compliance Policy and Framework to facilitate cost-effective legal compliance by the University. To date, 168 pieces of legislation with which ECU is required to comply have been certified. The process of risk rating the legislation to develop cost-effective compliance strategies has commenced. Risk management has also become a key element in project management within ECU, with risk assessments being conducted in projects involving commercialisation opportunities, research and the International Accounting Standards.

The first audits of ECU's mega-faculties commenced in 2004. These audits are a comprehensive review of all managerial and administrative faculty activities. The format of internal audit reports has been upgraded to reflect contemporary commercial best practice.

At a faculty level, in response to an audit of WAAPA's compliance with the Australian Qualifications Training Framework (AQTF), a compliance gap analysis between the Australian Qualifications Training Framework (AQTF) and ECU's Teaching and Learning Framework has been developed. Postgraduate programs in integrated risk management have been developed with the Joondalup Learning Precinct, CHS and BPM.

Risk management was an integral part of the successful implementation of the *Callista* SMS implementation project and played a key role in pre-implementation testing. Ongoing risk management and internal audit support apply to SMS upgrades and for the implementation of the *Higher Education Support Act (2003)*.

A review of ECU's compliance with the *Educational Standards for Overseas Students Act (ESOS) (2000)* was undertaken in 2004. The results of the review have led to the appointment of an ESOS Compliance Officer who will oversee institutional compliance with that Act as well as other agreements with overseas partners, including US Financial Aid.

Edith Cowan University has an enterprise-wide risk management policy that was approved by the University Council in December 2001. The oversight of risk management is included in the terms of reference for the Council's Quality and Audit Committee. Functionally the Office of Risk Management and Audit Assurance has responsibility for the development and implementation of governance-related risk management strategies such as the maintenance of risk registers, compliance policies and business continuity. The Management Services Centre is accountable for risk financing and occupational safety and health strategies. Legal risk is dealt by the University Secretariat located within the Governance, Policy and Planning portfolio.

Key risk management activities for the year include:

- Risk management surrounding the implementation and subsequent upgrades of the Callista Student Management System and the Higher Education Support Act 2003.
- The roll-out of risk registers within the faculties and service centres. This task is scheduled for completion during 2005.
- Risk register software has been selected for deployment and subsequent reporting in 2005.

- The development and implementation of a Compliance Policy. This includes the appointment of a Compliance Coordinator. The main activity was a review of the University's compliance with the Education Support Overseas Student Act 2002.

Computing and Information Technology

Providing students and staff with state-of-the-art computing and information technology to support teaching, learning and research activities is a major focus of the University. In 2004, significant improvements were made in this area and were recognised in the Australian Universities Quality Agency (AUQA) Audit. AUQA commended ECU for:

- *its clear strategic focus on improving Internet access and for reducing Internet costs via initiating and negotiating industry developments and for improving local strategies and systems;*
- *thoroughly integrating the Library into the affairs of faculties.*

The formation of the IBM ECU Strategic Alliance impacted significantly on the University's IT environment through the *ECU Advantage* project and the rollover of the Intel desktop and laptop standard operating environment. The library again focused on its service provision and expanded electronic services to students.

More than 3,300 desktop and laptop computers were refreshed to the latest operating system and hardware technology standards in 2004. In what is one of the largest single computer rollouts in the state, IBM and WJ Moncrieff Pty Ltd worked with ECU to exchange more than 80 per cent of the University's Intel computers to the new standard.

In an Australian higher education first, and resulting from this alliance, more than 100 IBM laptop *Thinkpad* computers were provided to students to assess and develop innovative teaching programs using mobile computing. The three partners are now offering students the opportunity to purchase their own laptops at competitive prices under a scheme branded the *ECU Advantage*.

Nortel Networks, another key strategic ECU partner, was selected as the network vendor to install campus-wide wireless networks. This is the first production wireless mesh network in the southern hemisphere and was the first worldwide production customer ship of this new and innovative technology. ECU now has blanket wireless network coverage of more than 168 buildings and over 138 hectares.

The successful implementation of the Callista Student Management System during 2004 was a major accomplishment and the project has been recognised as one of the more efficient and effective implementations of this student system.

The Library inaugurated the use of the Rodski Customer Satisfaction benchmarking survey tool co-ordinated by the Council of Australian University Librarians and was itself assessed as well above average for most measurements. Library staff requirements are currently under review and funding for the collection was increased by more than 25 per cent for 2005 and onwards.

ECU's library is a leader in the sector for the development and implementation of electronic library services, and in 2004 a suite of services was consolidated which offers students or researchers a powerful online information service. Electronic document delivery, e-reserve and a federated search capability through the Australian Library Information Network (ARLIN) all combine to enable students to search multiple information sources

simultaneously; access information resources linked to their online learning system (*Blackboard*) and retrieve a document electronically to their email inbox.

Corporate Governance Statement

Council endorsed a statement on corporate governance in December 2002. The statement was amended by Council in December 2004 pursuant to the implementation of the National Governance Protocols. The following is an abridged version summarising the statement. The full statement can be viewed at www.ecu.edu.au/GPPS/policies/docs/ad021.pdf

Statutory Framework

The governance of the University takes place within a specific statutory framework. At the highest level of that framework, is the Edith Cowan University Act 1984 (WA) ('the Act'), as amended, which establishes the University as a body corporate, consisting of the Council, the members of staff and the enrolled students (s.5).

Functions of the University

Section 7 of the Act sets out, in non-exhaustive terms, the functions of the University which include: providing courses of study; encouraging and providing for tertiary education; supporting and pursuing scholarship and research; fostering the welfare and development of all enrolled students; promoting and encouraging collaboration and consultation with other institutions; and providing such facilities that relate to its functions.

Council: its authority, functions and duties, powers and responsibilities

Section 8 of the Act provides that the Council is the governing authority of the University.

Section 16 specifies the functions and duties of Council, with section 16(1)(c) encapsulating the full scope of the Council's functions.

- (1) *Subject to this Act the Council shall –*
- (a) *perform any function or duty conferred or imposed upon the University under this Act;*
 - (b) *act in all matters concerning the University in such manner as appears to it best calculated to promote the objects and interests of the University; and*
 - (c) *control and manage the operation, affairs, concerns and property of the University.*

Council has, however, exercised its power of delegation to delegate to the Vice-Chancellor powers to manage the University.

Section 17 relates to the powers of Council and provides in the preamble that:

Subject to this Act and the Statutes the Council has power to do all things necessary or convenient to be done for or in connection with the operation, affairs, concerns and property of the University.

Under the Act, Council has responsibility for University lands (s.28), finance (s.36), the appointment, termination, terms and conditions of academic and other staff, including the chief executive officer (ss.30 and 31), and to make Statutes, and By-laws and Rules under the Statutes (s.26).

Pursuant to the National Governance Protocols, Council has adopted the following responsibilities:

- (a) appointing the vice-chancellor as the chief executive officer of the higher education provider, and monitoring his/her performance
- (b) approving the mission and strategic direction of the higher education provider, as well as the annual budget and business plan
- (c) overseeing and reviewing the management of the higher education provider and its performance
- (d) establishing policy and procedural principles, consistent with legal requirements and community expectations
- (e) approving and monitoring systems of control and accountability, including general overview of any controlled entities. A controlled entity is one that satisfies the test of control in s.50AA of the Corporations Act
- (f) overseeing and monitoring the assessment and management of risk across the higher education provider, including commercial undertakings
- (g) overseeing and monitoring the academic activities of the higher education provider
- (h) approving significant commercial activities of the higher education provider.

The role of Council outlined in the Corporate Governance Statement is broadly consistent with the responsibilities mandated by the Protocols. While retaining its ultimate governance responsibilities, Council has an appropriate system of delegations in place to ensure the effective discharge of these responsibilities.

Role of Council

The Statutory Framework sets out in formal terms the authority and legislative context in which the Council operates. Council recognises, however, that to be effective it must share a common understanding of both the manner in which it intends to operate and its specific roles.

Manner of operating

In carrying out its statutory responsibilities, Council operates according to the following characteristics and values:

Visionary: Council uses its breadth of expertise and experience to help inform the vision for the University's future and the strategies by which that vision might be attained.

Pro-active: Council actively engages with its tasks to help the University achieve its mission.

Committed to the University: Council is committed to the University and its role in the governance of the University. This commitment is to the ongoing well-being of the University as a whole, setting aside individual or representational interests.

Holistic: Council recognises that its authority resides in Council as an entity.

Advisory/Supportive: Council provides advice and support to executive management and supports it as it implements Council decisions.

Quality-Focused: Council assures itself that processes have been put in place by executive Management to ensure quality in all aspects of the work of the University.

Ethical: Council works to the highest ethical standards and expects similar standards of the staff of the University.

Skilled and Informed: Council and the University will work to secure a Council membership that has the appropriate skills, experience and geographic precinct profile consistent with the current objectives and strategies of the University.

Specific Roles

The major roles of Council working with the advice of the Vice-Chancellor and the Academic Board may be usefully outlined within the following categories:

External Promotion and Advocacy

- promoting and being an advocate of the University to the wider community
- enhancing and broadening the links between the University and the wider community.

Strategy Formation:

- approving the University's strategic direction and financial objectives
- perpetuating the strategic leadership of the University, including appointment of the Vice-Chancellor and selection of the Chancellor and Pro Chancellor.

Policy Making:

- ensuring the University has in place policies which serve the needs and interests of its students, staff and the wider community
- approving higher order policies
- establishing governance policies in line with best practice.

Accountability:

- accountability for the financial well-being of the University
- delegating authority appropriately
- accountability, drawing on advice from the Vice-Chancellor and the Academic Board, for the quality of the University's academic programs and services
- final accountability for the actions and operations of the University and their compliance with statutory requirements.

Monitoring, through regular or requested reports, of:

- compliance with relevant legislation
- the financial standing of the University
- quality, audit and risk management processes and arrangements
- academic standards, through advice from the Vice-Chancellor and the Academic Board
- the University's progress against key objectives
- the reconciliation and approval of capital plans and operating budgets against the strategic direction of the University
- the Vice-Chancellor's performance
- Council's own performance.

Maintaining the distinction between governance and executive management

In order for Council and executive management to perform their respective roles effectively, Council recognises that a distinction needs to be maintained between governance and executive management.

Evaluating Council Performance

Council is committed to both collective and individual performance appraisal. To allow for more concrete assessment of Council's performance, Council will also set for itself clear goals and objectives to achieve within a given year.

Induction of Members

Council is committed to its members being well informed about:

- their role and responsibilities
- the role of Council as the governing body of the University
- the strategic direction and key features of the University.

Professional Development

The Council Professional Development Program aims to provide a structured, but flexible, program for members.

Professional development offered to Council members includes:

- on initial appointment to Council, as part of their induction to Council, members are asked to identify their own professional development needs and the University Council Secretary follows up with appropriate action;
- at meetings of Council there are regular presentations on themes, presentations by Faculty Executive Deans/Deans and reports from the Vice Chancellor which provide information to Council members on the activities of the University and current issues facing Australian universities;
- *ad hoc* papers are provided to Council and/or its committees as needs are identified;
- the Council Quality Checklist also provides a summary of the duties and responsibilities of Council members; and
- Council members can identify formal training/seminars/conferences they wish to attend.

Council Committees

Council establishes committees to assist it to meet its responsibilities. The Standing Committees of Council, as at December 2004, are:

- (i) Council Executive which incorporates the Honorary Awards Committee, Remuneration Committee, and Legislative Committee
- (ii) Quality and Audit Committee
- (iii) Resources Committee
- (iv) Nominations Committee.

Academic Board

The Academic Board has a special role within the governance framework of the University. The Act under which the University operates specifies that there "shall be an Academic Board of the University" (s.18(1)), the constitution of which may be prescribed by Statute. The Council views the Academic Board as a forum through which senior academics within the University can provide advice to Council on the University's core business of teaching, learning and research. Council has therefore devolved to the Academic Board, within stipulated constraints, particular functions relating to approving changes in academic programs. It also looks to the Academic Board to ensure that appropriate quality assurance processes are in place relating to academic programs and services, and that academic standards are maintained.

Role of the Chancellor

The Chancellor is elected by Council to facilitate its work and collegiality by effective and ethical means, providing a focal point to ensure the high standing of the University in the wider community. As part of this role, the Chancellor presides over Council meetings.

Role of the Vice-Chancellor

The Act provides that Council shall appoint a person to be the chief executive officer of the University (s.30(1)). University Statute No 6 provides that the person appointed as the chief executive officer is the Vice Chancellor of the University (s.1). This Statute further provides that subject to the Act, the Statutes, By-laws and Rules of the University, and resolutions of the Council, the Vice-Chancellor is responsible for the academic, administrative and other affairs of the University (s.2). As well as being the chief executive officer of the University, the Vice-Chancellor is also its senior academic officer.

Role of the Pro Chancellor

The Act provides that there shall be a Pro Chancellor and that the Pro Chancellor presides at meeting of Council in the absence of the Chancellor (Act s.12). The role of the Pro Chancellor is to act for the Chancellor in the absence of that Officer and on other occasions support the Chancellor in all the Chancellor's roles.

EDITH COWAN UNIVERSITY

Compliance with Relevant Written Laws

In the performance of its functions during the year ended 31 December 2004, the University has operated within the provisions of the *Edith Cowan University Act 1984*.

Having made or caused to be made on our behalf all relevant enquiries, but noting the very broad extent of application of written laws to the University, to the best of our knowledge, information and belief, the University has complied with all relevant written law.

We are aware of no fact or circumstance apparent or existing at the date of signing this statement, to lead us to conclude otherwise.

Millicent E Poole
Vice-Chancellor.
28 February, 2005

Warren Snell
Vice-President (Resources) and Chief Financial Officer

Summary Statistics

Student and Staff Data as at 31 March 2004

| | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 |
|---------------------------------------|----------|----------|----------|---------|---------|--------|
| Students | | | | | | |
| Full-time Students | 11,069 | 11,096 | 11,735 | 12,920 | 13,731 | 11,253 |
| Part-time Students | 5,129 | 4,951 | 4,815 | 4,849 | 5,338 | 6,709 |
| External Students | 3,786 | 3,757 | 3,379 | 3,430 | 2,642 | 2,148 |
| Multi-Modal | | | | | | 1,559 |
| Total Students | 19,984 | 19,804 | 19,929 | 21,199 | 21,711 | 21,669 |
| Higher Degree by Research Students | 606 | 687 | 707 | 638 | 597 | 559 |
| Master and PhD by Coursework Students | 831 | 948 | 1,015 | 1,217 | 1,217 | 1,501 |
| Other Postgraduate Students | 1,329 | 1,166 | 1,061 | 1,540 | 1,654 | 2,024 |
| Undergraduate Students | 17,218 | 17,004 | 17,027 | 17,804 | 18,273 | 17,585 |
| Equivalent Full-time Student Units | 14,775.8 | 14,848.0 | 15,323.5 | 16,599 | 17126 | 17,104 |
| Course Completions | 4,218 | 4,135 | 4,458 | 5,173 | 5,366 | N/A |
| Fee-paying Overseas Students | 1,614 | 2,180 | 2,559 | 3,069 | 3,393 | 3,638 |
| Staff | | | | | | |
| Full-time Equivalent Staff | 1,793.8 | 1,774.9 | 1,793.5 | 1,817.0 | 1,813 | 1,834# |
| Library* | | | | | | |
| Volumes Held | 625,458 | 787,487 | 626,766 | 700,591 | 661,420 | 651980 |
| Serial Subscriptions | 14,701 | 14,611 | 16,343 | 18,693 | 15,005 | 19279 |
| Total Income (\$000s) | 165,888 | 161,543 | 191,730 | 205,708 | 208253 | 270407 |

*Data is at 31 December 2004

#Includes an estimate of casual staff FTE



Annual financial statements

as at 31 December 2004



EDITH COWAN
UNIVERSITY

PERTH WESTERN AUSTRALIA

Certification of financial statements

The accompanying financial statements of Edith Cowan University and the accompanying consolidated financial statements have been prepared in compliance with the provision of the *Financial Administration and Audit Act 1985* from proper accounts and records to present fairly the financial transactions for the financial year ending 31 December 2004 and the financial position as at 31 December 2004.

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

H Cowan, Chancellor

ME Poole, Vice Chancellor

GP Holland, Principal Accounting Officer

25 February 2005

Certification of financial statements required by DEST

I declare that:

- at the time of this certification there are reasonable grounds to believe that Edith Cowan University 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 ending 31 December 2004 was for the purpose(s) for which it was provided.

ME Poole, Vice Chancellor

25 February 2005



AUDITOR GENERAL

INDEPENDENT AUDIT OPINION

To the Parliament of Western Australia

EDITH COWAN UNIVERSITY FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2004

Audit Opinion

In my opinion,

- (i) the controls exercised by Edith Cowan University provide reasonable assurance that the receipt, expenditure and investment of moneys, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions; and
- (ii) the financial statements are based on proper accounts and present fairly in accordance with applicable Accounting Standards, Treasurer's Instructions, and other mandatory professional reporting requirements in Australia and the financial position of the University and the consolidated entity at December 31, 2004 and their financial performance and cash flows for the year ended on that date.

Scope

The University Council's Role

The University Council is responsible for keeping proper accounts and maintaining adequate systems of internal control, preparing the financial statements, and complying with the Financial Administration and Audit Act 1985 (the Act) and other relevant written law.

The financial statements consist of the Statement of Financial Performance, Statement of Financial Position, Statement of Cash Flows of the University and the consolidated entity and the Notes to the Financial Statements.

Summary of my Role

As required by the Act, I have independently audited the accounts and financial statements to express an opinion on the controls and financial statements. This was done by looking at a sample of the evidence.

An audit does not guarantee that every amount and disclosure in the financial statements is error free. The term "reasonable assurance" recognises that an audit does not examine all evidence and every transaction. However, my audit procedures should identify errors or omissions significant enough to adversely affect the decisions of users of the financial statements.

D D R PEARSON
AUDITOR GENERAL
March 24, 2005

EDITH COWAN UNIVERSITY
Statement of Financial Performance
for the Year Ended 31 December 2004

| | Note | Economic Entity [Consolidated] | | Parent Entity [General University] | |
|---|-------|-----------------------------------|-----------------|---------------------------------------|-----------------|
| | | 2004 \$000's | 2003 \$000's | 2004 \$000's | 2003 \$000's |
| REVENUE | | | | | |
| Revenue from Ordinary Activities | | | | | |
| Commonwealth Government financial assistance | | | | | |
| Commonwealth Government grants | 5.1 | 90,558 | 88,331 | 90,558 | 88,331 |
| Higher Education Contribution Scheme | | | | | |
| Student contributions | | 7,085 | 7,074 | 7,085 | 7,074 |
| Commonwealth payments | 5.1 | 46,309 | 42,630 | 46,309 | 42,630 |
| Commonwealth loan programmes | 5.1 | 4,348 | 3,713 | 4,348 | 3,713 |
| WA Government financial assistance | 5.2 | 64,748 | 6,654 | 64,748 | 6,654 |
| Superannuation – deferred government contributions | 27(2) | 1,225 | 1,517 | 1,225 | 1,517 |
| Fees & charges | 5.3 | 43,931 | 42,238 | 43,931 | 42,238 |
| Investment income | 5.4 | 1,038 | 745 | 1,018 | 730 |
| Royalties, trademarks & licences | 5.5 | 5,309 | 4,843 | 4,244 | 4,252 |
| Consultancy & contract research | 5.6 | 1,216 | 1,660 | 1,058 | 1,532 |
| Other revenue | 5.7 | 8,143 | 8,848 | 5,884 | 5,942 |
| Total revenue from ordinary activities | | 273,910 | 208,253 | 270,408 | 204,613 |
| EXPENSES | | | | | |
| Expenses from Ordinary Activities | | | | | |
| Employee benefits | 6.1 | 136,219 | 127,959 | 134,377 | 126,392 |
| Depreciation and amortisation | 6.2 | 14,752 | 12,326 | 14,711 | 12,283 |
| Repairs and maintenance | 6.3 | 6,611 | 4,860 | 6,611 | 4,860 |
| Bad & doubtful debts | 6.4 | 432 | 229 | 432 | 229 |
| Borrowing cost expense | 6.5 | 1,007 | 330 | 1,007 | 330 |
| Other | 6.6 | 58,786 | 53,573 | 56,872 | 51,357 |
| Total expenses from ordinary activities | | 217,807 | 199,277 | 214,010 | 195,451 |
| Profit from ordinary activities before income tax equivalents | | 56,103 | 8,976 | 56,398 | 9,162 |
| Income tax equivalents expense | 8 | 19 | (51) | - | - |
| NET PROFIT | | 56,122 | 8,925 | 56,398 | 9,162 |
| Net increase/(decrease) in asset revaluation reserve | 22 | (42,641) | (15,143) | (42,641) | (15,143) |
| Total Changes in Equity Other than those Resulting from Transactions with Owners as Owners | | 13,481 | (6,218) | 13,757 | (5,981) |

The accompanying notes form part of these financial statements.

EDITH COWAN UNIVERSITY
Statement of Financial Position
as at Year Ended 31 December 2004

| | Note | Economic Entity [Consolidated] | | Parent Entity [General University] | |
|---|-----------|-----------------------------------|-----------------|---------------------------------------|-----------------|
| | | 2004 \$000's | 2003 \$000's | 2004 \$000's | 2003 \$000's |
| CURRENT ASSETS | | | | | |
| Unrestricted cash assets | 24(a) | 5,145 | 8,973 | 4,651 | 8,448 |
| Restricted cash assets | 24(a), 35 | 3,463 | 507 | 3,463 | 507 |
| Other financial assets | 24(a) | 5,589 | 10,033 | 5,589 | 10,033 |
| Receivables | 11 | 10,611 | 10,245 | 10,240 | 9,786 |
| Inventories | 12 | 1,848 | 1,952 | 1,774 | 1,907 |
| Other non-financial assets | 13 | 1,641 | 1,716 | 1,406 | 1,413 |
| Total Current Assets | | 28,297 | 33,426 | 27,123 | 32,094 |
| NON-CURRENT ASSETS | | | | | |
| Receivables | 11 | 32,128 | 29,073 | 32,128 | 29,073 |
| Property, plant, equipment and vehicles | 15 | 470,178 | 449,843 | 470,005 | 449,632 |
| Investments | 14 | 900 | - | 900 | - |
| Other non-financial assets | 13 | - | 9 | - | - |
| Intangibles | 16 | 5,388 | - | 5,388 | - |
| Total Non-Current Assets | | 508,594 | 478,925 | 508,421 | 478,705 |
| TOTAL ASSETS | | 536,891 | 512,351 | 535,544 | 510,799 |
| CURRENT LIABILITIES | | | | | |
| Payables | 18 | 5,457 | 6,243 | 4,451 | 5,728 |
| Interest-bearing liabilities | 19 | 180 | 169 | 169 | 163 |
| Provisions | 20 | 16,767 | 15,645 | 16,703 | 15,542 |
| Other liabilities | 21 | 19,892 | 16,013 | 19,892 | 15,667 |
| Total Current Liabilities | | 42,296 | 38,070 | 41,215 | 37,100 |
| NON-CURRENT LIABILITIES | | | | | |
| Interest-bearing liabilities | 19 | 21,328 | 17,507 | 21,328 | 17,497 |
| Provisions | 20 | 38,816 | 35,791 | 38,767 | 35,725 |
| Total Non-Current Liabilities | | 60,144 | 53,298 | 60,095 | 53,222 |
| TOTAL LIABILITIES | | 102,440 | 91,368 | 101,310 | 90,322 |
| NET ASSETS | | 434,451 | 420,983 | 434,234 | 420,477 |
| EQUITY | | | | | |
| Reserves | 22 | 173,600 | 216,241 | 173,600 | 216,241 |
| Retained surplus | 23 | 260,851 | 204,742 | 260,634 | 204,236 |
| TOTAL EQUITY | | 434,451 | 420,983 | 434,234 | 420,477 |

The accompanying notes form part of these financial statements.

EDITH COWAN UNIVERSITY
Statement of Cash Flows
for the Year Ended 31 December 2004

| | Note | Economic Entity [Consolidated] | | Parent Entity [General University] | |
|--|-------|-----------------------------------|-----------------|---------------------------------------|-----------------|
| | | 2004 | 2003 | 2004 | 2003 |
| | | \$000's | \$000's | \$000's | \$000's |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | | |
| Receipts | | | | | |
| Commonwealth Government | | | | | |
| Teaching and learning | 36.1 | 74,228 | 75,517 | 74,228 | 75,517 |
| HECS and other loan programmes | 36.2 | 50,657 | 46,342 | 50,657 | 46,342 |
| Scholarships | 36.3 | 1,497 | 951 | 1,497 | 951 |
| DEST Research | 36.4 | 5,995 | 5,495 | 5,995 | 5,495 |
| ARC grant - Discovery | 36.5 | 773 | 481 | 773 | 481 |
| ARC grant – Linkages | 36.5 | 681 | 509 | 681 | 509 |
| Other Commonwealth | | 7,384 | 7,467 | 7,384 | 7,467 |
| HECS Student Payments | | 7,085 | 7,074 | 7,085 | 7,074 |
| DEST CGS Advance | | 10,000 | - | 10,000 | - |
| WA Government financial assistance | | 64,748 | 6,654 | 64,748 | 6,654 |
| Fees and charges | | 35,891 | 43,661 | 35,891 | 43,991 |
| Scholarships, prizes, donations and bequests | | 615 | 157 | 615 | 157 |
| Interest and bill discounts | | 1,058 | 772 | 1,038 | 757 |
| Other | | 11,864 | 14,385 | 8,262 | 10,464 |
| Payments | | | | | |
| Payments to employees | | (130,993) | (124,846) | (129,623) | (123,291) |
| Payments to suppliers | | (65,657) | (57,700) | (63,425) | (55,761) |
| Interest paid to WA Treasury Corporation | | (996) | (229) | (996) | (229) |
| Interest paid to Homeswest | | (12) | (10) | (12) | (10) |
| Prepayment of withholding tax to overseas authority | | (11) | - | (11) | - |
| Net cash provided by/(used in) operating activities | 24(c) | 74,807 | 26,680 | 74,787 | 26,568 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | | |
| Purchase of property, plant & equipment | | (83,841) | (28,232) | (83,840) | (28,138) |
| Proceeds from sale of property, plant & equipment | | 229 | 1,019 | 229 | 1,018 |
| Purchase of shares in IBT Education Ltd | | (200) | - | (200) | - |
| Purchase of works of art | | (97) | (94) | (97) | (94) |
| Net cash provided by / (used in) investing activities | | (83,909) | (27,307) | (83,908) | (27,214) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | | |
| Proceeds from borrowings from WA Treasury Corporation | | 3,836 | 13,000 | 3,836 | 13,000 |
| Repayment of borrowings to WA Treasury Corporation | | - | (25,159) | - | (25,159) |
| Repayment of Borrowings to Department of Education | | (50) | - | - | - |
| Repayment of Lease Liabilities | | - | (10) | - | - |
| Net cash provided by / (used in) financing activities | | 3,786 | (12,169) | 3,836 | (12,159) |
| Net increase/(decrease) in cash held | | (5,316) | (12,796) | (5,285) | (12,805) |
| Cash assets at the beginning of the financial year | | 19,513 | 32,309 | 18,988 | 31,793 |
| Cash assets at the end of the financial year | 24(a) | 14,197 | 19,513 | 13,703 | 18,988 |

The accompanying notes form part of these financial statements.

EDITH COWAN UNIVERSITY
Notes to the Financial Statements
for the Year Ended 31 December 2004

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EDITH COWAN UNIVERSITY
Notes to the Financial Statements
for the Year Ended 31 December 2004

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 100 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 and is the second largest university in Western Australia, with approximately 23,000 students.

Its principal activities cover teaching, learning and research.

The University Council is the governing body which controls and manages the operation, affairs, concerns and property of the University.

2 SIGNIFICANT ACCOUNTING POLICIES

The following accounting policies have been adopted in the preparation of the financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

General statement

The financial statements constitute a general purpose financial report which has been prepared in accordance with Australian Accounting Standards, Statements of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board, and Urgent Issues Group (UIG) Consensus Views as applied by the Treasurer's Instructions. Several of these are modified by the Treasurer's Instructions to vary the application, disclosure, format and wording. The Financial Administration and Audit Act 1985 and the Treasurer's Instructions are legislative provisions governing the preparation of financial statements and take precedence over Australian Accounting Standards, Statements of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board, and UIG Consensus Views. The modifications are intended to fulfil the requirements of general application to the public sector, together with the need for greater disclosure and also to satisfy accountability requirements.

If any such modification has a material or significant financial effect upon the reported results, details of that modification and where practicable, the resulting financial effect, are disclosed in individual notes to these financial statements.

Basis of Accounting

The consolidated financial statements have been prepared on the accrual basis of accounting using the historical cost convention, except for certain assets and liabilities which, as noted are measured at fair value.

(a) Principles of consolidation

Subsidiary

The consolidated financial statements incorporate the financial statements of Edith Cowan University (the parent entity) and entities controlled by the University (its subsidiary) made up to 31 December each year. Control is achieved where the University has the power to govern the financial and operating policies of an investee entity so as to obtain benefits from its activities. A list of controlled entities appears in note 29. Consistent accounting policies have been employed in the preparation and presentation of the consolidated financial statements.

The consolidated financial statements include the information and results of each controlled entity from the date on which the University obtains control and until such time as the University ceases to control such entities.

Inter-company transactions, balances and unrealised gains on transactions between the University and controlled entities are eliminated in full on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Accounting policies of the subsidiary have been changed on consolidation where necessary to ensure consistency with the accounting policies adopted by the University.

(b) Grants and other Contributions

Government Grants

Grant contributions from the Commonwealth Government and Western Australia State Government for financial assistance for operational purposes are recognised as revenue when the University obtains control over the asset comprising the contributions. When the University does not have control of the contribution or does not have the right to receive the contribution or has not fulfilled grant conditions, the grant contribution is treated as deferred income.

Grant contributions from the Commonwealth Government and Western Australia State Government for financial assistance for the acquisition of non-current assets are recognised as revenue when the University obtains control over the asset comprising the contributions. When the University does not have control of the contribution or does not have the right to receive the contribution or has not fulfilled grant conditions, the grant contribution is treated as deferred income.

Sponsored Research

Research funds provide the opportunity for graduate and undergraduate students to work with the faculty in research as part of their educational experience. Research grant contributions from various sources of sponsored research, including corporations, foundations, Commonwealth, State and local governments and research institutes are recognised as revenue when the University obtains control over the asset comprising the contributions. When the University does not have control of the contribution or does not have the right to receive the contribution or has not fulfilled grant conditions, the grant contribution is treated as deferred income.

Donations

Donations, gifts and other non-reciprocal contributions are recognised as revenue when the University obtains control over the assets comprising the contributions. Control is normally obtained upon their receipt.

EDITH COWAN UNIVERSITY
Notes to the Financial Statements
for the Year Ended 31 December 2004

Endowment and Bequest Contributions

The University receives restricted funds from donors who wish to fund specific programs or initiatives in the University. Endowments and bequests are invested to create a source of income which is used for scholarships, research, prizes and special lecture programs. Endowment contributions are recognised as revenue when the University obtains control over the assets comprising the contributions. Control is normally obtained upon their receipt.

(c) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts and Goods and Services Taxes (GST). Revenue is recognised as follows:

Sale of Goods

Revenue from sales of goods and disposal of other assets is recognised when goods are delivered and title has passed.

Fees and Charges

Revenue from fees and charges is recognised in the accounting period in which the services are rendered, by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be provided.

Interest Income

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

Royalty, Trademark and Licences Income

Royalties, trademark and licences income is recognised on an accrual basis in accordance with the substance of the relevant agreements.

Gross proceeds on sale of assets

Gross proceeds on sale of assets are included as revenue at the date control passes to the buyer, usually when an unconditional contract of sale is signed.

(d) Property, Plant and Equipment

Land and buildings held for use in the production or supply of goods or services, for investment, and for administrative purposes, are stated in the Statement of Financial Position at their revalued amounts, being the fair value at the date of revaluation, determined from market-based evidence by appraisal undertaken by independent professional valuers, less any subsequent accumulated depreciation and subsequent accumulated recoverable amount write-down. Revaluations are performed with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair values at the reporting date.

Any revaluation increase arising on the revaluation of such land and buildings is credited to the asset revaluation reserve, except to the extent that it reverses a revaluation decrease for the same asset class previously recognised as an expense, in which case the increase is credited to the Statement of Financial Performance to the extent of the decrease previously charged on a asset class basis.

A decrease in carrying amount arising on the revaluation of such land and buildings is charged as an expense to the extent that it exceeds the balance, if any, held in the asset revaluation reserve relating to a previous revaluation of that asset class.

Depreciation on revalued assets is charged to the Statement of Financial Performance. On the subsequent sale or retirement of a revalued asset, the attributable revaluation surplus remaining in the asset revaluation reserve is transferred directly to the Statement of Financial Performance.

Properties in the course of construction for production, rental or administrative purposes, or for purposes not yet determined, are carried at cost, less any recognised recoverable amount write-down. Cost includes professional fees and, for qualifying assets, borrowing costs are capitalised. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Fixtures and computer equipment are stated at cost less accumulated depreciation and any recognised recoverable amount write-down. Purchases of fixtures and computer equipment which individually cost less than \$5,000 are expensed in the Statement of Financial Performance in the year of acquisition.

Depreciation is charged so as to write off the cost or valuation of assets, other than land and properties under construction, over their useful lives, using the straight-line method.

Expected useful lives for each class of depreciable asset are:

| Asset Category | Life |
|-----------------------------|--|
| Land | Not depreciated |
| Buildings | 50 years |
| Computing equipment | 4 years |
| Other equipment & furniture | 6 years |
| Motor vehicles | 6 years |
| Leased Motor vehicles | 6 years |
| Library Collections | Depreciated at 100% in the fourth year after acquisition |
| Art Works | Not depreciated |

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, over the term of the relevant lease.

Library Collections are stated at cost of the last three years' acquisition of library books. In each year, that year's cost of acquisition is added to the carrying value and the earliest year's cost of acquisition within the carrying value is written off.

Works of art are classified as heritage assets. These artifacts are protected and preserved for public exhibition, education, research and the furtherance of public service. They are neither disposed of for financial gain nor encumbered in any manner. Accordingly, such collections are capitalised, irrespective of value and are not depreciated as it is anticipated that they have indefinite useful lives. Their service potential has not, in any material sense, been consumed during the reporting period.

Gross proceeds on sale of assets are included as revenue at the date control passes to the buyer, usually when an unconditional contract of sale is signed. The carrying amounts of the assets at the time of sale are included in expenses in the Statement of Financial Performance.

EDITH COWAN UNIVERSITY
Notes to the Financial Statements
for the Year Ended 31 December 2004

represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

(e) Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets of the University at their fair value or, if lower, at the present value of the minimum lease payments, each determined at the inception of the lease. The corresponding liability to the lessor is included in the Statement of Financial Position as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly against income, unless they are directly attributable to qualifying assets, in which case they are capitalised.

Rentals payable under operating leases are charged to expense on a straight-line basis over the term of the relevant lease.

(f) Recoverable amount of non-current assets

All non-current assets are reviewed at least annually to determine whether their carrying amounts require write-down to recoverable amount. Assets may be reviewed more regularly if an event or change in circumstances indicates that the carrying amount of an asset may not be recoverable. If the asset is determined to be impaired, a recoverable amount write-down will be recorded, and the asset written down, based on the amount by which the asset carrying amount exceeds the higher of net realisable value and estimated recoverable amount. In determining the recoverable amount of plant and equipment, the expected net cash flows have not been discounted to their present value.

(g) Cash

For the purposes of the Statement of Cash Flows, cash includes cash assets and restricted cash assets. These include short-term deposits and bank bills that are readily convertible to cash on hand and are subject to insignificant risk of changes in value.

(h) Restricted Cash

Endowment and bequest funds are classified as restricted cash assets. 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) Inventories

Inventories are valued 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

(j) Receivables

Accounts receivable include amounts due from students for tuition fees, housing and other enrolment related services and reimbursements due from sponsors of externally funded research. Accounts receivables are recognised at the amounts receivable as they are due for settlement no more than 30 days from the date of recognition. Accounts receivables do not carry any interest and are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts.

(k) Intangibles

The University's intangibles comprise externally acquired software for internal use. These assets are carried at cost. Software is amortised on a straight-line basis over its anticipated useful life. The useful lives of the University's software are:-

Category Life

Software 5 years

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

(l) Investments

Investments in controlled entities are recorded at cost.

Other Investments are recorded at their fair value. In the case of Investments that represent shares held in publicly listed companies – the fair value is measured at balance date as the last sale price quoted on the Australian Stock Exchange.

(m) Payables

Payables, including accruals not yet billed, are recognised when the University 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.

(n) Interest bearing liabilities

Interest-bearing loans and overdrafts are recorded as the proceeds received, net of direct issued costs. Finance charges, including premiums payable on settlement or redemption and direct issue costs, are accounted for on an accrual basis using the effective interest method and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise.

(o) Employee Benefits

Annual Leave

Annual leave benefit is recognised at the reporting date in respect to employees' services up to that date and is measured at the nominal amounts expected to be paid when the liabilities are settled.

EDITH COWAN UNIVERSITY
Notes to the Financial Statements
for the Year Ended 31 December 2004

(q) Joint ventures

Long Service Leave

The liability for long service leave expected to be settled within 12 months of the reporting date is recognised in the provision for employee benefits and is measured at the nominal amounts expected to be paid when the liability is settled. The liability for long service leave falling due more than 12 months after the reporting date is recognised in the provision for employee benefits and is measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given, when assessing expected future payments, to expected future wage and salary levels, experience of employee departures and period of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, to obtain the estimated future cash outflows.

On-Costs

On-costs arising from employee benefit obligations, when the University has a present legal or constructive obligation as a result of past events, including payroll tax and workers compensation, are recognised together with employee benefits costs when the obligations to which they relate are recognised as liabilities and expenses. It is more likely than not that an outflow of resources will be required to settle the on-cost obligation and the expected costs are accrued over the period of employment using the present value of the on-cost obligation at the reporting date.

Other Compensated absences

Employees accrue and accumulate sick leave and study leave in accordance with University policies. It is the policy of the University to recognise the cost of sick leave and study leave when paid. Employees who leave University employment are not entitled to be paid for accrued sick leave or study leave. Therefore, no liability is shown in the financial statements.

Superannuation

The University contributes to the GESB Pension Scheme, GESB Gold State Superannuation Scheme and various UniSuper superannuation schemes on behalf of its employees. The contributions made to these schemes by the University, and emerging costs from unfunded schemes, are expensed in the Statement of Financial Performance. Refer to Note 27 for details relating to the individual schemes.

(p) Foreign currency translation and Hedges

Transactions 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 rates prevailing on 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 date when the fair value was determined. Gains and losses arising on retranslation are included in the Statement of Financial Performance for the period.

In order to hedge its exposure to certain foreign exchange risks, the University enters into forward contracts and options.

Joint Venture Operations

The University participates in a number of joint venture operations. The University uses its own property, plant and equipment and incurs its own expenses and liabilities. The joint venture agreements provide that venturers will fund the costs of the joint venture in specific proportions and the revenue generated from the activity is pooled and distributed based on the level of contribution by each venturer.

Joint Venture Entities

The University has no material interest in joint venture entities and does not include any amounts in the financial statements for its interest in joint venture entities.

(r) Segment Reporting

The University has determined reportable segment information on the basis of business segments and geographical segments.

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. A geographic segment is engaged in providing services within a particular economic environment that are subject to risks and returns that are different from those of segments operating in other economic environments.

The University and its subsidiary have two reportable business segments consisting of higher education and technical and further education (TAFE). The higher education segment is an aggregation of operations that deliver progressive university degree programs for the modern workplace and focus on the service professions. The TAFE segment primarily delivers nationally accredited flexible training solutions designed to meet the varied needs of businesses and individuals activities.

Geographically, these activities are conducted and operated predominantly in Australia. Off-shore activities are analysed as a separate geographical segment.

Segment revenues, expenses, assets and liabilities are allocated to business and geographic segments on the basis of direct attribution and reasonable estimates of usage. Income tax has not been included in assets and liabilities.

(s) Special reserves

The special reserve represents restricted funds, whose use is limited in future years to the purposes designated by the benefactors, donors or sponsors such as research financial assistance, scholarships and capital equipment replacement.

No funds are currently held in special reserves at the reporting date.

(t) Taxation

The controlled entity, E.C.U. Resources for Learning Ltd. (ECURL) trading as Steps Professional Development, is subject to income tax in Australia under the *Income Tax Assessment Act 1997*. Authority has been

EDITH COWAN UNIVERSITY
Notes to the Financial Statements
for the Year Ended 31 December 2004

granted to ECURL to adopt a calendar tax year. The overseas branches are subject to income tax relating to income and expenditure items attributable to permanent establishments in the UK and the US.

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 Statement of Financial Performance 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.

(u) Deferred Tax

The University adopts an income statement liability method to account for expected income tax consequences inherent in the financial statements. The provision for deferred income tax liability and the deferred tax assets includes the tax effect (at current tax rates) of differences between income and expense items recognised in different accounting periods for book and tax purposes. The benefit arising from estimated carry-forward tax losses, has also been recorded as a deferred tax asset only where realisation of the asset is considered to be virtually certain. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer virtually certain that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

(v) Comparative figures

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

(w) Rounding

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

3 THE IMPACT OF ADOPTING INTERNATIONAL ACCOUNTING STANDARDS

The University is adopting international accounting Standards in compliance with AASB 1 First-time Adoption of Australian Equivalents to International Financial Reporting Standards (IFRS) for application to reporting periods beginning on 1 January 2005.

AASB 1 requires an opening balance sheet at 1 January 2004 and the restatement of the financial statements for the reporting period to 31 December 2004 on the IFRS basis. These financial statements will be presented as comparatives in the first annual financial report prepared on an IFRS basis for the period ending 31 December 2005.

AASB 1047 Disclosing the Impacts of Adopting Australian Equivalents to International Financial Reporting Standards requires financial reports for the periods ending on or after 30 June 2004 to disclose information about how the

transition to Australian equivalents is being managed and the key impacts of any changes in accounting policies in the transition period leading up to the adoption date.

The University has established a project team that has commenced:

- training staff in the key requirements of the Australian equivalents to IFRS;
- reviewing key differences in accounting policies, disclosures and presentation and the consequential impacts and risks to the University; and
- assessing potential changes to financial management information systems; and
- reporting of status of implementing IFRS through the executive management for approval.

Based on current information, the University expects the following significant differences in accounting policies to arise from adopting the Australian equivalents to IFRS:

- AASB 140 Investment Property - in contrast to current treatment as an asset classified within property, plant and equipment, investment property recognised at fair value is not depreciated and the movements in fair value will impact on the Statement of Financial Performance (Income Statement).

Previously, investment properties recognised at fair value were depreciated with the revaluation adjustment being recognised in equity. As a result of both of these changes, it is likely to impact both the Statement of Financial Position (Balance Sheet) and Statement of Financial Performances (Income Statement).

4 FINANCIAL EFFECTS OF CHANGES TO COMMONWEALTH PAYMENT ARRANGEMENTS FOR 2005 GRANT YEAR

Background

Payments to universities in respect of programmes under the Higher Education Funding Act 1988 (HEFA) are made on the second and last Thursdays of each month. In the recent past, the first payment in respect of a grant year (equalling 8% of the total recurrent funding for that year) had been made at the end of December of the previous year.

Funding for most programmes under HEFA ends on 31 December 2004 while most new programmes under the Higher Education Support Act 2003 (HESA) commence on 1 January 2005. Continuing the current practice of making the first payment in December 2004 for the 2005 grant year would mean that Commonwealth payments would be made in respect of programmes that are yet to commence and that these payments are treated by majority of universities as revenue for 2004. This has considerable accountability implications for the Australian Government Department of Education, Science and Training (DEST) in administering and accounting for the programme payments.

HEPs (even those within the same State) do not treat the early payment uniformly and the payment is treated in at least three different ways – as revenue when it is received, as an advance (a liability), and part as revenue and the other as liability. Such varied treatment creates a lack of transparency and distorts both the Commonwealth funding and the HEPs' financial year results.

EDITH COWAN UNIVERSITY
Notes to the Financial Statements
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DEST has announced changes to payment arrangements whereby all recurrent payments in respect of a grant year will be made in that year. For the 2005 grant year, the first payment will be made in January 2005 instead of December 2004.

The changes to payment arrangements will mean, that from 2005 reporting period, the financial statements of all higher education providers will accurately reflect the Commonwealth financial assistance in respect of a grant year.

Financial Effects for 2004

Changes to payment arrangements will mean that those HEPs that reported the whole or part of the 8% first payment in respect of the 2004 grant year as revenue in 2003 will have the effect of understating the Commonwealth funding for the 2004 grant year in their 2004 Statement of Financial Performance.

To identify the impact of the changed treatment on the operating result, grants provided for 2004 activities but recognised as 2003 revenue should be adjusted by incorporating the amount received in December 2003 as revenue for the 2004 reporting period. The effect of this is shown below:

Edith Cowan University correctly reported the advance payments in 2003 as revenue for 2004, therefore the financial effects of changes to Commonwealth payment arrangements for the 2004 grant year is nil.

EDITH COWAN UNIVERSITY
Notes to the Financial Statements
for the Year Ended 31 December 2004

| | | Economic Entity [Consolidated] | | Parent Entity [General University] | |
|---|--|-----------------------------------|---------|---------------------------------------|---------|
| | | 2004 | 2003 | 2004 | 2003 |
| | | \$000's | \$000's | \$000's | \$000's |
| 5 | Revenue from Ordinary Activities | | | | |
| 5.1 | Commonwealth Government Financial Assistance | | | | |
| | The University received financial assistance from the Commonwealth Government in the reporting period: | | | | |
| (a) DEST - Teaching and learning: | 36.1 | | | | |
| Operating Grant | | 74,130 | 73,512 | 74,130 | 73,512 |
| Capital Development Pool | | 98 | 88 | 98 | 88 |
| Total DEST – Teaching and learning | | 74,228 | 73,600 | 74,228 | 73,600 |
| (b) HECS and Other Commonwealth Loan Programmes | 36.2 | | | | |
| HECS – Commonwealth payments | | 46,309 | 42,630 | 46,309 | 42,630 |
| PELS | | 4,346 | 3,714 | 4,346 | 3,714 |
| BOTPLS | | 2 | (1) | 2 | (1) |
| Total HECS and Other Commonwealth loan programmes | | 50,657 | 46,343 | 50,657 | 46,343 |
| (c) Scholarships | 36.3 | | | | |
| Australia Postgraduate Awards | | 840 | 831 | 840 | 831 |
| International Postgraduate Research Scholarships | | 167 | 120 | 167 | 120 |
| Commonwealth Education Costs Scholarships | | 166 | - | 166 | - |
| Commonwealth Accommodation Scholarships | | 324 | - | 324 | - |
| Total Scholarships | | 1,497 | 951 | 1,497 | 951 |
| (d) DEST – Research | 36.4 | | | | |
| Institutional Grants Scheme | | 1,535 | 1,428 | 1,535 | 1,428 |
| Research Training Scheme | | 3,937 | 3,664 | 3,937 | 3,664 |
| Research Infrastructure Block Grants | | 523 | 404 | 523 | 404 |
| Total DEST – Research | | 5,995 | 5,496 | 5,995 | 5,496 |
| Total DEST | | 132,377 | 126,390 | 132,377 | 126,390 |
| (e) Australian Research Council: | 36.5 | | | | |
| Discovery | | | | | |
| Discovery – Projects (Large Grants) | | 773 | 402 | 773 | 402 |
| Total discovery | | 773 | 402 | 773 | 402 |
| Linkages | | | | | |
| Linkage – Infrastructure | | - | 235 | - | 235 |
| Linkage – Other | | 681 | 205 | 681 | 205 |
| Total Linkages | | 681 | 440 | 681 | 440 |
| Other Commonwealth Government Financial Assistance | | | | | |
| National competitive | | 434 | 667 | 434 | 667 |
| Other research grants | | 6,370 | 5,679 | 6,370 | 5,679 |
| Other | | 580 | 1,096 | 580 | 1,096 |
| Total other Commonwealth Government financial assistance | | 7,384 | 7,442 | 7,384 | 7,442 |
| Total Commonwealth Government Financial Assistance | | 141,215 | 134,674 | 141,215 | 134,674 |

EDITH COWAN UNIVERSITY
Notes to the Financial Statements
for the Year Ended 31 December 2004

| | Economic Entity | | Parent Entity | |
|---|-----------------|----------------|----------------------|----------------|
| | [Consolidated] | | [General University] | |
| | 2004 | 2003 | 2004 | 2003 |
| | \$000's | \$000's | \$000's | \$000's |
| 5.1 Commonwealth Government Financial Assistance (continued) | | | | |
| Reconciliation | | | | |
| Commonwealth Government grants | 90,558 | 88,331 | 90,558 | 88,331 |
| HECS – Commonwealth payments | 46,309 | 42,630 | 46,309 | 42,630 |
| Commonwealth loan programmes | 4,348 | 3,713 | 4,348 | 3,713 |
| Total Commonwealth Government financial assistance | 141,215 | 134,674 | 141,215 | 134,674 |

5.2 Western Australian Government and Local Government Financial Assistance

Western Australian Government financial assistance for the following purposes was received by the University during the reporting period:

| | | | | |
|---|---------------|--------------|---------------|--------------|
| WAAPA ¹ @ ECU | 6,740 | 6,619 | 6,740 | 6,619 |
| Department of Education and Training | 150 | 25 | 150 | 25 |
| Department of Education Services Grant (a)(b) | 57,728 | - | 57,728 | - |
| Other | 130 | 10 | 130 | 10 |
| Total Western Australian Government Financial Assistance | 64,748 | 6,654 | 64,748 | 6,654 |

¹ Western Australian Academy of Performing Arts

(a) During the year the University received a Grant of \$57.728m from the WA Department of Education Services to enable the University to acquire the freehold title to its existing campus at Pearson Street, Churchlands. The proceeds of this Grant were fully acquitted by transferring the funds to the WA Department of Planning and Infrastructure, to acquire the title

(b) As per UIG 11 Abstract "Accounting for contributions of, or contributions for the acquisition of, non-current assets", the University has reported this Grant as revenue when received.

5.3 Fees and Charges

Fees and charges were collected from the following sources during the reporting period:

| | | | | |
|--|---------------|---------------|---------------|---------------|
| Continuing education | 3,402 | 2,970 | 3,402 | 2,970 |
| Fee-paying overseas students | 27,831 | 26,942 | 27,831 | 26,942 |
| Fee-paying domestic postgraduate students | 2,334 | 2,772 | 2,334 | 2,772 |
| Fee-paying domestic undergraduate students | 908 | 803 | 908 | 803 |
| Fee-paying domestic non-award students | 69 | 374 | 69 | 374 |
| Charges for student accommodation | 1,533 | 1,343 | 1,533 | 1,343 |
| Rental charges | 1,182 | 892 | 1,182 | 892 |
| Seminar and workshop fees | 580 | 602 | 580 | 602 |
| Registration fees | 24 | 33 | 24 | 33 |
| Examination fees | 17 | 15 | 17 | 15 |
| Photocopying fees | 486 | 574 | 486 | 574 |
| Library fines | 197 | 103 | 197 | 103 |
| Late fees | 151 | 112 | 151 | 112 |
| Parking fees | 1,484 | 1,208 | 1,484 | 1,208 |
| Student amenities and service fees | 1,590 | 1,551 | 1,590 | 1,551 |
| All other | 2,143 | 1,944 | 2,143 | 1,944 |
| Total Fees and Charges | 43,931 | 42,238 | 43,931 | 42,238 |

EDITH COWAN UNIVERSITY
Notes to the Financial Statements
for the Year Ended 31 December 2004

| | Economic Entity [Consolidated] | | Parent Entity [General University] | |
|---|-----------------------------------|-----------------|---------------------------------------|-----------------|
| | 2004 \$000's | 2003 \$000's | 2004 \$000's | 2003 \$000's |
| 5.4 Investment Income | | | | |
| Interest | 1,038 | 745 | 1,018 | 730 |
| 5.5 Royalties, Trademarks and Licences | | | | |
| Royalties | 5,309 | 4,843 | 4,244 | 4,252 |
| 5.6 Consultancy and Contract Research | | | | |
| Consultancy | 1,216 | 1,660 | 1,058 | 1,532 |
| 5.7 Other Revenue | | | | |
| Sale of goods | 6,515 | 6,102 | 6,515 | 6,102 |
| Less: Cost of sales | (3,598) | (3,475) | (3,598) | (3,475) |
| Net sale of goods | 2,917 | 2,627 | 2,917 | 2,627 |
| Proceeds from sale of assets (see note 7) | 229 | 1,019 | 229 | 1,018 |
| Sale of publications | 60 | 77 | 60 | 77 |
| Donations, bequests and scholarships | 407 | 157 | 407 | 157 |
| Prizes, contributions and sponsorships | 87 | 280 | 87 | 280 |
| Commissions and rebates received | 305 | 385 | 305 | 385 |
| Expense recoups | 141 | 228 | 141 | 228 |
| Insurance claims | 16 | 145 | 16 | 145 |
| Other | 3,981 | 3,930 | 1,722 | 1,025 |
| Total Other Revenue | 8,143 | 8,848 | 5,884 | 5,942 |

EDITH COWAN UNIVERSITY
Notes to the Financial Statements
for the Year Ended 31 December 2004

| | Economic Entity [Consolidated] | | Parent Entity [General University] | |
|---|-----------------------------------|----------------|---------------------------------------|----------------|
| | 2004 | 2003 | 2004 | 2003 |
| | \$000's | \$000's | \$000's | \$000's |
| 6 Expenses from Ordinary Activities | | | | |
| 6.1 Employee Benefits and on costs | | | | |
| Academic | | | | |
| Salaries | 51,429 | 49,881 | 51,429 | 49,881 |
| Contributions to superannuation and pension schemes: | | | | |
| • Emerging cost | 2,875 | 3,131 | 2,875 | 3,131 |
| • Funded | 7,174 | 6,781 | 7,174 | 6,781 |
| Payroll tax | 3,588 | 3,432 | 3,588 | 3,432 |
| Workers' compensation | 420 | 404 | 420 | 404 |
| Long service leave expense | 1,602 | 1,080 | 1,602 | 1,080 |
| Annual Leave | 55 | 22 | 55 | 22 |
| Other | 1,300 | 1,099 | 1,300 | 1,099 |
| Total Academic | 68,443 | 65,830 | 68,443 | 65,830 |
| Non-academic | | | | |
| Salaries | 52,352 | 47,781 | 50,791 | 46,497 |
| Contributions to superannuation and pension schemes: | | | | |
| • Emerging cost | 975 | 950 | 781 | 832 |
| • Funded | 7,112 | 6,390 | 7,112 | 6,390 |
| Payroll tax | 3,644 | 3,296 | 3,570 | 3,229 |
| Workers' compensation | 418 | 377 | 418 | 377 |
| Long service leave expense | 1,709 | 1,125 | 1,706 | 1,125 |
| Annual leave | 55 | 376 | 50 | 294 |
| Other | 286 | 316 | 281 | 300 |
| Total Non-academic | 66,551 | 60,611 | 64,709 | 59,044 |
| Total academic & non-academic employee benefits & on costs | 134,994 | 126,441 | 133,152 | 124,874 |
| Deferred employee benefits for superannuation 27(2) | 1,225 | 1,518 | 1,225 | 1,518 |
| Total employee benefits & on costs | 136,219 | 127,959 | 134,377 | 126,392 |
| 6.2 Depreciation and Amortisation Expense | | | | |
| Buildings | 8,453 | 6,144 | 8,453 | 6,144 |
| Leasehold improvements | 110 | 1 | 107 | - |
| Computing equipment | 1,124 | 1,399 | 1,099 | 1,374 |
| Other equipment and furniture | 2,358 | 2,363 | 2,349 | 2,351 |
| Motor vehicles | 146 | 132 | 142 | 132 |
| Leased motor vehicles | - | 5 | - | - |
| Intangible assets | 829 | - | 829 | - |
| Library collections | 1,732 | 2,282 | 1,732 | 2,282 |
| Total Depreciation Expense | 14,752 | 12,326 | 14,711 | 12,283 |
| 6.3 Repairs and Maintenance | | | | |
| Buildings maintenance | 3,928 | 3,282 | 3,928 | 3,282 |
| Grounds maintenance | 907 | 638 | 907 | 638 |
| Other | 1,776 | 940 | 1,776 | 940 |
| Total Buildings and Grounds | 6,611 | 4,860 | 6,611 | 4,860 |

EDITH COWAN UNIVERSITY
Notes to the Financial Statements
for the Year Ended 31 December 2004

| | Economic Entity [Consolidated] | | Parent Entity [General University] | |
|--|-----------------------------------|---------------|---------------------------------------|---------------|
| | 2004 | 2003 | 2004 | 2003 |
| | \$000's | \$000's | \$000's | \$000's |
| 6.4 Bad and Doubtful Debts | | | | |
| Bad debts written off | 587 | 25 | 587 | 25 |
| Movement in provision for doubtful debts | (155) | 204 | (155) | 204 |
| Total Bad and Doubtful Debts | 432 | 229 | 432 | 229 |
| 6.5 Borrowing Costs Expense | | | | |
| Interest paid | 1,007 | 330 | 1,007 | 330 |
| 6.6 Other Expenses | | | | |
| Student related expenditure | 6,541 | 6,417 | 6,541 | 6,417 |
| Telecommunications | 1,493 | 1,945 | 1,466 | 1,635 |
| Non-capitalised equipment | 10,816 | 6,153 | 10,816 | 6,153 |
| Computer Software | 5,086 | 4,186 | 5,086 | 4,186 |
| Travel, staff development & entertainment | 6,808 | 6,132 | 6,487 | 6,132 |
| Operating lease rental expenses | 1,006 | 1,220 | 1,000 | 1,213 |
| Professional and consulting fees | 9,726 | 8,900 | 9,433 | 8,569 |
| General Consumables | 1,852 | 1,899 | 1,852 | 1,899 |
| Stationery and materials | 4,568 | 4,040 | 3,965 | 3,984 |
| Electricity, gas and rates | 3,230 | 3,353 | 3,230 | 3,353 |
| Advertising and marketing | 3,138 | 2,955 | 2,967 | 2,851 |
| Carrying amount of assets sold (see note 7) | 45 | 910 | 45 | 906 |
| Asset write-offs during the year | 83 | 42 | 80 | 42 |
| Trading stock write-offs during the year | - | 15 | - | 15 |
| Other | 4,394 | 5,406 | 3,904 | 4,002 |
| Total Other Expenses | 58,786 | 53,573 | 56,872 | 51,357 |
| 7 Profit/(Loss) on Sale of Assets | | | | |
| <u>Proceeds from sale</u> | | | | |
| Property, plant & equipment | 229 | 1,019 | 229 | 1,018 |
| <u>Carrying amount of assets sold</u> | | | | |
| Property, plant & equipment | (45) | (910) | (45) | (906) |
| Total Profit/(Loss) on Sale of Assets | 184 | 109 | 184 | 112 |
| 8 Income Tax | | | | |
| The prima facie income tax expense on pre-tax accounting profit reconciles to the income tax expense in the accounts as follows: | | | | |
| Prima facie tax payable on profit from ordinary activities before income tax | (88) | (37) | - | - |
| Permanent Differences | | | | |
| - Non allowable items | 1 | 114 | - | - |
| - Effect of lower tax rates in foreign countries | 11 | | - | - |
| - Adjustment for provision for deferred income tax | 74 | (3) | - | - |
| - Losses utilised | (5) | 11 | - | - |
| | (7) | 85 | - | - |
| Less Non assessable items | (15) | (34) | - | - |
| - Capital allowance in excess of depreciation | 3 | - | - | - |
| Income tax equivalent expense attributable to profit from ordinary activities | (19) | 51 | - | - |
| Income tax equivalent expense comprises movements in: | | | | |
| Provision for deferred income tax – current | 59 | 56 | - | - |
| Provision for deferred income tax – non-current | - | 3 | - | - |
| Future income tax benefit – current | (86) | - | - | - |
| Future income tax benefit – non-current | 8 | (8) | - | - |
| | (19) | 51 | - | - |

EDITH COWAN UNIVERSITY
Notes to the Financial Statements
for the Year Ended 31 December 2004

9 Remuneration of Members of the Accountable Authority and Senior Officers

9.1 Remuneration of Members of the Accountable Authority

Names of Persons who were members of the Accountable Authority

For the purposes of the Financial Administration and Audit Act 1985, the University Council, is the Accountable Authority of the University.

The University's council members are:

| | |
|---|--|
| The Hon. Justice Robert D Nicholson AO (Chancellor) | Mr John May |
| Mrs Danielle Blain (Pro-Chancellor) | Ms Karen McDonald |
| Professor Millicent Poole (Vice-Chancellor) | Ms Helen Charlesworth |
| Mr Stephen Abbott | Mrs Carol Devitt |
| Mr Kevin O'Keefe | Ms Elizabeth Prime |
| Professor Peter Thompson AM | Mr Graham McHarrie (appointed 01/03/04, retired 5/12/04) |
| Ms Jennifer Ballantyne | Mr Hendy Cowan (appointed 01/03/04) |
| Mr Serge Walberg | Mr Paul Snellgrove (appointed 05/10/04) |
| Mr Kevin Campbell AM | Mr David Pilkington (appointed 05/10/04) |
| Mr Neil Douglas | |
| Mr Robert Amos O'Callaghan (retired 18/08/04) | |
| Mr Roland Heese (retired 10/08/04) | |
| Professor Ron Oliver | |
| Mr Andrew Crevald | |

The controlled entity's, (refer to note 29), directors are:

E.C.U. Resources for Learning Ltd

Mr Geoff Sherwin (Chairman)
Mr Bruce Wilson
Professor John Wood
Professor William Loudon
Mr Greg Holland

| Economic Entity | | Parent Entity | |
|------------------------|----------------|-----------------------------|----------------|
| [Consolidated] | | [General University] | |
| 2004 | 2003 | 2004 | 2003 |
| \$000's | \$000's | \$000's | \$000's |

Remuneration of Members of the Accountable Authority

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

| | | | | |
|-----------------------|----|----|----|----|
| Nil - \$10,000 | 22 | 26 | 19 | 20 |
| \$10,001 - \$20,000 | 1 | - | - | - |
| \$20,001 - \$30,000 | 1 | 4 | - | 3 |
| \$40,001 - \$50,000 | - | - | - | - |
| \$60,001 - \$70,000 | - | 3 | - | 3 |
| \$80,001 - \$90,000 | - | 1 | - | 1 |
| \$90,001 - \$100,000 | - | - | - | - |
| \$100,001 - \$110,000 | 1 | - | 1 | - |
| \$160,001 - \$170,000 | 2 | - | 2 | - |
| \$470,001 - \$480,000 | 1 | 1 | 1 | 1 |

Aggregate Remuneration of Members of the Accountable Authority

| | | | |
|--------------|--------------|--------------|--------------|
| \$954 | \$813 | \$916 | \$775 |
|--------------|--------------|--------------|--------------|

19 members of the Accountable Authority receive no remuneration, fees, superannuation or benefits.

The superannuation included here represents the superannuation expense incurred by the University in respect of the members of the Accountable Authority.

EDITH COWAN UNIVERSITY
Notes to the Financial Statements
for the Year Ended 31 December 2004

| Economic Entity [Consolidated] | | Parent Entity [General University] | |
|-----------------------------------|---------|---------------------------------------|---------|
| 2004 | 2003 | 2004 | 2003 |
| \$000's | \$000's | \$000's | \$000's |

9 Remuneration of Members of the Accountable Authority and Senior Officers (Continued)

9.2 Remuneration of Senior Officers

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

| | | | | |
|---|----------------|----------------|----------------|----------------|
| \$20,001 - \$30,000 | - | 1 | - | 1 |
| \$50,001 - \$60,000 | - | 1 | - | 1 |
| \$60,001 - \$70,000 | - | 1 | - | 1 |
| \$80,001 - \$90,000 | - | - | - | - |
| \$90,001 - \$100,000 | 1 | 2 | 1 | 2 |
| \$100,001 - \$110,000 | - | 1 | - | 1 |
| \$120,001 - \$130,000 | - | 1 | - | 1 |
| \$130,001 - \$140,000 | - | - | - | - |
| \$140,001 - \$150,000 | - | 2 | - | 2 |
| \$160,001 - \$170,000 | 1 | - | 1 | - |
| \$170,001 - \$180,000 | 1 | 1 | 1 | 1 |
| \$180,001 - \$190,000 | - | 1 | - | 1 |
| \$190,001 - \$200,000 | 1 | - | 1 | - |
| \$200,001 - \$210,000 | 2 | 2 | 2 | 2 |
| \$210,001 - \$220,000 | 1 | 1 | 1 | 1 |
| \$230,001 - \$240,000 | 1 | - | 1 | - |
| \$240,001 - \$250,000 | 2 | - | 2 | - |
| Aggregate Remuneration of Senior Officers: | \$1,986 | \$1,823 | \$1,986 | \$1,823 |

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.

10 Remuneration of Auditors

Remuneration to the Auditor General for the financial year is as follows:

| | | | | |
|--|-----|-----|-----|-----|
| Auditing the accounts, financial statements and performance indicators | 125 | 112 | 110 | 102 |
| | 125 | 112 | 110 | 102 |

EDITH COWAN UNIVERSITY
Notes to the Financial Statements
for the Year Ended 31 December 2004

| | Economic Entity [Consolidated] | | Parent Entity [General University] | |
|---|-----------------------------------|-----------------|---------------------------------------|-----------------|
| | 2004 \$000's | 2003 \$000's | 2004 \$000's | 2003 \$000's |
| 11 Receivables | | | | |
| Current | | | | |
| Trade debtors | 8,059 | 7,447 | 7,688 | 6,988 |
| Provision for doubtful debts | (671) | (825) | (671) | (825) |
| | 7,388 | 6,622 | 7,017 | 6,163 |
| Commonwealth Government | | | | |
| Deferred Government Contribution for Superannuation | 3,223 | 3,623 | 3,223 | 3,623 |
| Total Current | 10,611 | 10,245 | 10,240 | 9,786 |
| Non-Current | | | | |
| Commonwealth Government | | | | |
| Deferred Government Contribution for Superannuation | 32,128 | 29,073 | 32,128 | 29,073 |
| Total Non-Current | 32,128 | 29,073 | 32,128 | 29,073 |

Deferred Government Contribution for Superannuation is discussed further under note 27(2) Superannuation.

| | | | | |
|-----------------------|-------|-------|-------|-------|
| 12 Inventories | | | | |
| Trading stock | 1,848 | 1,952 | 1,774 | 1,907 |

| | | | | |
|--------------------------------------|-------|-------|-------|-------|
| 13 Other Non-financial Assets | | | | |
| Current | | | | |
| Accrued income | 501 | 522 | 414 | 302 |
| Advances and prepayments | 1,044 | 1,194 | 992 | 1,111 |
| Current tax assets | 96 | - | - | - |
| Total Current | 1,641 | 1,716 | 1,406 | 1,413 |
| Non-current | | | | |
| Deferred tax assets | - | 8 | - | - |
| Incorporation costs | - | 1 | - | - |
| Total Non-current | - | 9 | - | - |

| | | | | |
|--|-----|---|-----|---|
| 14 Investments | | | | |
| Shares held in Publicly Listed companies: | | | | |
| IBT Education Limited | 900 | - | 900 | - |
| (400,000 Ordinary Shares at a par value of \$1.00 each: Market Value of \$2.25 per share as at 31 st December 2004) | | | | |

EDITH COWAN UNIVERSITY
Notes to the Financial Statements
for the Year Ended 31 December 2004

| | Economic Entity [Consolidated] | | Parent Entity [General University] | |
|---|-----------------------------------|---------|---------------------------------------|---------|
| | 2004 | 2003 | 2004 | 2003 |
| | \$000's | \$000's | \$000's | \$000's |
| 15 Property, Plant, Equipment and Vehicles | | | | |
| The revaluation of land and buildings was performed in December 2004 in accordance with an independent valuation by McGees National Property Consultants for land valuations and Page Kirkland Ward for building valuations. Fair value has been determined on the basis of indicative market values. | | | | |
| No revaluation of art works was undertaken in 2004. The next valuation will occur in 2006. | | | | |
| Land | | | | |
| Freehold land at fair value | 77,535 | 28,660 | 77,535 | 28,660 |
| Vested land at fair value | 59,484 | 96,955 | 59,484 | 96,955 |
| | 137,019 | 125,615 | 137,019 | 125,615 |
| Buildings | | | | |
| At fair value | 291,338 | 291,195 | 291,338 | 291,195 |
| Leasehold improvements | | | | |
| At Cost | 5,446 | 41 | 5,403 | - |
| Accumulated depreciation | (112) | (1) | (107) | - |
| | 5,334 | 40 | 5,296 | - |
| Work in progress | | | | |
| Capital projects ¹ | 11,695 | 7,907 | 11,695 | 7,907 |
| Computing equipment | | | | |
| At cost | 11,297 | 10,763 | 11,102 | 10,555 |
| Accumulated depreciation | (8,844) | (8,262) | (8,715) | (8,145) |
| | 2,453 | 2,501 | 2,387 | 2,410 |
| Other equipment and furniture | | | | |
| At cost | 19,337 | 18,717 | 19,240 | 18,622 |
| Accumulated depreciation | (11,372) | (9,698) | (11,331) | (9,666) |
| | 7,965 | 9,019 | 7,909 | 8,956 |
| Motor vehicles | | | | |
| At cost | 1,219 | 1,276 | 1,219 | 1,276 |
| Accumulated depreciation | (710) | (687) | (710) | (687) |
| | 509 | 589 | 509 | 589 |
| Leased motor vehicles | | | | |
| At cost | 28 | 26 | - | - |
| Accumulated depreciation | (15) | (9) | - | - |
| | 13 | 17 | - | - |
| Works of art | | | | |
| At Cost | 97 | - | 97 | - |
| At fair value | 6,577 | 6,577 | 6,577 | 6,577 |
| | 6,674 | 6,577 | 6,674 | 6,577 |
| Library collections | | | | |
| At cost | 8,910 | 8,665 | 8,910 | 8,665 |
| Depreciation | (1,732) | (2,282) | (1,732) | (2,282) |
| | 7,178 | 6,383 | 7,178 | 6,383 |
| Total Property, Plant, Equipment and Vehicles | 470,178 | 449,843 | 470,005 | 449,632 |

¹ Capital projects include: Churchlands Redevelopment \$2.0m; Mt Lawley Indigenous Centre \$5.0m; Joondalup Resources Building \$1.5m; IT Exchange Archiving \$ 0.2m; IT Information Security Management \$0.4m; IT Customer Relationship Management \$0.2m.

EDITH COWAN UNIVERSITY
Notes to the Financial Statements
for the Year Ended 31 December 2004

15 Property, Plant, Equipment and Vehicles (Continued)

Reconciliations

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

| 2004 | Land \$000's | Buildings \$000's | Leasehold Improvements \$000's | Work in progress \$000's | Computing equipment \$000's | Other equipment and furniture \$000's | Motor vehicles \$000's | Leased motor vehicles \$000's | Works of Art \$000's | Library collections \$000's | Total \$000's |
|---|-----------------|----------------------|--------------------------------------|--------------------------------|-----------------------------------|--|------------------------------|--|----------------------------|-----------------------------------|------------------|
| Economic Entity [Consolidated] | | | | | | | | | | | |
| Carrying amount at start of year | 125,615 | 291,195 | 40 | 7,907 | 2,501 | 9,019 | 589 | 17 | 6,577 | 6,383 | 449,843 |
| Additions ² | 50,501 | 12,840 | 5,403 | 20,112 | 1,112 | 1,356 | 106 | - | 97 | 2,527 | 94,054 |
| Disposals ² | (44,665) | (9,894) | - | (16,324) | (180) | (393) | (148) | - | - | - | (71,604) |
| Accumulated depreciation on disposals | - | - | - | - | 170 | 376 | 117 | - | - | - | 663 |
| Write-offs during the year | - | - | - | - | (386) | (344) | (15) | - | - | - | (745) |
| Accumulated depreciation on write-offs | - | - | - | - | 354 | 312 | 2 | - | - | - | 668 |
| Net foreign currency exchange difference from the translation of a foreign operation | - | - | 1 | - | 2 | 1 | - | - | - | - | 4 |
| Revaluation increments/(decrements) | 5,568 | 3,765 | - | - | - | - | - | - | - | - | 9,333 |
| Depreciation | - | (6,568) | (110) | - | (1,120) | (2,362) | (142) | (4) | - | (1,732) | (12,038) |
| Carrying amount at end of year | 137,019 | 291,338 | 5,334 | 11,695 | 2,453 | 7,965 | 509 | 13 | 6,674 | 7,178 | 470,178 |
| Parent Entity [General University] | | | | | | | | | | | |
| Carrying amount at start of year | 125,615 | 291,195 | - | 7,907 | 2,410 | 8,956 | 589 | - | 6,577 | 6,383 | 449,632 |
| Additions ² | 50,501 | 12,840 | 5,403 | 20,112 | 1,111 | 1,355 | 106 | - | 97 | 2,527 | 94,052 |
| Disposals ² | (44,665) | (9,894) | - | (16,324) | (177) | (393) | (148) | - | - | - | (71,601) |
| Accumulated depreciation on disposals | - | - | - | - | 170 | 376 | 117 | - | - | - | 663 |
| Write-offs during the year | - | - | - | - | (386) | (344) | (15) | - | - | - | (745) |
| Accumulated depreciation on write-offs | - | - | - | - | 354 | 312 | 2 | - | - | - | 668 |
| Net foreign currency exchange difference from the translation of a foreign operation | - | - | - | - | - | - | - | - | - | - | - |
| Revaluation increments/(decrements) | 5,568 | 3,765 | - | - | - | - | - | - | - | - | 9,333 |
| Depreciation | - | (6,568) | (107) | - | (1,095) | (2,353) | (142) | - | - | (1,732) | (11,997) |
| Carrying amount at end of year | 137,019 | 291,338 | 5,296 | 11,695 | 2,387 | 7,909 | 509 | - | 6,674 | 7,178 | 470,005 |

2. During the year, vested land and buildings at Churchlands were disposed of and the freehold title was then acquired at cost from the Department of Planning and Infrastructure. A grant of \$57.728m was received from the Department of Education Services to facilitate the acquisition. Refer note 5.2

EDITH COWAN UNIVERSITY
Notes to the Financial Statements
for the Year Ended 31 December 2004

| | Economic Entity [Consolidated] | | Parent Entity [General University] | |
|--------------------------------|-----------------------------------|---------|---------------------------------------|---------|
| | 2004 | 2003 | 2004 | 2003 |
| | \$000's | \$000's | \$000's | \$000's |
| 16 Intangibles | | | | |
| Callista Student Record System | 6,217 | | 6,217 | |
| Less Accumulated Amortisation | (829) | - | (829) | - |
| | 5,388 | - | 5,388 | - |

| | | | | |
|---|------|------|------|------|
| 17 Capitalised Borrowing Costs | | | | |
| Borrowing costs capitalised during the year | - | 422 | - | 422 |
| Weighted average rate on funds borrowed generally | 5.2% | 5.2% | 5.2% | 5.2% |

| | | | | |
|--------------------|-------|-------|-------|-------|
| 18 Payables | | | | |
| Trade payables | 5,457 | 6,243 | 4,451 | 5,728 |

| | | | | |
|--|--------|--------|--------|--------|
| 19 Interest-Bearing Liabilities | | | | |
| Current | | | | |
| WA Treasury Corporation | 169 | 163 | 169 | 163 |
| Finance lease | 11 | 6 | - | - |
| Total Current | 180 | 169 | 169 | 163 |
| Non-Current | | | | |
| WA Treasury Corporation | 20,995 | 17,164 | 20,995 | 17,164 |
| Homeswest | 333 | 333 | 333 | 333 |
| Finance lease | - | 10 | - | - |
| Total Non-Current | 21,328 | 17,507 | 21,328 | 17,497 |

Details of these loans as at balance date are as follows:

| Description of the Borrowing | Principal outstanding 31/12/04 \$000's | Principal outstanding 31/12/03 \$000's | Current annual interest rate 31/12/04 % | Maturity date |
|--|---|---|--|---------------|
| Student Housing (Mount Lawley) ¹ | 333 | 333 | 3.39 | December 2006 |
| Campus West | 10,000 | 10,000 | 5.20 | July 2008 |
| Campus West | 5,000 | 5,000 | 6.12 | January 2009 |
| Campus West | 4,000 | | 5.76 | January 2010 |
| Academy Stagehouse ² | 2,164 | 2,327 | 7.06 | October 2017 |
| First National Motor Finance (Finance lease) | 11 | 16 | | June 2005 |
| | 21,508 | 17,676 | | |

¹ Homeswest – Interest is payable at a rate of 2% below the prevailing bank bill rate and principal is repayable in three equal instalments during the 15 year term of the loan.

² WA Treasury Corporation – Quarterly principal and interest repayments.

EDITH COWAN UNIVERSITY
Notes to the Financial Statements
for the Year Ended 31 December 2004

| | Economic Entity | | Parent Entity | |
|--------------------------|-----------------|---------------|----------------------|---------------|
| | [Consolidated] | | [General University] | |
| | 2004 | 2003 | 2004 | 2003 |
| | \$000's | \$000's | \$000's | \$000's |
| 20 Provisions | | | | |
| Current | | | | |
| Deferred income tax | - | 59 | - | - |
| Employee benefits | | | | |
| Annual leave | 2,733 | 2,608 | 2,669 | 2,564 |
| Long service leave | 10,125 | 8,859 | 10,125 | 8,859 |
| Superannuation | 3,223 | 3,623 | 3,223 | 3,623 |
| Staff Bonuses | 686 | 496 | 686 | 496 |
| Total Current | 16,767 | 15,645 | 16,703 | 15,542 |
| Non-Current | | | | |
| Deferred income tax | 6 | 6 | - | - |
| Employee benefits | | | | |
| Long service leave | 6,693 | 6,712 | 6,650 | 6,652 |
| Superannuation | 32,128 | 29,073 | 32,128 | 29,073 |
| Other | (11) | - | (11) | - |
| Total Non-Current | 38,816 | 35,791 | 38,767 | 35,725 |

Employee Benefits

The aggregate employee benefits liability recognised and included in the financial statements is as follows:

Provision for employee benefits:

| | | | | |
|-------------|---------------|---------------|---------------|---------------|
| Current | 16,767 | 15,586 | 16,703 | 15,542 |
| Non-current | 38,822 | 35,785 | 38,779 | 35,725 |
| | 55,589 | 51,371 | 55,482 | 51,267 |

The consolidated entity considers the carrying amount of employee benefits approximates the net fair value.

| | | | | |
|---|---------------|---------------|---------------|---------------|
| 21 Other Liabilities | | | | |
| Financial assistance and fees received in advance | 15,327 | 12,735 | 15,327 | 12,735 |
| Accrued expenses | 4,565 | 3,278 | 4,565 | 2,932 |
| Total Other Liabilities | 19,892 | 16,013 | 19,892 | 15,667 |

| | | | | |
|--|----------------|----------------|----------------|----------------|
| 22 Reserves | | | | |
| Asset revaluation reserve | | | | |
| Opening balance | 216,241 | 231,384 | 216,241 | 231,384 |
| Net revaluation increments / (decrements): | | | | |
| Reversal in respect of disposal of vested land and buildings at Churchlands Campus | (52,674) | - | (52,674) | - |
| Land | 5,568 | 15,725 | 5,568 | 15,725 |
| Buildings ¹ | 3,765 | (31,004) | 3,765 | (31,004) |
| Shares held in Publicly Listed companies | 700 | - | 700 | - |
| Works of art | - | 136 | - | 136 |
| Closing balance | 173,600 | 216,241 | 173,600 | 216,241 |

¹ Buildings – As part of the revaluation of the Churchlands campus, certain buildings have/will be decommissioned during the period 2003 to 2007. Their valuations reflect their remaining useful life.

EDITH COWAN UNIVERSITY
Notes to the Financial Statements
for the Year Ended 31 December 2004

| | Economic Entity [Consolidated] | | Parent Entity [General University] | |
|--|-----------------------------------|----------------|---------------------------------------|----------------|
| | 2004 | 2003 | 2004 | 2003 |
| | \$000's | \$000's | \$000's | \$000's |
| 23 Equity | | | | |
| Retained surplus | | | | |
| Retained surplus at the beginning of the year | 204,742 | 195,817 | 204,236 | 195,074 |
| Prior year adjustment (ECURL) | (13) | - | - | - |
| Net operating result attributable to the parent entity | 56,122 | 8,925 | 56,398 | 9,162 |
| Retained surplus at the end of the year | <u>260,851</u> | <u>204,742</u> | <u>260,634</u> | <u>204,236</u> |
| 24 Notes to the Statement of Cash Flows | | | | |
| (a) Reconciliation of cash | | | | |
| Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows: | | | | |
| Cash | | | | |
| Unrestricted cash assets | | | | |
| Cash at bank | 5,109 | 8,941 | 4,615 | 8,416 |
| Cash held in imprests | 36 | 32 | 36 | 32 |
| Total Unrestricted Cash Assets | <u>5,145</u> | <u>8,973</u> | <u>4,651</u> | <u>8,448</u> |
| Restricted Cash Assets | | | | |
| ECU Foundation (see note 35) | 3,463 | 507 | 3,463 | 507 |
| Unrestricted Other Financial Assets | | | | |
| Bank bills maturing within one year | 4,000 | 4,981 | 4,000 | 4,981 |
| Bank bills maturing later than one year | 1,589 | 5,052 | 1,589 | 5,052 |
| Total Other Financial Assets | <u>5,589</u> | <u>10,033</u> | <u>5,589</u> | <u>10,033</u> |
| Total Cash as per Statement of Cash Flows | <u>14,197</u> | <u>19,513</u> | <u>13,703</u> | <u>18,988</u> |
| (b) Non-cash financing and investing activities | | | | |
| During the financial year, there were no assets/liabilities transferred/assumed from other Universities or government agencies and therefore not reflected in the Statement of Cash Flows. | | | | |
| (c) Reconciliation of profit from ordinary activities to net cash flows provided by/(used in) operating activities | | | | |
| Net operating result | 56,122 | 8,925 | 56,398 | 9,162 |
| Non-cash items: | | | | |
| Depreciation expense | 14,752 | 12,326 | 14,711 | 12,283 |
| Doubtful debts and bad debts written off | 432 | 229 | 432 | 229 |
| Provision for employee benefits | 4,218 | (4,670) | 4,216 | (4,682) |
| (Profit)/loss on sale of assets | (184) | (109) | (184) | (112) |
| Net loss on asset write-offs | 83 | 42 | 80 | 42 |
| Prepayment of withholding tax to overseas authority | (11) | - | (11) | - |
| Unrealised foreign exchange loss | 48 | - | - | - |
| Changes in assets and liabilities: | | | | |
| (Increase) decrease in accrued income | 17 | 2,098 | (113) | 1,953 |
| (Increase) decrease in accounts receivable | (3,442) | 6,923 | (3,551) | 7,031 |
| (Increase) decrease in tax assets | (87) | - | - | - |
| (Increase) decrease in advances and prepayments | 150 | 516 | 119 | 497 |
| (Increase) decrease in inventories | 103 | 149 | 133 | 164 |
| Increase (decrease) in accounts payable | (986) | 1,060 | (1,399) | 883 |
| Increase (decrease) in fees received in advance | 2,593 | 388 | 2,593 | 443 |
| Increase (decrease) in accrued expenses | 1,287 | (1,628) | 1,633 | (1,706) |
| Increase (decrease) in tax liabilities | (19) | 51 | - | - |
| (Increase) decrease in GST recoverable/payable | (270) | 381 | (270) | 381 |
| (Increase) decrease in formation costs | 1 | (1) | - | - |
| Net Cash provided by/(used in) Operating Activities | <u>74,807</u> | <u>26,680</u> | <u>74,787</u> | <u>26,568</u> |

EDITH COWAN UNIVERSITY
Notes to the Financial Statements
for the Year Ended 31 December 2004

25 Contingent Liabilities

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

- (a) Native title claims have been made on the University land but as yet no claims have been determined by the National Native Title Tribunal. It is not practicable to estimate the potential financial effect of these claims at this point in time.

26 Commitments for Expenditure

(a) Capital expenditure commitments

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

| | Economic Entity [Consolidated] | | Parent Entity [General University] | |
|---------------|-----------------------------------|---------|---------------------------------------|---------|
| | 2004 | 2003 | 2004 | 2003 |
| | \$000's | \$000's | \$000's | \$000's |
| Within 1 year | 10,883 | 12,091 | 10,883 | 12,091 |

The capital commitments include amounts for:

| | | | | |
|-----------|--------|--------|--------|--------|
| Buildings | 10,883 | 12,091 | 10,883 | 12,091 |
|-----------|--------|--------|--------|--------|

(b) Operating lease commitments

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

| | | | | |
|--|--------------|--------------|--------------|--------------|
| Within 1 year | 1,032 | 1,184 | 935 | 1,009 |
| Later than 1 year and not later than 5 years | 485 | 1,219 | 173 | 878 |
| Later than 5 years | 415 | 399 | - | - |
| Total Operating Lease Commitments | 1,932 | 2,802 | 1,108 | 1,887 |

Representing:

| | | | | |
|------------------------------|-------|-------|-------|-------|
| Cancellable operating leases | 1,932 | 2,802 | 1,108 | 1,887 |
|------------------------------|-------|-------|-------|-------|

(c) Finance lease commitments

Finance lease commitments are payable as follows:

| | | | | |
|--|----------|-----------|----------|----------|
| Within 1 year | 6 | 6 | - | - |
| Later than 1 year and not later than 5 years | - | 10 | - | - |
| Minimum lease payments | 6 | 16 | - | - |
| Future finance charges | - | - | - | - |
| Total Lease Liability | 6 | 16 | - | - |

Finance lease liability on equipment capitalised

| | | | | |
|-------------|---|----|---|---|
| Current | 6 | 6 | - | - |
| Non Current | - | 10 | - | - |
| | 6 | 16 | - | - |

(d) Other expenditure commitments

Commitments in relation to purchase orders, are payable as follows:

| | | | | |
|---------------|-------|-------|-------|-------|
| Within 1 year | 3,329 | 1,238 | 3,329 | 1,238 |
|---------------|-------|-------|-------|-------|

EDITH COWAN UNIVERSITY
Notes to the Financial Statements
for the Year Ended 31 December 2004

27 Superannuation

The University contributes to the following superannuation schemes on behalf of its employees:

1. Unisuper Limited

• **Defined Benefit Plan (DBP) / Investment Choice Plan (ICP)**

The employer's contribution rate as at 31 December 2004 was 7% for staff contributing 3.5% and 14% for staff contributing 7% of their salary. The last actuarial assessment was conducted by Towers Perrin as at 31 December 2002. It concluded that the scheme's funds were adequate to satisfy all benefits payable to employees. The scheme is fully funded.

The following information in relation to members of Unisuper DBP as at 30 June 2004 is:

- The amount of vested benefits applicable to the University was \$95.8M (2003: \$88.3M);
- The amount of accrued benefits applicable to the University was \$82.4M (2003: \$73.8M);
- The estimated net market value of assets for current members, available to pay the Unisuper superannuation liabilities of the University was \$92.8M (2003: \$77.8M);
- The difference between the estimated net market value of assets and accrued benefits as at 30 June 2004 apportioned to the current members of the University was a surplus of \$10.4M (2003: surplus of \$4M).

• **Award Plus Plan (APP)**

This is a non-contributing employee scheme whereby the University contributes 3% of base salaries for staff who are in DBP/ICP and 9% for the University's casual and non-permanent employees who are not members of the DBP/ICP.

2. 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.

The Government Employees Superannuation Board (GESB) estimates that, as at 31 December 2004 there is an unfunded liability of \$35.4M (2003: \$36.6M).

| | | |
|------------------------------------|------------|------------|
| This liability consists of: | 31/12/2004 | 31/12/2003 |
| • Unfunded Pension Scheme | \$ 31.2M | \$32.2M |
| • Unfunded Gold State Super Scheme | \$ 4.2M | \$ 4.4M |
| TOTAL | \$ 35.4M | \$36.6M |

Prior to the reporting period ended 31 December 2002, the University disclosed the liability for unfunded superannuation (2002: \$38.4M) only as a liability, with no corresponding amount receivable from the Commonwealth Government that reflected the commitment to fund the superannuation costs incurred.

The University now believes that any disclosure of the unfunded superannuation liability should be matched with the corresponding receivable from the Commonwealth Government as described above. Accordingly, as from the reporting period ended 31 December 2002, the accounting policy of the University is to record the liability and the receivable from the Commonwealth Government.

This treatment is in line with UIG Abstract 51 "Recovery of Unfunded Superannuation of Universities" issued in December 2002, with the initial adjustment being made against retained profits and subsequent movements recognised in net profit or loss/result.

For the reporting period ended 31 December 2004, a reduction in the amount recoverable for the Commonwealth Government of \$1.2M, was shown as Superannuation – Deferred Government contributions (2003: \$1.5M).

Also, during the 2004 year, GESB informed the University that the information provided for the reporting period 31 December 2003 contained errors in the calculations for the unfunded superannuation. ECU reported an amount of \$32.7M in 2003 and the subsequent amended figure was \$36.6M, providing an understatement of \$3.9M in both the provision and receivable for the unfunded superannuation.

This understatement was adjusted through the University's retained profits during 2004, as the initial adjustment in 2002 was also adjusted through Retained Profits in accordance with UIG Abstract 51.

EDITH COWAN UNIVERSITY
Notes to the Financial Statements
for the Year Ended 31 December 2004

28 Interests in Joint Ventures

The University participates in a number of research joint ventures. These operations are not material to the University and there is no separate disclosure for 2004 in accordance with the Australian Accounting Standard AASB 1006 'Interests in Joint Ventures'.

For reporting purposes these have been segregated into two (2) groups as follows:-

(a) Incorporated Joint Venture - Cooperative Research Centres (CRC)

The University participated in the following CRC during 2004. The CRC has the characteristics of a joint venture operation and has been reported as such.

A CRC is a research initiative of the Australian Government, established to assist two or more collaborators to carry out research contributing to the development of internationally competitive industry sectors. The Program supports long-term, high-quality research, improved links between research and application, and stimulation of education and training. One of the desired outcomes of a CRC is the creation of specific intellectual property with commercial value. The participants in CRCs are an amalgam of research institutions, eg, government, universities and private enterprise. Direct participants are vested with joint venture interest. The funding of the CRC is co-ordinated through a Centre executive who is appointed from one of the participating entities.

Funding transfers between the CRC and the University are accounted for as revenue and expenditure with the overall impact for the period being revenue neutral. Consequently, the revenue and expenditure is reported as part of the University's activity. At this stage, there has been no intellectual property yet developed which is considered to have commercial value and at balance date, no value was attributed to the intellectual property of the CRC.

| Name of Entity | Equity Interest | Actual Cash & In-Kind Contribution | Termination Date |
|-------------------------------------|-----------------|------------------------------------|------------------|
| CRC for Sustainable Tourism Pty Ltd | 3.70% | \$ Nil | 1 July 2004 |

(b) Unincorporated Joint Venture – National Network Tele Test Facility

The University participates in a collaborative arrangement with other parties to operate a virtual test facility that aids the research and industry communities to test and prototype Very Large Scale Integrated (VLSI) circuits and other System-On-Chip (SOC) devices, prior to moving into the manufacturing stage. This collaborative arrangement also shares the characteristics of a joint venture operation. The University's contributions and expenses are included in the Statement of Financial Performance. The contributions include funding from the Commonwealth Government and external sources. The University has sole and exclusive ownership of the assets employed in the joint venture totalling \$4.5 million (2003 \$5.8 million). These are included in the Statement of Financial Position.

To the best of our knowledge and after having taken reasonable steps, there are no material capital expenditure commitments or no known material contingent liabilities relating to joint ventures.

29 Investments in Controlled Entities

| Name of Entity | Principal Activities | Country of Incorporation | Class of Shares | Ownership Interest | | Net Equity | | Total Revenue | | Operating Result | | Contribution to Result | |
|--|---|--------------------------|---|--------------------|------|------------|--------|---------------|--------|------------------|------------|------------------------|------------|
| | | | | 2004 | 2003 | 2004 | 2003 | 2004 | 2003 | 2004 | 2003 | 2004 | 2003 |
| | | | | % | % | ('000) | ('000) | ('000) | ('000) | ('000) | ('000) | ('000) | ('000) |
| E.C.U. Resources for Learning Ltd (ACN. 084 208 060) | Develop and deliver professional development resources for teaching professions | WA | Australian Public Company, Limited by Guarantee | 100 | 100 | 217 | 506 | 3,618 | 3,640 | Loss (295) | Loss (237) | Loss (295) | Loss (237) |

30 Events Occurring After Reporting Date

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

EDITH COWAN UNIVERSITY
Notes to the Financial Statements
for the Year Ended 31 December 2004

31 Explanatory Statement

(i) Significant variations between actual revenues and expenditure for the financial year and revenues and expenditures for the immediately preceding financial year.

Details and reasons for significant variations between actual results with the corresponding items of the preceding year are detailed below. Significant variations are considered to be those greater than 10%.

| Note | Category | Parent Entity [General University] | | Variance | |
|-----------------|---|---------------------------------------|----------------------------|----------|------|
| | | 2004 Actuals \$000's | 2003 Actuals \$000's | \$000's | % |
| Revenue | | | | | |
| [1] | WA Government financial assistance | 64,748 | 6,654 | 58,094 | 873 |
| [2] | Postgraduate Education Loans Scheme [PELS] | 4,348 | 3,714 | 634 | 17 |
| [3] | Superannuation – Deferred Government contribution | 1,225 | 1,517 | (292) | (19) |
| [4] | Investment income | 1,018 | 730 | 288 | 39 |
| [5] | Consultancy & contract research | 1,058 | 1,532 | (474) | 31 |
| Expenses | | | | | |
| [6] | Depreciation & amortisation | 14,711 | 12,283 | 2,428 | 20 |
| [7] | Buildings & grounds | 6,611 | 4,860 | 1,751 | 36 |
| [8] | Bad & doubtful debts | 432 | 229 | 203 | 89 |
| [9] | Borrowing cost expense | 1,007 | 330 | 677 | 205 |
| [10] | Other Expenses | 56,872 | 51,357 | 5,515 | 11 |

| Note | Commentary |
|------|--|
| [1] | During the year the University received a Grant of \$57.728m from the WA Department of Education Services to assist the University in acquiring the freehold title to its existing Campus at Pearson Street, Churchlands. The proceeds of this Grant were acquitted by transferring the funds to the WA Department of Planning and Infrastructure, to acquire the title. |
| [2] | Further awareness in the Commonwealth Loan Program has led to an increase in the numbers of Postgraduate Students taking up the scheme. This rate has continued to climb since inception of the scheme in 2002. In addition, the University has experienced growth in the number of fee paying students. |
| [3] | Reduction in the level of GESB unfunded superannuation expected to be recovered from the Commonwealth Government. |
| [4] | Lower than expected cash balances in 2003 were a result of the completion of a major phase of the University's Campus Consolidation Strategy. In 2004 the University was able to maintain higher levels of cash and hence earn higher returns. |
| [5] | The reduction is due to the completion of a small number of one-off projects in 2003. |
| [6] | The increase in depreciation and amortisation is due to accelerated depreciation of the Churchlands Campus as part of the Campus Consolidation Strategy as well as new buildings coming online during 2003 and 2004. |
| [7] | Buildings and grounds costs are higher in 2004 due to the new Fire & Emergency Services Authority Levy plus significant increases in utilities and landscaping costs as a result of new building completions associated with the University's Campus Consolidation Strategy. |
| [8] | The increase in bad and doubtful debts is a result of the write off of debts relating to MMC and Channel 31. |
| [9] | Completion of major capital projects in 2003 has resulted in interest expenses incurred no longer being capitalised. |
| [10] | The non-capitalised equipment component of other expenses increased during 2004 due to the Standard Operating Environment (SOE) rollout. |

(ii) Significant variations between budget estimates and actual results for the financial year.

A comparative analysis of 2004 Actual results against 2004 Budget continues to reflect the strategic direction of the University. The budget is prepared in a modified cash format, which includes internal trading, as this is a more practical format for budget holders and links closely with cash management. Therefore a comparison to full accrual financial results would not provide useful information for users of this report.

EDITH COWAN UNIVERSITY
Notes to the Financial Statements
for the Year Ended 31 December 2004

32 Financial Instruments

(a) Terms, conditions and accounting policies

The University's accounting policies, including the terms and conditions of each class of financial asset and financial liability, both recognised and unrecognised at the balance date, are as follows:

| Recognised Financial Instruments | Notes | Accounting Policies | Terms and Conditions |
|----------------------------------|-------|---|--|
| Financial Assets | | | |
| Cash assets | 24(a) | Cash on hand and cash at bank are stated at cost. | Cash at bank earns interest at the rate of 5.15% as at reporting date. |
| Other financial assets | 24(a) | Bank bills on hand are stated at cost. | Bank bills on hand earn interest at the rate of 5.62% as at reporting date. |
| Receivables | 11 | Receivables are carried at nominal amounts due, less any provision for doubtful debts. | Accounts receivable credit terms are generally 30 days. |
| Financial Liabilities | | | |
| Payables | 18 | Payables, including accruals not yet billed are recognised when the University becomes obliged to make future payments as a result of a purchase of assets or services. | Payables are generally settled within 30 days. |
| Interest-bearing liabilities | 19 | Bank loans and other loans are carried at amounts equal to the net proceeds received. Borrowing cost expense is recognised on an accrual basis. | Borrowings are repayable in instalments with the final instalment on loans being due at maturity date. |

(b) Interest Rate Risk Exposure

The following table details the consolidated entity's exposure to interest rate risk as at the reporting date:

| YEAR 2004 | Fixed interest maturing in: | | | | | |
|------------------------------------|--------------------------------|----------------------------|--------------------------------|----------------------------|------------------------------|---------------|
| | Variable Interest Rate \$000's | Six months or less \$000's | Six months to one year \$000's | More than one year \$000's | Non Interest Bearing \$000's | Total \$000's |
| Financial Assets | | | | | | |
| Unrestricted cash assets | 5,109 | - | - | - | 36 | 5,145 |
| Restricted cash assets | - | - | - | 3,463 | - | 3,463 |
| Other financial assets | - | 4,000 | - | 1,589 | - | 5,589 |
| Receivables | - | - | - | - | 42,739 | 42,739 |
| Tax assets | - | - | - | - | 96 | 96 |
| Other assets | - | - | - | - | 1,545 | 1,545 |
| Total Financial Assets | 5,109 | 4,000 | - | 5,052 | 44,416 | 58,577 |
| Financial Liabilities | | | | | | |
| Payables | - | - | - | - | 5,456 | 5,456 |
| Interest-bearing liabilities | - | 95 | 85 | 21,328 | - | 21,508 |
| Finance leases | - | - | - | - | - | - |
| Tax liabilities | - | - | - | - | - | - |
| Other liabilities | - | - | - | - | 19,892 | 19,892 |
| Total Financial Liabilities | - | 95 | 85 | 21,328 | 25,348 | 46,856 |
| YEAR 2003 | | | | | | |
| Financial assets | 9,448 | 4,981 | - | 5,052 | 41,074 | 60,555 |
| Financial liabilities | - | 84 | 86 | 17,506 | 22,321 | 39,997 |

EDITH COWAN UNIVERSITY
Notes to the Financial Statements
for the Year Ended 31 December 2004

32 Financial Instruments (Continued)

| | Average Interest Rate | | | |
|---|-----------------------|-------|-------|-------|
| | Floating | | Fixed | |
| | 2004 | 2003 | 2004 | 2003 |
| Financial Assets | | | | |
| Cash assets | 5.15% | 4.71% | - | - |
| Investment securities | 5.81% | - | 5.73% | 5.04% |
| Financial Liabilities | | | | |
| Interest-bearing liabilities (mixture of fixed and floating rates and with various durations) | - | - | 5.64% | 5.81% |

Floating rates represent the most current rate available to the instrument at balance date.

(c) Credit Risk Exposure

Cash includes amounts held in cheque and money market accounts.

The consolidated entity, while exposed to credit related losses in the event of non-performance by counterparties does not expect any counterparties to fail to meet their obligations. The University does not have a significant exposure to any individual counterparty.

(d) Net Fair Values

The carrying amounts of financial assets and financial liabilities held at balance date are equivalent to their net fair value.

33 Disaggregation Information

| INDUSTRY | Higher Education | | TAFE | | Total Entity | |
|---|------------------|---------|---------|---------|--------------|---------|
| | 2004 | 2003 | 2004 | 2003 | 2004 | 2003 |
| | \$000's | \$000's | \$000's | \$000's | \$000's | \$000's |
| Total revenues from ordinary activities | 263,222 | 197,697 | 10,688 | 10,556 | 273,910 | 208,253 |
| Net profit/(loss) | 56,398 | 9,280 | (276) | (355) | 56,122 | 8,925 |
| Assets | 525,498 | 501,602 | 11,393 | 10,749 | 536,891 | 512,351 |

| GEOGRAPHICAL | Australia | | Other | | Total Entity | |
|---|-----------|---------|---------|---------|--------------|---------|
| | 2004 | 2003 | 2004 | 2003 | 2004 | 2003 |
| | \$000's | \$000's | \$000's | \$000's | \$000's | \$000's |
| Total revenues from ordinary activities | 270,210 | 203,464 | 3,700 | 4,789 | 273,910 | 208,253 |
| Net profit | 56,008 | 8,885 | 114 | 40 | 56,122 | 8,925 |
| Assets | 536,891 | 512,351 | - | - | 536,891 | 512,351 |

EDITH COWAN UNIVERSITY
Notes to the Financial Statements
for the Year Ended 31 December 2004

| | Economic Entity [Consolidated] | | Parent Entity [General University] | |
|--|-----------------------------------|---------|---------------------------------------|---------|
| | 2004 | 2003 | 2004 | 2003 |
| | \$000's | \$000's | \$000's | \$000's |
| 34 Write-Offs | | | | |
| Plant and equipment written off by the Accountable Authority during the financial year | 83 | 909 | 80 | 909 |

| 35 Restricted Cash | | | | |
|---------------------------|--------------|------------|--------------|------------|
| ECU Foundation | 3,463 | 507 | 3,463 | 507 |
| | <u>3,463</u> | <u>507</u> | <u>3,463</u> | <u>507</u> |

(i) The purpose of the ECU Foundation is to hold funds received from external sources and these funds are appropriated for a variety of educational and research purposes ranging from scholarships, research, prizes and special lecture programmes. 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. It has its own Board and is governed by the ECU Council.

The increase in the balance of Restricted Cash relating to the ECU Foundation is due to the reclassification of cash assets previously recorded under Unrestricted Cash Assets during 2003.

36.1 Teaching and Learning

Parent Entity [General University]

| | Operating Grant | | Capital Development Pool | | Total | |
|---|-----------------|-----------------|--------------------------|-----------------|-----------------|-----------------|
| | 2004 \$000's | 2003 \$000's | 2004 \$000's | 2003 \$000's | 2004 \$000's | 2003 \$000's |
| Notes | | | | | | |
| Financial assistance received in CASH during the reporting period (total cash received from the Commonwealth for the Programmes). | 74,130 | 73,538 | 2,098 | 2,179 | 76,228 | 75,717 |
| Net accrual adjustments | - | (26) | (2,000) | (2,091) | (2,000) | (2,117) |
| Revenue for the period | 74,130 | 73,512 | 98 | 88 | 74,228 | 73,600 |
| Surplus/ (deficit) from the previous year | - | - | - | - | - | - |
| Total revenue including accrued revenue | 74,130 | 73,512 | 98 | 88 | 74,228 | 73,600 |
| Less expenses including accrued expenses | (74,130) | (73,512) | (98) | (88) | (74,228) | (73,600) |
| Surplus/ (deficit) for the reporting period | - | - | - | - | - | - |
| | | | | | | |

Notes to the Financial Statements
for the Year Ended 31 December 2004

36 Acquittal of Commonwealth Government Financial Assistance (Continued)

36.2 HECS and other Commonwealth Loan Programmes

Parent Entity [General University]

| Notes | HECS (Commonwealth payments only) | | PELS | | BOTPLS | | Total | |
|---|---|----------|---------|---------|---------|---------|----------|----------|
| | 2004 | 2003 | 2004 | 2003 | 2004 | 2003 | 2004 | 2003 |
| | \$000's | \$000's | \$000's | \$000's | \$000's | \$000's | \$000's | \$000's |
| Financial assistance received in CASH during the reporting period (total cash received from the Commonwealth for the Programmes). | 46,309 | 42,630 | 4,243 | 3,714 | 2 | (1) | 50,554 | 46,343 |
| Net accrual adjustments | - | - | 103 | - | - | - | 103 | - |
| Revenue for the period | 46,309 | 42,630 | 4,346 | 3,714 | 2 | (1) | 50,657 | 46,343 |
| Surplus/ (deficit) from the previous year | - | - | - | - | - | - | - | - |
| Total revenue including accrued revenue | 46,309 | 42,630 | 4,346 | 3,714 | 2 | (1) | 50,657 | 46,343 |
| Less expenses including accrued expenses | (46,309) | (42,630) | (4,346) | (3,714) | (2) | 1 | (50,657) | (46,343) |
| Surplus/ (deficit) for the reporting period | - | - | - | - | - | - | - | - |
| | | | | | | | | |

Notes to the Financial Statements
for the Year Ended 31 December 2004

36 Acquittal of Commonwealth Government Financial Assistance (Continued)

36.3 Scholarships

Parent Entity [General University]

| Notes | Australian Postgraduate Awards Pre 2002 | | Australian Postgraduate Awards Post 2002 | | International Postgraduate Research Scholarships | | Commonwealth Education Costs Scholarships | | Commonwealth Accommodation Scholarships | | Total | |
|--|---|---------|--|---------|--|---------|---|---------|---|---------|---------|---------|
| | 2004 | 2003 | 2004 | 2003 | 2004 | 2003 | 2004 | 2003 | 2004 | 2003 | 2004 | 2003 |
| | \$000's | \$000's | \$000's | \$000's | \$000's | \$000's | \$000's | \$000's | \$000's | \$000's | \$000's | \$000's |
| Financial assistance received in CASH during the reporting period (total cash received from the Commonwealth for the Programmes). Net accrual adjustments | 116 | 324 | 724 | 507 | 167 | 120 | 166 | - | 324 | - | 1,497 | 951 |
| Revenue for the period | - | - | - | - | - | - | - | - | - | - | - | - |
| 5.1(c) | 116 | 324 | 724 | 507 | 167 | 120 | 166 | - | 324 | - | 1,497 | 951 |
| Surplus/ (deficit) from the previous year | 14 | - | 25 | 38 | 38 | 36 | - | - | - | - | 74 | 74 |
| Total revenue including accrued revenue | 130 | 324 | 749 | 545 | 205 | 156 | 166 | - | 324 | - | 1,574 | 1025 |
| Less expenses including accrued expenses | (94) | (310) | (701) | (520) | (168) | (118) | (166) | - | (324) | - | (1,453) | (948) |
| Surplus/ (deficit) for the reporting period | 36 | 14 | 48 | 25 | 37 | 38 | - | - | - | - | 121 | 77 |
| | | | | | | | | | | | | |

Notes to the Financial Statements
for the Year Ended 31 December 2004

36 Acquittal of Commonwealth Government Financial Assistance (Continued)

36.4 DEST Research

| Notes | Institutional Grants Scheme | | Research Training Scheme | | Research Infrastructure Block Grants | | Total | |
|---|-----------------------------|---------|--------------------------|---------|--------------------------------------|---------|---------|---------|
| | 2004 | 2003 | 2004 | 2003 | 2004 | 2003 | 2004 | 2003 |
| | \$000's | \$000's | \$000's | \$000's | \$000's | \$000's | \$000's | \$000's |
| Financial assistance received in CASH during the reporting period (total cash received from the Commonwealth for the Programmes). | 1,535 | 1,428 | 3,937 | 3,664 | 523 | 404 | 5,995 | 5,496 |
| Net accrual adjustments | - | - | - | - | - | - | - | - |
| Revenue for the period | 1,535 | 1,428 | 3,937 | 3,664 | 523 | 404 | 5,995 | 5,496 |
| Surplus/ (deficit) from the previous year | - | - | - | - | 78 | 2 | 78 | 2 |
| Total revenue including accrued revenue | 1,535 | 1,428 | 3,937 | 3,664 | 601 | 406 | 6,073 | 5,498 |
| Less expenses including accrued expenses | (1,535) | (1,428) | (3,937) | (3,664) | (586) | (328) | (6,058) | 5,420 |
| Surplus/ (deficit) for the reporting period | - | - | - | - | 15 | 78 | 15 | 78 |
| | | | | | | | | |

Notes to the Financial Statements
for the Year Ended 31 December 2004

36 Acquittal of Commonwealth Government Financial Assistance (Continued)

36.5 Australian Research Council Grants

| Notes | Discovery - Projects (Large Grants) | | Linkage – Infrastructure | | Linkage – Other | | Total | |
|---|--|---------|-----------------------------|---------|-----------------|---------|---------|---------|
| | 2004 | 2003 | 2004 | 2003 | 2004 | 2003 | 2004 | 2003 |
| | \$000's | \$000's | \$000's | \$000's | \$000's | \$000's | \$000's | \$000's |
| Financial assistance received in CASH during the reporting period (total cash received from the Commonwealth for the Programmes). | 773 | 481 | - | 205 | 681 | 304 | 1,454 | 990 |
| Net accrual adjustments | - | (79) | - | - | - | (70) | - | (149) |
| Revenue for the period | 773 | 402 | - | 205 | 681 | 234 | 1,454 | 841 |
| Surplus/ (deficit) from the previous year | 43 | 180 | 205 | - | 194 | 254 | 442 | 434 |
| Total revenue including accrued revenue | 816 | 582 | 205 | 205 | 875 | 488 | 1,896 | 1,275 |
| Less expenses including accrued expenses | (647) | (539) | - | - | (463) | (294) | 1,110 | (833) |
| Surplus/ (deficit) for the reporting period | 169 | 43 | 205 | 205 | 412 | 194 | 786 | 442 |
| | | | | | | | | |

Notes to the Financial Statements
for the Year Ended 31 December 2004

36 Acquittal of Commonwealth Government Financial Assistance (Continued)

36.6 Summary of Unspent Financial Assistance

| Category of Financial Assistance | Amount of unspent financial assistance as at 31 December 2004 | Amount of unspent financial assistance that it is more likely will be approved by the Commonwealth for carry forward | Amount of unspent financial assistance that it is more likely will be recovered by the Commonwealth |
|--|---|---|---|
| | 2004 \$'000 | 2004 \$'000 | 2004 \$'000 |
| Teaching & Learning: | | | |
| Operating | - | - | - |
| Capital Development Pool | - | - | - |
| HECS | - | - | - |
| PELS | - | - | - |
| BOTPLS | - | - | - |
| ARC: | | | |
| Discovery – Projects (Large Grants) | 169 | 169 | - |
| Linkage - Infrastructure | 205 | 205 | - |
| Linkage - Other | 412 | 377 | 35 |
| DEST: | | | |
| Australian Postgraduate Awards – Pre 2002 Funding Component | 36 | 36 | - |
| Australian Postgraduate Awards – 2002 Onwards Funding Component | 48 | 48 | - |
| International Postgraduate Research Scholarships | 37 | 37 | - |
| Research Infrastructure Block Grants | 15 | 15 | - |
| Total | 922 | 887 | 35 |

Key Performance Indicators (KPIs)

At the end of 2002, ECU updated its previous Strategic Plan, and produced a new *ECU Strategic Plan 2003-2007*. While the University mission remains the same, the new Strategic Plan is underpinned by five Strategic Priorities:

1. Enhancing Teaching, Learning and Research
2. Engaging with the Professions and Professional Life
3. Building Partnerships, Pathways and Precincts
4. Improving Outcomes for Students and Staff
5. Strengthening Enterprise and the Resource Base

The Mission of Edith Cowan University is to provide, within a diverse and dynamic learning environment, university education of recognised quality, especially for those people employed in, or seeking employment in, the service professions.

From these Strategic Priorities, a number of Effectiveness and Efficiency Indicators have been condensed from the University's full set of KPI's. These selected KPI's, detailed below, are also generally consistent with those used elsewhere within the Higher Education Sector, and focus on the University's core business (teaching, learning and research), and core stakeholders (students).

Effectiveness Indicators:

Enhancing Teaching, Learning and Research

1. Retention Rate
2. Course Satisfaction
3. Quality of Teaching
4. Research Funding

Improving Outcomes for Students and Staff

5. Graduate Employment
6. Share of First Preferences

Efficiency Indicators:

7. Research Higher Degree Completion
8. Research and Development Publication Research per 10 Academic Staff - DEST
9. Teaching – Related Expenditure per Student Load (EFTSU)

1. Enhancing Teaching, Learning and Research

ECU is focused on

“the education of learners for the knowledge based service professions, and will be recognised for the quality of its teaching and its learning opportunities in those fields. ECU is a teaching and research university, and research will inform its teaching. ECU will be sought out to participate in research projects and productive partnerships. This will be because of the University's excellence in collaboration and the delivery of research outcomes that contribute to policy development and improved practice in the professional fields of business, human services and education, and to advances in health, information and communication technologies and the environment.” *ECU Strategic Plan 2003 – 2007, page 9*

Key Performance Indicators related to these outcomes are –

- Retention Rate
- Course Satisfaction
- Quality of Teaching
- Research Funding

1. Retention Rate

The Retention Rate is used to indicate how effective the University is at retaining its students from one year to the next. Many factors impact on a student's decision to remain at a university. These include university-controlled factors such as course content, teaching styles, learning support, and institutional infrastructure. They also include factors such as individual expectations, financial and social circumstances over which a university has little or no influence. Nevertheless, this indicator is commonly used to show a university's ability to retain its students.

Student Retention has been a high priority for the University's teaching and learning activities and is a focus of the Teaching and Learning Management Plan. ECU has maintained relatively strong performance in its retention rate for 2003. The 2003 result is a further improvement on the 2002 result and consolidates a period of improvement in this area. While there are many factors contributing to performance against this indicator, the result is consistent with the University's expectations of strong performance, resulting from continued commitment to *Service, Professionalism and Enterprise*. This is a lagging indicator; results for 2003 are the latest available for the current reporting period.

Table 1: Student Retention Rate

| | Year of Commencement | | | | |
|------------------------|----------------------|-------|-------|-------|-------|
| | 1999 | 2000 | 2001 | 2002 | 2003 |
| Edith Cowan University | 83.0% | 82.5% | 84.2% | 85.0% | 85.4% |

Source: DEST Higher Education Statistics Collection Return, Edith Cowan University.

Definition: The percentage of students who commence a Bachelor Pass course in a given year and either complete, defer or are still enrolled in the same or an alternative course one year later.

2. Course Satisfaction

Course Satisfaction is used to indicate how satisfied students are with the education and service provided, given their expectations and experience of their course. This indicator is derived from the results of the Course Experience Questionnaire (CEQ), which is conducted annually by the Graduate Careers Council of Australia (GCCA). The number of 2003 ECU Bachelor Pass graduates surveyed in total during 2004 was 3343, of whom 1900 responded for a 57 percent response rate. This is a lagging indicator, reflecting the time to publication by GCCA. Results for 2003 are the latest available for the current reporting period.

The University has continued its strong performance in this indicator and is on par with the sector. While there has been a decrease of 2.2 percentage points on Course Satisfaction between 1999 and 2000, this has been followed by an increase of 1.9 percentage points between 2000 and 2003. Since 2000, the University has seen increases in the level of Course Satisfaction each year.

The GCCA states that comparison of CEQ results between disciplines and universities is not recommended. This reflects the different student cohorts, subject matter, and professional requirements that make such comparisons problematic. The GCCA suggests that bona fide comparisons can only be made between like disciplines across institutions using trends over time.

Table 2: Course Satisfaction

| | Year of Completion | | | | |
|------------------------|--------------------|-------|-------|-------|-------|
| | 1999 | 2000 | 2001 | 2002 | 2003 |
| Edith Cowan University | 90.2% | 88.0% | 89.0% | 89.5% | 89.9% |

Source: National Course Experience Questionnaire results 1998-2003 graduates.

Definition: The percentage of Bachelor Pass students who 'broadly agree' (score #3 or #4 or #5 on a five-point Likert scale) with the overall satisfaction statement from the Annual Course Experience Questionnaire (CEQ).

3. Quality of Teaching

Quality of Teaching is defined as the mean of responses to Items 1, 3, 10, 15, 16, and 27 from the annual CEQ for Bachelor Pass graduates, run as a national survey by the GCCA.

The Items are –

- Item 10 – The teaching staff of this course motivated me to do my best work
- Item 1 – The staff put a lot of time into commenting on my work
- Item 27 – The staff made a real effort to understand difficulties I might be having with my work
- Item 3 – The teaching staff normally gave me helpful feedback on how I was going
- Item 15 – My lecturers were extremely good at explaining things
- Item 16 – The teaching staff worked hard to make their subjects interesting

The mean has a possible range of –100 to +100. This measure is more specifically related to teaching than *Course Satisfaction*, which draws only on the CEQ's *Overall Satisfaction* scale. A score of –100 (an average score of 1 on 5 point Likert Scale) translates to “Strongly Disagree”, 0 (an average score of 3 on a 5 point Likert Scale) translates to “Neutral” and +100 (an average score of 5 on a 5 point Likert Scale) translates to “Strongly Agree. This is a lagging indicator, reflecting the time in its publication by GCCA. Results for 2003 are the latest available for the current reporting period.

The University's results have shown an upward trend for all years other than 2000, where the measure dropped to 9 from 12 in 1999, before increasing to 18 in 2002 and 20 in 2003. ECU's performance sees it ranked at around the mid-point of Australian universities on this measure.

Table 3: Quality of Teaching

| | Year of Completion | | | | |
|------------------------|--------------------|------|------|------|------|
| | 1999 | 2000 | 2001 | 2002 | 2003 |
| Edith Cowan University | 12 | 9 | 14 | 18 | 20 |

Source: *National Course Experience Questionnaire results 1998-2003 graduates.*

4. Research Funding

Research Funding obtained during a prescribed year, in terms of DEST Categories 1, 2, 3 and 4 is a measure of the University's research activity.

It should be acknowledged that levels of Research Funding could be strongly influenced by the receipt of large competitive Australian Research Council grants. The relatively small numbers of such grants may limit the capacity of the institution to maintain performance at a high level. This is a lagging indicator, reflecting the time in its publication by Commonwealth Department of Education, Science and Training (DEST). Results for 2003 are the latest available for the current reporting period.

The University's performance has improved over the period 1999-2002, before a small reduction in 2003. Figures for all categories other than Category 3, are lower in 2003 than in the previous year. The specific variation by category is reflective of the vagaries of the competitive grant process and the pipelining effects of relatively small numbers of comparatively large grants working through the system.

Table 4: Research Funding (\$M)

| DEST Categories | 1999 | 2000 | 2001 | 2002 | 2003 |
|--|--------------|--------------|--------------|--------------|--------------|
| Category 1 - National Competitive Research Grants | 1.087 | 1.082 | 1.827 | 1.547 | 1.506 |
| Category 2 - Other Public Sector Research Funding | 1.295 | 2.032 | 2.540 | 2.725 | 2.512 |
| Category 3 - Industry and Other Funding for Research | 0.527 | 1.504 | 0.739 | 1.155 | 1.354 |
| Category 4 - Cooperative Research Centre Funding | | | 0.020 | 0.057 | 0.028 |
| Total | 2.909 | 4.618 | 5.126 | 5.484 | 5.399 |

Source: DEST Annual Financial and Research and Development Collections Return, Edith Cowan University

Improving Outcomes for Students

Desired Outcomes -

“ECU will provide a challenging and supportive environment suited to the students that study at the University, so they can realise their potential and develop the skills and flexibility needed to succeed in their careers. It will shape policies, programs, services and infrastructure to foster the active engagement of students in support of ECU's strategic positioning as a leader in education for the service professions. This priority will be outcomes focused.”
ECU Strategic Plan 2003 – 2007, page 16

The Key Performance Indicators related to these outcomes are –

- Graduate Employment
- Share of First Preferences

5. Graduate Employment

Graduate Employment is used to indicate the extent to which graduates find employment and is a measure used by the sector to indicate the quality of learning outcomes. The indicator is limited to Bachelor Pass and Honours students to remove any skewing of the data by research and higher degree graduates (many of whom already have jobs in their chosen professions). This indicator is defined in such a way as to factor in the desired employment mode (full-time or part-time) of graduates. As such, a graduate working part-time but not seeking full-time work is included as ‘working in the mode of their choice’. In recognition of the diverse nature of the University’s students, graduates are included irrespective of their mode of study. Results for 2003 are the latest available, as again this is a lagging indicator reflecting the availability and publication of data from GCCA.

The indicator shows an increase between 1999 and 2000. The increase of 3.9 percentage points between 1999 and 2000 reflects an improvement in the proportion of graduates who have secured full-time employment, coupled with a continued reduction in the proportion of graduates in part-time employment who are seeking full time employment.

Between 2000 and 2002, there is a decline in graduate employment. This is mostly explained by the downfall in the number of jobs offered in various areas including IT related fields. These declines reflect State and national trends. Results for 2003 show some improvement when compared to 2002.

The GCCA states that comparison of CEQ or GDS results between disciplines and universities is not recommended. This reflects the different student cohorts, subject matter, and professional requirements that make such comparisons problematic.

Table 5: Graduate Employment

| Faculty | Year of Completion | | | | |
|------------------------|--------------------|-------|-------|-------|-------|
| | 1999 | 2000 | 2001 | 2002 | 2003 |
| Edith Cowan University | 77.0% | 80.9% | 76.7% | 72.9% | 73.6% |

Source: Annual Graduate Destination Survey, Edith Cowan University

Definition: The percentage of Bachelor Pass and Honours graduates working in the mode of their choice as a percentage of the total number of graduates seeking work. Mode relates to full-time or part-time.

6. Share of First Preferences

This Key Performance Indicator is important since it is the most public expression of the level of demand for entry to the University within the broader competitive market and reflects the composite achievements of many initiatives and the general perception of the University by potential students and the community.

Since 2001, the University has increased its share of first preferences other than in 2004 where a slight decrease occurred in comparison to 2003. Despite this decrease, the University retained its position as having the second highest share of First Preferences in Western Australia.

Table 6: Share of First Preferences to WA Universities through TISC

| University | 2000 | 2001 | 2002 | 2003 | 2004 |
|---------------------------------|--------|--------|--------|--------|--------|
| Edith Cowan University | 22.45% | 22.35% | 23.81% | 27.89% | 26.01% |
| Curtin University | 33.52% | 33.21% | 32.35% | 30.25% | 31.33% |
| Murdoch University | 16.09% | 16.63% | 16.29% | 17.03% | 16.75% |
| University of Western Australia | 27.94% | 27.80% | 27.56% | 24.83% | 25.91% |

Source: Tertiary Institution Service Centre

Definition: Each WA University's share of First Preferences processed by TISC

7. Research Higher Degree Completion

Research Higher Degree Completions is defined as the number of Higher Degree by Research (HDR) completions per year. This figure is important because it shows the level of throughput of higher degree research students, which is in turn an indirect indication of the appropriateness of student selection and the quality of higher degree supervision. Completions, however, need to be considered in relation to the size of HDR load if they are to be used as a measure of the efficiency of research training.

The significant increase in 2000 was again repeated in 2002 and has been maintained in 2003, which reflect the comparatively higher numbers of graduate completions in Arts, Humanities & Social Science, Science and Business & Administration.

Table 7: Higher Degree Research Completions

| | 1999 | 2000 | 2001 | 2002 | 2003 |
|---------------------------------------|------|------|------|------|------|
| Higher Degree by Research Completions | 57 | 75 | 58 | 76 | 75 |

Note: Previous year annual report figures were using three year rolling average which has now changed to annual figures only. 2002 figure has changed to reflect late graduations reported after due date.

Source: DEST Higher Education Statistics Collection Return, Edith Cowan University.

8. Research and Development Publication Research per 10 Academic Staff - DEST

This indicator shows the research output in terms of publications per 10 research academic staff of Level B and above (*see table below*). The indicator shows that the

University has increase in categories B & C1 since 2002 with A1 and E1 dropping. The University's Research and Research Training Management Plan incorporates strategies for improving the University's research performance, and is intended to lead to growing numbers of research publications in the future. This is a lagging indicator, reflecting the delay in its production by DEST. Results for 2003 are the latest available for the current reporting period.

Table 8: Research and Development Publications per 10 Staff – DEST

| DEST Categories | 1999 | 2000 | 2001 | 2002 | 2003 |
|--|-------------|-------------|-------------|-------------|-------------|
| Staff (FTE) | 448 | 455 | 458 | 453 | 451 |
| A1 – Authored Research | 0.15 | 0.09 | 0.09 | 0.21 | 0.10 |
| B – Book Chapter | 0.61 | 1.16 | 0.65 | 0.65 | 1.36 |
| C1 – Article in Scholarly Refereed Journal | 4.43 | 4.20 | 4.24 | 4.25 | 4.60 |
| E1 – Full Written Paper-Refereed Proceedings | 4.91 | 5.58 | 6.77 | 5.95 | 5.61 |
| J1 – Major Original Creative Works | 0.00 | 0.00 | 0.19 | 0.00 | 0.00 |

Source: DEST Annual Research and Development Annual Collection, Edith Cowan University.

Definition: The number of publications in DEST categories A1, B, C1, E1 and J1 per 10 FTE academic 'teaching and research' and 'research only' staff at Level B and above, produced during a prescribed year.

9. Teaching Related Expenditure per Student Load (EFTSU)

This indicator is included to show how efficiently the University uses its funds for teaching and learning. The indicator has been refined from that used in previous years by broadening the scope from 'Teaching Expenditure' to 'Teaching Related Expenditure'. Teaching Related Expenditure is defined as Total Expenditure less Research Only Expenditure. This enables data to be reported annually rather than biennially, as was previously the case.

The figures for 2001 to 2004 show that Teaching Related Expenditure / Total Load (2004 dollars) has increased in 2004, relative to previous years. This change is due in part to the University's decision to reduce the level of Commonwealth Supported Student over enrolment, in preparation for the Higher Education Support Act that

provided for a maximum level of over enrolment of 5% (without penalty). The level of over enrolment during 2002 to 2004 was in the range of 5.9% to 9.0%. Teaching Related Expenditure associated with computing costs (Standard Operating Environment (SOE) roll-out) and employee benefits were major factors contributing to the increase in expenditure of \$23.945M.

Table 9: Teaching Related Expenditure per Student Load (EFTSU)

| | 2001 | 2002 | 2003 | 2004 |
|--|---------|---------|---------|---------|
| Teaching Related Expenditure (\$'000) | 163,783 | 173,189 | 173,401 | 197,346 |
| Total Load (EFTSU) | 14,886 | 15,445 | 15,889 | 16,170 |
| Teaching Related Expenditure / Total Load (\$) | 11,002 | 11,254 | 10,913 | 12,204 |
| Teaching Related Expenditure / Total Load (2004 \$)* | 11,890 | 11,823 | 11,234 | 12,204 |

Note: The prior year comparatives have been amended to agree to the latest published audited financial statements

** CPI is Perth All Groups as at December Quarter*

Source: ECU General Ledger and DEST Higher Education Statistics Collections, Edith Cowan University.

Definition: Teaching Related Expenditure expressed per EFTSU (includes total TAFE EFTSU).

Key Performance Indicators Certification

We hereby certify that the performance indicators are based on proper records, are relevant and appropriate for assisting users to assess Edith Cowan University's performance, and fairly represent the performance of Edith Cowan University for the year ending 31 December 2004.

Hendy Cowan
Chancellor
25 February, 2005

Millicent E Poole
Vice-Chancellor
25 February, 2005



AUDITOR GENERAL

INDEPENDENT AUDIT OPINION

To the Parliament of Western Australia

EDITH COWAN UNIVERSITY PERFORMANCE INDICATORS FOR THE YEAR ENDED DECEMBER 31, 2004

Audit Opinion

In my opinion, the key effectiveness and efficiency performance indicators of Edith Cowan University are relevant and appropriate to help users assess the University's performance and fairly represent the indicated performance for the year ended December 31, 2004.

Scope

The University Council's Role

The University Council is responsible for developing and maintaining proper records and systems for preparing performance indicators.

The performance indicators consist of key indicators of effectiveness and efficiency.

Summary of my Role

As required by the Financial Administration and Audit Act 1985, I have independently audited the performance indicators to express an opinion on them. This was done by looking at a sample of the evidence.

An audit does not guarantee that every amount and disclosure in the performance indicators is error free, nor does it examine all evidence and every transaction. However, my audit procedures should identify errors or omissions significant enough to adversely affect the decisions of users of the performance indicators.

A handwritten signature in black ink, appearing to read 'D D R Pearson'.

D D R PEARSON
AUDITOR GENERAL
March 24, 2005

Output Measures

The Financial Administration and Audit Act requires the University to report on output measures of quantity, quality, timeliness and cost. Achievements against these output measures are reported in the following sections.

Quantity

The University's output measure of quantity is the number of Equivalent Full Time Student Units (EFTSU), or student load, it has in any year. Each year the University provides a load target to DEST in its Profiles Data Collection.

The majority of the University's load is in the Operating Grant funding category, which in 2004 accounted for 75.4 percent of the total load. Fee-paying Overseas students are becoming increasingly important to the University and have risen from 14.4 percent in 2001 to 17.7 percent of total load in 2004.

Table 1: Total Load by Funding Category

| | 2001 | | 2002 | | 2003 | | 2004 | |
|--------------------------------------|---------------------|---------------|---------------------|---------------|---------------------|---------------|---------------------|---------------|
| | Fully Funded Target | Actual | Fully Funded Target | Actual | Fully Funded Target | Actual | Fully Funded Target | Actual |
| Operating Grant (DEST) | 10,980 | 11,681 | 11,005 | 11,999 | 11,155 | 12,003 | 11,205 | 11,876 |
| Research Training Scheme | 181 | 182 | 185 | 195 | 192 | 191 | 190 | 204 |
| Fee-paying Overseas | 2,283 | 2,082 | 2,515 | 2,389 | 2,718 | 2,719 | 2,990 | 2,792 |
| Fee-paying Australian Postgraduate | 591 | 482 | 696 | 691 | 870 | 787 | 972 | 827 |
| Fee-paying Australian Undergraduates | | | 25 | 67 | 75 | 81 | 75 | 45 |
| Total | 14,035 | 14,427 | 14,426 | 15,341 | 15,010 | 15,781 | 15,432 | 15,745 |

Source: DEST Educational Profiles Data Collection, Edith Cowan University.

Definition: Full-year Load by Funding Category, excluding TAFE EFTSU.

Quality

The University reports Course Satisfaction as its output measure of teaching quality. This indicator reflects students' overall satisfaction with their course experience at Edith Cowan University and thus is an indicator of perceived quality.

Table 2: Course Satisfaction

| | <i>Year of Completion</i> | | | | |
|-------------------------------|---------------------------|--------------|--------------|--------------|--------------|
| | <i>1999</i> | <i>2000</i> | <i>2001</i> | <i>2002</i> | <i>2003</i> |
| <i>Edith Cowan University</i> | <i>90.2%</i> | <i>88.0%</i> | <i>89.0%</i> | <i>89.5%</i> | <i>89.9%</i> |

Source: National Course Experience Questionnaire results 1999-2003 graduates.

Definition: The percentage of Bachelor Pass students who 'broadly agree' (score #3 or #4 or #5 on a five-point Likert scale) with the overall satisfaction statement from the Annual Course Experience Questionnaire (CEQ).

The University aims to be in line with the national average on this measure. The National average for 2002 graduates was 90 percent, and the ECU result was slightly below this figure. Comparative national data for 2003 are not available at the time of publication of this Report.

Timeliness

The University's output measure of timeliness is the Student Progress Rate. The indicator reflects our students' timely progress through their degree course. Table 3 shows that the University's performance has been consistently trending upwards. The results for 2003 are the latest available.

Table 3: Student Progress Rate

| Faculty | <i>Year of Study</i> | | | | |
|------------------------|----------------------|-------------|-------------|-------------|-------------|
| | <i>1999</i> | <i>2000</i> | <i>2001</i> | <i>2002</i> | <i>2003</i> |
| Edith Cowan University | 83.0% | 83.9% | 85.0% | 85.7% | 86.8% |

Source: DEST Higher Education Statistics Collection Return, Edith Cowan University.

Definition: The percentage of Bachelor Pass coursework degree unit load passed to total unit load attempted excluding all units for which no final results are available. Load is defined as the number of

Equivalent Full Time Student Units – a classification that takes into account full-time and part-time student enrolments.

The University's target is to have a progress rate of at least 85 percent, which was the National average in 1996, as reported in *The Characteristics and Performance of Higher Education Institutions* (DEST November 1998). No further update of this figure has been publicly released by DEST.

Cost

The University's output measure of cost is the Operating Statement Total Expenditure per EFTSU. The results for the period 2000 to 2004 are reflected in the table below and show an increase in overall years. The increase in Total Expenditure in 2004 can be largely attributed to an increase in employee benefits and an increase in the non-capitalised equipment and software components of other expenses mainly due to the SOE roll-out.

The last row in Table 4 illustrates the indicator's value after adjusting for inflation over the period. The University's target is to have a decrease in total expenditure per EFTSU whilst improving indicators for quality. The indicator shows that this is being achieved in general over the period. It is expected that this trend will continue to improve as the University consolidates and implements further strategies focussing on teaching and services to students.

Table 4: Operating Statement Total Expenditure per EFTSU

| | 2000 | 2001 | 2002 | 2003 | 2004 |
|------------------------------------|---------|---------|---------|---------|---------|
| Expenditure (\$'000) | 164,493 | 176,425 | 188,274 | 195,451 | 214,010 |
| Total Load (EFTSU) | 14,438 | 14,886 | 15,445 | 15,889 | 16,170 |
| Expenditure/Total EFTSU (\$) | 11,393 | 11,852 | 12,190 | 12,301 | 13,235 |
| Expenditure/Total EFTSU (2004 \$)* | 12,676 | 12,808 | 12,807 | 12,663 | 13,235 |

Note: The prior year comparatives have been amended to agree to the latest published audited financial statements

** CPI as at December Quarter*

*Source: DEST Annual Financial and Higher Education Statistics Collections, Edith Cowan University.
Definition: Total Expenditure as per the Operating Statement divided by the student load in EFTSU.
This includes total TAFE EFTSU.*