



Edith Cowan University Annual Report 2017

Edith Cowan University

This report is available at the ECU website: www.ecu.edu.au/about-ecu/reports-and-plans/annual-reports.

If you experience any difficulty accessing documents referenced in the Annual Report, or you require a copy of the report in an alternative format, then please contact enquiries@ecu.edu.au.

Official correspondence about the Annual Report should be addressed to:

Director and General Counsel
Strategic and Governance Services Centre
Edith Cowan University
270 Joondalup Drive
JOONDALUP WA 6027

We invite you to find out more about us.

Within Australia:	134 328
Outside Australia	+61 8 6034 0000
Email	enquiries@ecu.edu.au
Web	www.ecu.edu.au



ECUjourney



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edithcowanuniversity



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Please print responsibly and use recycled paper.

Joondalup Campus

270 Joondalup Drive
Joondalup WA 6027

Mount Lawley Campus

2 Bradford Street
Mount Lawley WA 6050

South West Campus

Robertson Drive
Bunbury WA 6230

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Statement of Compliance

Hon. Sue Ellery MLC
Minister for Education and Training
10th Floor, Dumas House
2 Havelock Street
WEST PERTH WA 6005

19 March 2018

Dear Minister

In accordance with section 61 of the *Financial Management Act 2006* (WA), we hereby submit for your information and presentation to Parliament, the Annual Report of Edith Cowan University for the year ending 31 December 2017.

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

Yours sincerely



The Hon Dr Hendy Cowan AO
Chancellor

On behalf of the University Council

Edith Cowan University
270 Joondalup Drive
JOONDALUP WA 6027



Chancellor's Foreword

In 2017, guided by the *ECU Strategic Plan 2017-2021, World Ready*, the University, its students and staff achieved many successes, some of which are highlighted in this Annual Report.

Throughout the year, Council received regular updates from the Vice-Chancellor on the University's operations, its achievements, and the challenges and opportunities that arose both for the University and for the higher education sector as a whole. Council welcomed the University's significant progress, driven by Professor Chapman's leadership, energy and enthusiasm.

Our ranking in the Times Higher Education World University Rankings places us in the top five per cent of universities worldwide. As described later in this Annual Report, ECU was ranked the number one public university in Australia for educational experience, providing further confirmation of our teaching excellence.

Among the significant achievements noted by Council this year was the establishment of a \$50 million Cyber Security Cooperative Research Centre (CRC), in which ECU is a lead partner.

Other important initiatives included the signing of a Heads of Agreement with Navitas to establish an ECU-managed campus in Sri Lanka. 2017 also saw the launch of Edith Cowan College and the acquisition of its student accommodation facilities, previously owned and operated by Campus Living Villages. Importantly, ECU continued to participate in the Science in Australia Gender Equity pilot of the Athena SWAN Charter.

Four ECU staff received Citations for Outstanding Contributions to Student Learning, awarded as part of the Commonwealth Government's Australian Awards for University Teaching. Ms Abigail Lewis, Dr Ken Robinson, Mrs Joanna McManus, and Associate Professor Denise Jackson were recognised in this way in 2017.

This year ECU once again achieved its financial targets. The 2018 budget, approved at the December 2017 Council meeting, provides a sound financial base for work to achieve our strategic goals in 2018 and beyond.

Members of Council and committees of Council continue to work with senior management to support the University in the achievement of its objectives. I am grateful for the work of my fellow Council members in providing an effective governing body that interacts constructively with the senior management of the University.

A handwritten signature in dark ink, appearing to read 'Hendy Cowan'.

The Hon Dr Hendy Cowan AO
Chancellor, March 2018



Vice-Chancellor's Overview

At ECU we believe the key to our success is our understanding of the entire student journey and engagement with every student to provide transformative learning experiences.

The *ECU Strategic Plan 2017-2021, World Ready* sets ambitious targets to extend our success in learning and teaching, and to further develop our research, and internationalisation.

This annual report provides clear evidence of achievement driven by our renewed strategic focus.

The learning experience provided to our students is one of the finest in Australia. Feedback from our students and graduates again resulted in ECU receiving the maximum five-star rating for teaching quality in the *Good Universities Guide* for 2017; the eleventh consecutive year. We also received five-star ratings for overall education experience, skills development, learner engagement, learning resources, student support and median graduate salary level.

Our priorities for research and internationalisation are reflected in the signs of a positive trajectory in the international university rankings. We expect to reach our target rankings of top 100 in the Times Higher Education (THE) Young Universities Ranking and top 500 in the THE World Universities Ranking by 2021.

We are committed to growing ECU's research and innovation outcomes through increased research outputs of high quality. This report includes several examples of our improved research performance.

Our 2017 targets for growth in international student numbers were exceeded and we welcomed international students to ECU from some 120 countries. We seek to be recognised as a leader in transnational education, through the further development of innovative campus partnerships in China, Dubai, Sri Lanka and Vietnam. At the same time, from 2018 international students will be able to study at new ECU locations in the central business districts of Sydney and Melbourne.

I appreciate the hard work of all members of the University community. This includes our dedicated Council, staff and students, along with community and industry partners and visiting scholars. Through our combined efforts, ECU's excellent reputation continues to grow locally, nationally and internationally.

A handwritten signature in dark ink, appearing to read 'SUC', followed by a long horizontal flourish.

Professor Stephen Chapman CBE
Vice-Chancellor, March 2018

About ECU

Edith Cowan University acknowledges and respects its continuing association with the Nyoongar people, the traditional custodians of the land upon which its campuses stand.

Edith Cowan University (ECU) is a progressive university with a reputation for teaching excellence. Our dedicated staff and state of the art facilities provide a supportive study and research environment for the delivery of world ready graduates and leading-edge research.

Granted university status in 1991, our three Australian campuses are located in Western Australia. Two are in metropolitan Perth at Joondalup and Mount Lawley. The third, the South West Campus in Bunbury, is two hours' drive south of Perth.

We have over 30,000 undergraduate and postgraduate students. This includes some 6,000 international students who originate from 120 countries. Students have opportunities to participate in lectures or tutorials on-campus and online, while others study exclusively online. In 2017, over 13,000 of our students were enrolled in at least one online unit.

We offer more than 360 industry-relevant courses through our eight schools: Arts and Humanities; Business and Law; Education; Engineering; Health and Medical Sciences; Nursing and Midwifery; Science; and the Western Australian Academy of Performing Arts.

Edith Cowan College, located on a newly acquired facility on the Joondalup Campus, delivers pathway programs into ECU undergraduate and postgraduate courses.

Vision

To be recognised for our world ready graduates and leading-edge research.

Purpose

To transform lives and enrich society through education and research.

Values

- Integrity
- Respect
- Rational inquiry
- Personal excellence

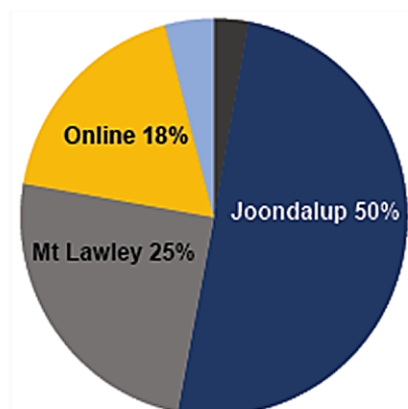
2017 At a Glance



Where we study

South West (Bunbury) 4%

International Study 3%

30,116
Student enrolment5,622
International Students4,380
Online Students1,776
Staff

Figures based on August 2017 data

5 largest fields of research

Most weighted research publications, 2016

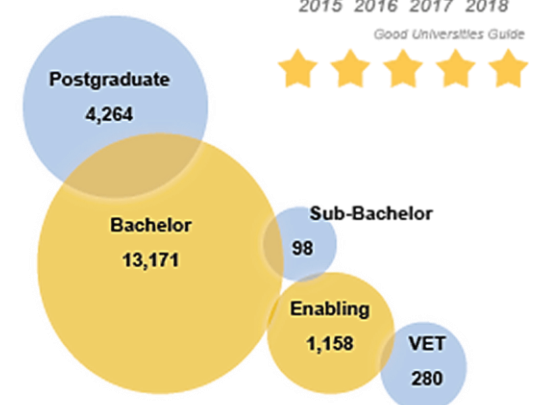
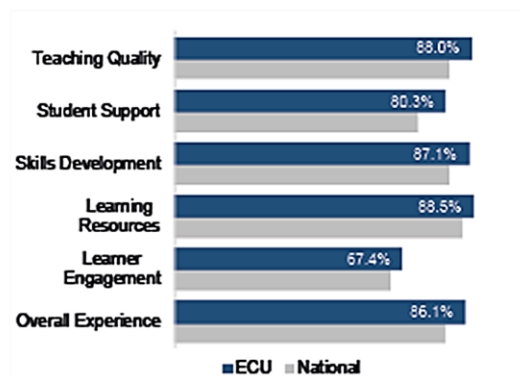
Medical and health sciences

Business and management

Education

Information and computing sciences

Engineering



Equivalent full-time student load (EFTSL) based on actual load as at 31 August 2017.

Top 20 home countries for our international students

Most common Most common home countries for international onshore

Bhutan · China (mainland) · Hong Kong (China SAR) · India

Japan · Kenya · Kuwait · Malaysia · Mauritius · Nepal

Nigeria · Pakistan · Philippines · Saudi Arabia · Singapore

· South Africa · Sri Lanka · United Arab Emirates · Vietnam

· Zimbabwe

Further detail about ECU can be found in our [2017 Pocket Statistics](#).

ECU Strategic Plan, 2017-2021 - World Ready

2017 marked the commencement of our new strategic plan – [ECU Strategic Plan, 2017-2021 - World Ready](#).

We have identified five strategic themes to guide our endeavours and remind us of the ethos of ECU and how we set ourselves apart from other universities. The themes influence our approach to the achievement of our strategic goals through the life of the Strategic Plan, and are firm statements about the spirit in which we undertake our work. They are:

- ★ Theme 1: Dedication to our students
- ★ Theme 2: Connection with our community and the world
- ★ Theme 3: Strategic partnerships and collaborations
- ★ Theme 4: Strong alumni relations
- ★ Theme 5: Promotion of equality, diversity and social responsibility.

We value our reputation as a university that provides a high-quality learning experience for students. This reputation reflects the importance that we place on our students, the way we interact with them, and the productive relationships we have with business, industry, the professions, governments, other universities, communities and alumni. We recognise the value in sharing knowledge with our partners, for mutual benefit.

The Strategic Plan identifies four strategic goals to further enhance our excellence in:

- learning and teaching
- research and knowledge translation
- internationalisation
- organisational sustainability.

Each strategic goal is underpinned by four objectives, and each has a number of actions to be undertaken to achieve those objectives.

In 2017, Council received performance reports for each strategic goal and a summary of performance against the key performance indicators set down in the Strategic Plan. The next four sections of this Annual Report detail our achievements in 2017 for each of our four strategic goals.

Enhancing Learning and Teaching

ECU is a young and progressive university with a strong tradition of high quality teaching. Our history stretches back more than a century to the Claremont Teachers College, established in Western Australia in 1902.

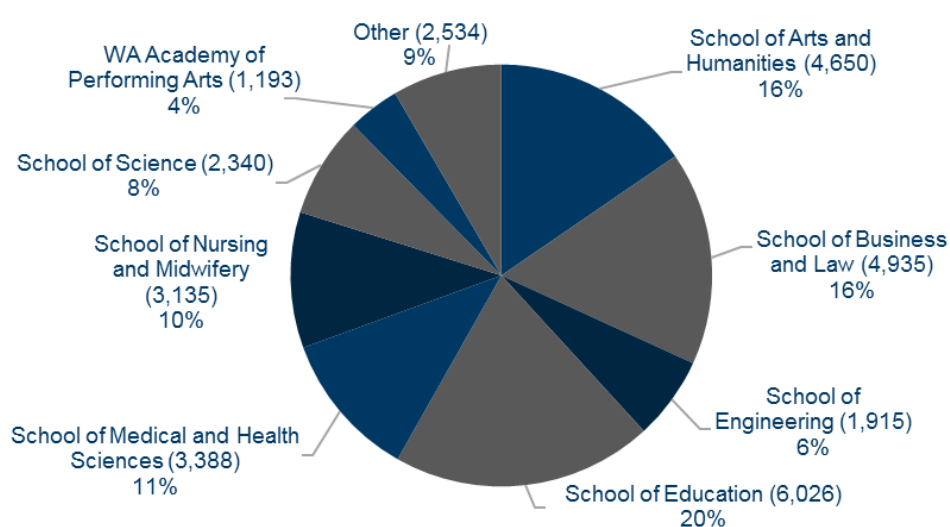
Every year for over a decade our students have recorded very high levels of satisfaction with their learning experiences, as reported by the *Good Universities Guide*, the principal publication for rating the quality of Australian universities and their courses.

Our courses are delivered through [eight schools](#), each with responsibility for teaching, learning, and research in their disciplines. Enrolments by school are shown in Figure 1.

To further enrich the student learning experience and maintain a focus on the career-readiness of our graduates we have identified four objectives to guide our work. They are:

- teaching that inspires
- transformative learning experiences
- a globally relevant and innovative curriculum
- improved learning outcomes and career.

Figure 1: Student Enrolment by School: 2017



Teaching that inspires

The quality of our teaching and the staff responsible for its delivery are exceptional. For 11 years in a row, the *Good Universities Guide* has given ECU a [5-star rating for teaching quality](#), based on feedback from our graduates. This makes ECU the only public university in Western Australia to have achieved this high endorsement consistently, and one of only two of 39 universities in Australia.

Each year all students studying higher education courses in Australia are invited to respond to the national Student Experience Survey (SES) that includes a range of questions about their learning experiences. The SES provides comparative data for all Australian universities and other higher education providers, made available on the [Quality Indicators for Learning and Teaching \(QILT\)](#) website and in ratings published in the [Good Universities Guide](#).

ECU was ranked the highest public university on two-year (2015 and 2016) aggregated results for 'Overall Educational Experience', and among the top five public universities for 'Teaching Quality', 'Learning Resources', 'Student Support', and 'Skills Development'. Results for ECU on six key scales are shown in Table 1.

Table 1: ECU ratings for the Quality Indicators for Learning and Teaching (QILT) 2015 - 2016

Scale	ECU Score	National Average
Overall quality of educational experience	86.1%	79.9%
Teaching quality	88.0%	81.5%
Learner engagement	67.4%	64.2%
Learning resources	88.5%	85.2%
Student support	80.3%	72.0%
Skill development	87.1%	81.2%

Notes: 2016 is the year the survey was undertaken with results published in 2017.

The University also monitors the satisfaction with the learning experience through a number of other surveys. ECU's own online Unit and Teaching Evaluation Instrument (UTEI), the International Student Barometer (ISB), In-Progress Postgraduate Student Experience Survey (iPREQ), and the Student Services and Facilities Feedback Evaluation (SSAFE), gauge the satisfaction of current ECU students.

2017 ECU recipients of Citations for Outstanding Contributions to Student Learning

The Australian Awards for Student Learning

The citations acknowledge and celebrate the accomplishments of individuals and teams in their delivery of a richer, and more engaging, experience for students.

- ★ **Ms Abigail Lewis** developed and implemented an innovative clinical practicum program in Speech Pathology using reflective practice to optimise the development of students' clinical skills.
- ★ **Dr Ken Robinson** sustained the motivation of psychology students to demonstrate exceptional learning.
- ★ **Mrs Joanna McManus** empowered students to develop broadcast careers through a successful postgraduate broadcasting course that delivers paid industry internships, high employment rates and strong industry networks.
- ★ **Associate Professor Denise Jackson** sustained contributions to graduate employability and employment outcomes through research leading to an innovative, evidence-based and nationally recognised work-integrated learning program.

ECU's teaching reputation also extends internationally and in 2017 the University was shortlisted for the Global Teaching Excellence Award. The award, in partnership with Times Higher Education, recognises institution-wide approaches to teaching excellence by higher education providers. Only five Australian universities were selected as finalists this year, from over 300 global applications.

Transformative learning experiences

ECU continues to provide excellent learning experiences that motivate and inspire, are inclusive, and focus on the needs of the student. In 2017 a deeper understanding of the retention of students was a primary focus.

2017 Student Enrolments

ECU's total student load for 2017 was 19,403 Equivalent Full Time Student Load (EFTSL), up from 2016 by some 5 per cent. Our student enrolments increased for all course award levels (Table 2).

Table 2: Student Load (EFTSL) by Course Award Level, 2013-2017

	2013	2014	2015	2016 ¹	2017 ²
Higher Degree Research (e.g. Masters/Doctorate)	427	415	405	444	469
Higher Degree Coursework (e.g. Masters/Doctorate)	1,430	1,637	2,046	2,453	2,527
Other Postgraduate (e.g. Grad Dip/Cert)	1,082	1,119	1,110	1,100	1,300
Bachelor	13,600	13,338	12,814	13,341	13,476
Sub-Bachelor	41	27	21	22	133
Enabling and Other	622	744	900	919	1,157
Vocational Education and Training	446	400	307	279	341
Total	17,648	17,680	17,603	18,558	19,403

¹ The 2016 data reported in this table varies slightly to that reported in the 2016 ECU Annual Report (page 28, Table 2: Student Load (EFTL) by Course Award Level, 2012-2016) which was provisional at 1 February 2017 and the most accurate available.

² 2017 data is provisional as at 25 January 2018.

Retention

In 2017 ECU undertook a detailed retention analysis by cohorts and disciplines, pathways and modes of study, with particular consideration given to students from non-traditional backgrounds. We recognise that there are many influences on retention, including curriculum design, support services, entry pathways and academic staff capabilities. The analysis provided the basis for a *Retention Action Plan* that will guide the way we support our students in their study, a priority for ECU in 2018.

ECU's top students in 2017

ECU's Vice-Chancellor Professor Steve Chapman CBE presented awards to our top 100 students, with weighted average marks above 84 per cent for their course. Awards were also given for exceptional engagement with external communities, contribution to university life, and contribution to reconciliation.

Technology Enhanced Learning

In 2017, ECU initiated the development of a comprehensive strategy to accelerate the uptake of technology-enhanced learning. We undertook an assessment of our core capabilities to ensure that new technology we introduce into the learning environment is fully supported.

We established the Learning Technologies Advisory Group (LTAG) in August 2017 to provide a collaborative approach to decision-making about the selection and adoption of learning technologies. The LTAG will ensure that learning technologies are fit for purpose and reflect a future-oriented approach to the student experience at ECU in both physical and virtual environments.

The Digital Transformation for Teaching and Learning Project will enable high-quality synchronous communication and teaching across distributed locations, as well as virtual classrooms. This will substantially improve ECU's capacity to deliver high quality learning experiences regionally and globally and make use of a new suite of digital media production tools that include the capture and edit of video.

The creation of a 'Curiosity Studio' on the Mount Lawley Campus, opens the way to experimental technologies including virtual reality, simulated learning experiences and game-based options. The studio is split into four main sections: code and create; 3D design; virtual reality; and multimedia.

Staff and Student Support to Use Technology

We have increased, and will continue to support, staff capability and confidence to engage in technology-enhanced learning and teaching through the trial of 'at the elbow' support for academic staff through Learning Technology Support Officers, school-based Learning Designers, and professional learning opportunities.

While many students are adept at using learning technologies, others require assistance to engage productively with the array of digital capacities. ECU's student orientation and induction programs support learning with technologies and learning in new delivery modes.

Australia's future leaders

ECU marketing student Sierra Hudson claimed the top award in the Nestle Marketing category at the 2017 Top 100 Future Leader national awards held in Sydney. Sierra holds an ECU Bachelor of Business qualification, with a major in Marketing and Public Relations.

The ceremony was hosted by graduate employment site, GradConnection. The brightest and most promising students from universities across Australia are recognised for these awards.

Academic Governance

ECU's Academic Board oversees quality management and academic governance activities, which include: the operation of academic committees; development and endorsement of academic policies and rules; course and unit approvals; professional accreditation; and quality management and school and research centre/institute reviews. Results from a review of the Academic Board will be known in 2018.

In February 2017 a review of all academic policies and procedures was initiated to ensure alignment with the new Higher Education Standards Framework (HESF) Threshold Standards that came into effect on 1 January 2017. The HESF outlines the minimum quality requirements set by the Tertiary Education and Quality Standards Agency (TEQSA), and this work helped to inform preparations for ECU's application for renewal of its registration with TEQSA as a Self-Accrediting Authority. Furthermore, evidence was provided to TEQSA for its assessment and the result of this will be known in 2018.

Revisions were made in 2017 to quality processes, procedures and supporting documentation to reflect ECU's Academic Organisation Redesign undertaken in 2016, including workflow changes for the Curriculum Approval and Publication System (CAPS) to incorporate an accreditation management system, and revised Admission, Enrolment and Academic Progress Rules.

Academic Integrity

Academic integrity is fundamental to quality teaching and learning. In 2017, ECU conducted a comprehensive review of its approach to promote a culture of academic integrity and the methods used to deter, monitor and address academic misconduct. As a result, a new Academic Integrity Policy was developed outlining the roles and responsibilities for monitoring academic misconduct across the University.

Activities to promote academic integrity included:

- presentations by ECU library staff to staff and students on how the University ensures the integrity of students' assessments, as part of the International Day of Action Against Contract Cheating, held on 18 October 2017
- a workshop for senior ECU staff on academic misconduct and exam cheating, including the role of exam venues and cameras to reduce allegations of exam misconduct. All ECU schools will develop action plans to further reduce opportunity for academic misconduct
- a trial of CADMUS, a software program developed to safeguard the integrity of assignments through multi-stage student identification. Two ECU schools

were involved in the trial, which will be extended to other ECU schools in 2018.

Campus Life and Partnerships with Students

The Vice-Chancellor's Student Advisory Forum (VCSAF) continued to provide opportunities for students to input to a wide range of matters relating to ECU programs and the student experience.

Student representatives from each school, Student Guild representatives, the Vice-Chancellor and members of the University's Executive met on four occasions. Discussions included subjects such as; library services, parking, careers services, support for postgraduate students and courses offered to regional students through the South West Campus.

ECU supported the ECU Student Guild to stage a range of events intended to increase campus involvement and social engagement for students. Events included: ECU Tropico, a tropical-themed start-of-semester event; Clubs Carnival, an event for the promotion of Guild affiliated clubs; the fourth annual Toga Party; ECU Winter Fest; Oktoberfest; Halloween, the largest party in the Guild calendar; Multicultural Day, an event that celebrates cultural diversity by showcasing music and food; Mental Health Week; and the End of Year Ball.

Enactus Australia National Conference and Championships

In 2017, Enactus ECU were runners up at the Enactus Australia National Conference and Championships, in competition with 14 university teams from around Australia.

Enactus ECU comprises domestic, international, undergraduate and postgraduate students from the School of Business and Law. Their achievements include the development of a series of community-based projects that consider relevant economic, social and environmental factors.

Enactus is an international not-for-profit organisation that seeks to inspire university students to improve the world through entrepreneurial action. Enactus students: recruit their own team members; set their own roles, responsibilities, and projects; and implement the projects in the community. The projects are judged based on how effectively they empower people in need and the level to which they improve quality of life and standard of living.

Engagement with Communities

ECU has a proud history of engagement and service to its communities. We prioritise the creation of positive outcomes in communities through mutually

beneficial engagement, and sharing ideas, knowledge and expertise with our partners.

In 2017 ECU's approach to engagement with the community and industry included:

- continued involvement in over 100 mutually-beneficial partnerships. These included strategic partnerships formed with industry
- activities, projects and events with local schools to raise aspirations for higher education and build transition pathways from vocational education and training courses
- strategies to support fundraising and alumni relationships
- outreach activities and projects with community stakeholders and partners.

Jamie's Ministry of Food Australia (JMOFA)

Jamie's Ministry of Food Australia, West Australian mobile kitchen is a program based on the celebrity chef's beliefs about cooking and healthy living. Good Foundation, supported by ECU, delivers the program throughout Western Australia.

The JMOFA program is delivered through a mobile kitchen that is exclusive to ECU. The JMOFA cooking classes are delivered over a seven-week period from all three ECU campuses and other community locations.

In addition to community health promotion, social inclusion and engagement outcomes, the program provides valuable internship, community interaction and research opportunities for ECU students and staff. And student involvement in the JMOFA program has inspired the establishment of a Guild supported ECU Nutrition Hub that invites all Health Science students with an interest in nutrition to work together to build the profile of nutrition science on campus and support a healthier food environment.

Western Australian Academy of Performing Arts

The Western Australian Academy of Performing Arts (WAAPA) held over 400 public concerts and performances in 2017. They featured a diversity of musical talent performed by ECU students, staff, graduates, and guest artists. In addition to those listed in the [WAAPA 2017 Performance Program](#), there were also over 100 recitals held across Classical Music, Jazz, Contemporary Music, Composition and Music Technology. While student-run performances are open to the public, WAAPA students also perform at many corporate events, both internal and external to ECU.

WAAPA has an extensive connection to communities in WA. It delivered performances and workshops in a variety of locations across the Perth metropolitan area in 2017.

Engagement with Aboriginal and Torres Strait Islander Peoples

ECU's [Reconciliation Action Plan 2015-2018](#) sets a path for ECU to contribute to reconciliation. Our connections to Aboriginal and Torres Strait Islander communities and peoples is part of our commitment to promote reconciliation and cultural awareness, to widen participation in higher education, and to generate new employment opportunities.

Progress against ECU's third reconciliation action plan is monitored by the Vice-Chancellor's Reconciliation Committee, formed in 2016. The committee is comprised of an ECU Elder-in-residence, Aboriginal and/or Torres Strait Islander staff and student representatives and other key staff.

The Reconciliation Action Plan includes actions to make Aboriginal and Torres Strait Islander cultural content integral to our courses. ECU staff showcased our whole-of-institution approach to inclusive curriculum in a presentation, *Collective respect: A cross-institutional framework for an inter-culturally inclusive curriculum*, delivered at the 2017 World Indigenous Peoples Conference in Education.

A globally relevant and innovative curriculum

ECU's outcome-driven and learner-focused curriculum is innovative and globally relevant, with the intention of readying our graduates for careers and further study, either in Australia or abroad.

In 2017 there was an additional focus on support for academic staff to: develop, map and prioritise the delivery of course learning outcomes; focus on skills and knowledge; and consider their application in authentic work environments. We have amended some 89 of our courses so far. In addition, we have built authentic assessment tasks that mirror requirements in the workplace into many learning assessments.

The Pro-Vice Chancellor (Education) leads our ongoing work to benchmark ECU courses and units against external reference groups, peer review processes, and moderation and calibration processes.

In April [Professor Angela Hill](#) commenced in the new Pro-Vice-Chancellor (Education) role

Professor Hill's extensive experience and record of accomplishment of leadership in teaching, learning and the student experience will be an asset as we deliver on *ECU's Strategic Plan, 2017-2021*.

Her portfolio encompasses the Centre for Learning and Teaching and the Library Services Centre. She has key responsibilities for ECU's technology enhanced learning strategy, academic governance and our TEQSA compliance activities.

Our Courses

ECU regularly renews its suite of courses to maintain an academic profile that is contemporary and reflective of the changing needs of employers, students and the community.

ECU received international recognition for its curricula in 2017. Two disciplines: Clinical, Pre-clinical and Health; and Life Sciences, were ranked in the 301-400 band in the *Times Higher Education* subject rankings.

In 2017 ECU received professional accreditation renewals for all courses that were submitted. These courses included:

- Bachelors of Education (Early Childhood, Primary and Secondary)
- Bachelor of Science (Paramedical Science)
- Bachelor of Health Science (Health Promotion Major)
- Bachelor of Education (Early Childhood Studies)
- Speech Pathology (Bachelor and Honours)
- Graduate Certificate of Midwifery Diagnostics and Prescribing
- Graduate Certificate of Education (Early Childhood Studies)
- Master of Hygiene and Toxicology
- Master of Human Resource Management
- Master of Exercise Science (Strength and Conditioning).

From 2018, new courses ECU will offer include:

- Bachelor of Commerce
- Graduate Diploma of Human Reproduction
- Master of Education
- Occupational Health and Safety, Health Promotion and Addiction Studies courses, offered from the South West Campus for the first time.

ECU Motorsports course takes pole position in national university awards

ECU's Motorsports course was judged to be one of the most innovative university courses in Australia. At the Australian Awards for University Teaching 2017, the Commonwealth Education Minister Simon Birmingham presented the Bachelor of Technology (Motorsport) program, established in 2006, with the award for 'Programs that Enhance Learning'.

Each year our students design, build and race a new open-wheel car to compete against student racing teams from around the world in the Formula Student Competition.

Maritime Program of Study

In 2017 ECU finalised a portfolio of industry-endorsed courses to meet the future needs of the maritime industry in Western Australia and Australia. [ECU's strategic partnership with ship builders Austal](#) will lead to the development of world-leading capability in Smart Ship technology. The collaboration involves education in a range of disciplines including engineering, business, and cyber security.

Improved learning outcomes and career readiness

In 2017 ECU undertook a range of initiatives to improve learning outcomes and career opportunities. Foremost, we improved ECU's visibility to potential employers. We also focused on: career development learning; the extension of work integrated learning opportunities with business and industry partners; and curriculum development to equip students with increased capacity for inquiry, research and internationalised experiences.

Work Integrated Learning (WIL)

ECU's Work Integrated Learning (WIL) program continued to grow in 2017 and now extends to all undergraduate courses. We consider WIL a critical bridge to future employment for new graduates.

ECU offers hands-on academic involvement in student placements and learning through WIL. The ECU School of Science has a growing number of computer and security industry host employers, some of whom have been accepting ECU students every semester for more than five years. To further assist our students, we conduct pre- and post-placement workshops and offer our students advice about resumes and covering letters.

In August 2017 ECU hosted a workshop led by Professor Stephen Billett of Griffith University, an international expert in Work Integrated Learning. Workshop participants included over 50 staff from ECU and other WA universities, who engaged in discussions on the re-design of curriculum to create graduates who take ownership for their learning in the workplace.

Graduate Employment

Latest graduate employment outcomes data shows that the overall employment rate for ECU graduates (86.3 per cent) was close to the State average (86.8 per cent). Median salaries for ECU graduates are at State average (\$60,500).

The full-time employment rate for ECU graduates (62.9 per cent) four months after graduation is slightly below State (66.9 per cent) and national (70.6 per cent)

averages and this is an area we will continue to work to improve. The State average decline in graduate employment reflects the prevailing unfavourable economic and labour market conditions in Western Australia.

Details on graduate employment outcomes, based on three year (2015, 2016 and 2017) aggregate results are available on the [QILT website](#).

A guide to embedding employability in ECU's courses was developed to assist all ECU teaching staff to highlight to students' opportunities to articulate and show their skills. To support this, an e-portfolio approach was used to build a Graduate Course Action Plan (GradCAP). GradCAP is a course-long workbook, and in 2017 it was embedded in the Bachelor of Engineering, the Bachelor of Education (Primary), and the Bachelor of Speech Pathology. Along with other integrated learning methods, this will help students to make connections between knowledge, skills and achievements and to add evidence of employability skills relating to course learning outcomes. Students are able to use this evidence in their final year showcase portfolio. GradCAP will be expanded to take in all courses offered by the School of Science.

The Alumni Mentoring Program continued in 2017, supporting graduates in their transition from study into employment. Two cohorts with a total of 57 alumni were paired with current students in face-to-face mentoring relationships. The creation of ECU's first online Alumni mentoring program, MentorHub, will further assist our graduates to move into rewarding careers.

Other activities undertaken in 2017 to improve graduate employment outcomes included:

- the Mentorlink panel presentation to 110 attendees, in which industry guests shared their experiences as volunteers and mentors
- the Skilled Volunteer Experience which brought students together with alumni to participate in Homeless Connect, an initiative of Volunteering WA and the City of Perth
- over 1,200 career appointments and numerous drop-in sessions and workshops organised by ECU's Careers and Leadership Services. CareerHub recorded a 27 per cent increase in registrations and 22 per cent increase in views of employment opportunities in 2017
- employment seminars and recruitment sessions by the Australian Secret Intelligence Service, the Department of Defence, Engineering Australia, Alcoa, Department of Education, and Department of WA Health
- partnerships with industry, such as PricewaterhouseCoopers, to deliver an exclusive onsite assessment centre
- career fairs, virtual career fairs, workshops and networking events, with ECU school-based events, attracting well over 1,500 students.

Advancing Research and Knowledge Translation

ECU undertakes research above world standard in a number of research disciplines such as; Nursing, Neuroscience, Clinical Services, Oncology, Carcinogenesis, Material Engineering, and Ecology and Environmental Science.

Our research capacity is growing in step with our research income - vital to the achievement of our research goals (Figure 2). This is made possible by our recruitment of accomplished researchers who are experts in their fields.

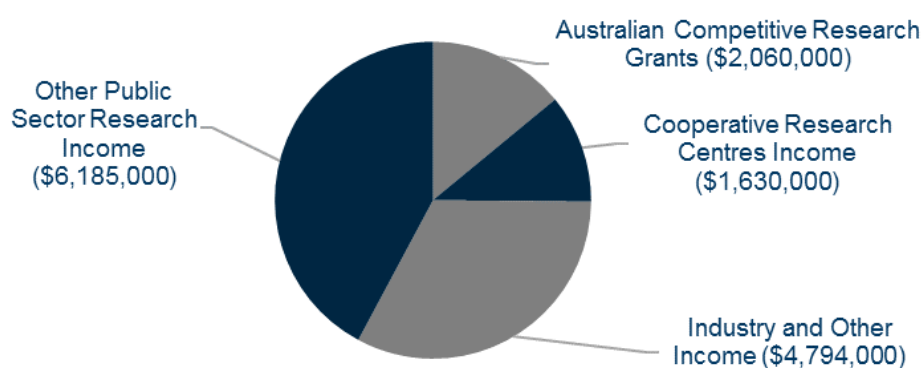
At the end of 2017 Professor Caroline Finch AO was appointed as ECU's new Deputy Vice-Chancellor (Research). She will commence in March 2018 and lead ECU's research agenda by strengthening our research capability and quality of our research. Professor Finch is a highly accomplished academic, ranked as one of the 10 most highly published injury researchers of all time and is one of the most influential sports medicine researchers internationally.

Strategically, we understand research collaboration is vital for growth and knowledge translation. To this end, we continue to look for both innovative and constructive ways to collaborate with industry and government to strengthen relationships and establish new alliances. ECU welcomes the ongoing influence of the Australian Government's *National Innovation and Science Agenda* (2015) and its commitment to encourage sustainable growth of Australian industries through research, and the delivery of programs that provide economic prosperity.

To extend our research base and to improve the quality of our research we have set four objectives:

- growth in research capacity and culture
- extensive research collaboration
- increased knowledge translation
- growth in research training.

Figure 2: ECU Research Income 2017



Growth in research capacity and culture

In 2017 we witnessed significant growth in our research capacity and further improvement in our research culture. We recruited high quality researchers, focused our planning for retention and succession of our research staff, increased our support of research and researchers and celebrated their achievements.

ECU 2017 total research income¹ was approximately \$33,300,000, 132 per cent above the 2016 research income (\$14,300,000), based on unaudited figures as at 31 December 2017. ECU researchers have been awarded ARC infrastructure grants totalling \$600,000 and total competitive research income in 2017 was above that received in 2016.

ECU researchers secured National Health and Medical Research Council (NHMRC) grants and fellowships totalling almost \$1,600,000. While the most significant funding body contributions of grants in 2017 were from the Western Australia (WA) Department of Health (\$2,600,000), and a joint contribution from WA Department of Health WA and the Florey Institute of Neuroscience and Mental Health (\$1,600,000).

Our research teams have also been part of a collaborative NHMRC Centre of Research Excellence in Prostate Cancer. And the Cooperative Research Centre for Mental Health continued funding on existing agreements and contributed \$1,100,000 in 2017 to the University.

Appointment of former Air Vice-Marshal Andrew Dowse as Director, Defence Research and Engagement

Dr Dowse, who will commence as our Director of Defence Research and Engagement in February 2018, served in the Royal Australian Air Force for 37 years. He has been tasked with identifying research areas across ECU with significant defence capabilities and developing stronger partnerships with the defence sector. Potential areas of collaboration include engineering, electron science and human movement.

Recruiting High-achieving Researchers and Teams

Our research capability and quality continued to grow in 2017 with the recruitment of high achieving researchers. ECU's *Research Plan* articulates the development and support of the research capability of our academic staff and students. A key

¹ Research income figures are provisional at 14 January 2018.

component of the plan is the Vice-Chancellor's Professorial Research Fellowship initiative. ECU schools have attracted outstanding national and international leaders in their disciplines through this initiative, which has resulted in improved grant successes and an increased number of research publications attributed to ECU.

To date ECU has recruited 16 high-calibre national and international researchers. The appointments represent a broad spectrum of disciplines that reflect current research strengths or priority areas for research growth.

Cyber security at ECU

ECU to boost Australia's cyber security defences

Commonwealth Education Minister Simon Birmingham announced in June that ECU would share \$1.9 million as one of two Academic Centres of Cyber Security Excellence in Australia, and the only one in WA. The funding will help train the thousands of cyber security professionals required to fill a global skills shortage in the industry.

ECU to lead \$50 million cyber security centre

In September a \$50 million Cyber Security Cooperative Research Centre (CRC) was announced. ECU, along with the WA State Government, is a lead partner in the new CRC which brings together 25 industry, research and government partners to leverage a further \$89 million over seven years. The CRC will focus on three key areas:

- ensuring the security of critical infrastructure through development of new approaches, tools and techniques to predict, prevent, detect, and respond to cyber threats from nation states, criminals, and others
- ensuring industry and the community can access online services with confidence and grow Australia's reputation as a safe and trusted place to do business and access cyberspace
- building and developing the next generation of industry, government and research cyber security leaders.

ECU secures state innovation grant

ECU is the first beneficiary of the State Government's innovation strategy, with \$800,000 set aside for a cyber security hub at Joondalup.

Our international agreements have helped to recruit high-calibre higher degree research candidates with full or partial funding from their home country. We have agreements with: the China Scholarship Council; the Ministry of Education and Training in Vietnam; and with the Higher Education Commission in Pakistan. Further detail about our work to internationalise is in the *Growing Internationalisation* section of this report.

ECU researchers to conduct preliminary international IP scans

ECU uses Meddevicetracker and MedTrack to allow ECU researchers to conduct preliminary international intellectual property scans, to evaluate research opportunities and to provide direction for their research. Further, an improved pathway to commercialisation under development at ECU will make it easier and faster for researchers to explore the commercial potential of their research outcomes.

Extensive research collaboration

We grew our research collaborations and alliances in 2017 through a number of initiatives to increase the profile and reputation of ECU's research. This included the establishment of research collaborations, across fields, with international researchers, and with business, government and industry partners.

In 2017 ECU researchers collaborated with researchers from 12 countries around the globe, through the Collaboration Enhancement Scheme. This scheme provides funds to support new initiatives that widen the University's research collaboration capacity, both nationally and internationally. It supports ECU researchers to either travel to meet with their international collaborators, or to invite them to ECU.

Similarly, the Visiting Professorial Scheme has expanded ECU's international collaborative research partnerships with universities across Europe, New Zealand and the US. ECU's [Visiting Professorship Award](#) recognises the valuable input of internationally recognised researchers to the growth of the research disciplines and collaborations. Their presence raised the University's profile internationally and serves to build capability through workshops, lectures, mentor activities, grant-writing, publication development and networking.

Our continued membership of IN-PART, a platform for university-industry collaboration, provided opportunities to translate ECU's research through technology transfer and research commercialisation partnerships.

Joint PhD programs with international research institutions are another means of establishing collaborations based on joint supervision, postgraduate projects, and staff and student mobility. There are currently two Joint PhD programs and further opportunities are under consideration to run Joint PhD programs with international partners in Sri Lanka, China, Thailand, Malaysia, and the Maldives.

Increased knowledge translation

In 2017, we continued to promote partnerships and collaboration in research for knowledge translation and commercialisation. We developed partnerships with business, industry, the professions and government, supported by efficient and effective administration. More detail about this work is included in the *Ensuring Organisational Sustainability* section of this report under *Service Excellence*.

ECU Research Knowledge Translation

Solar-powered greenhouse to make the desert bloom

Greenhouses powered by nanotechnology offer the possibility of turning dry deserts into agricultural land. Solar-glass can generate 50 watts of power per square metre of surface area, and has been developed by ECU's Electron Science Research Institute (ESRI) in collaboration with ClearVue Technologies. The glass will provide enough power to run heating and cooling for the greenhouse, and for desalination to provide water.

A 300 square metre greenhouse using transparent glass will be built using a \$1.6 million grant from the Australian Government's Cooperative Research Centre. The solar-glass allows 70 per cent of visible light to pass through and blocks 90 per cent of solar UV and IR radiation.

Blood test that can detect Alzheimer's disease in its early stages

A blood test that can detect Alzheimer's disease in its early stages is in development with the support of a \$716,000 grant from the National Health and Medical Research Council (NHMRC).

Dr Veer Gupta, from ECU's Centre of Excellence for Alzheimer's Disease Research and Care, is working on a method to diagnose Alzheimer's disease through population screening; a less expensive and invasive method than those used currently.

Internet of toys

Researchers from ECU's School of Arts and Humanities were awarded \$349,700 in Discovery Project funding to investigate how toys equipped with cameras, recorders and connectivity impact children's privacy and safety. Dr Donell Holloway, the project's chief investigator, will consider what regulations are needed to define the collection, control and ownership of data derived from these toys.

The West Australian-ECU Lecture Series

In 2017 the [West Australian-ECU Lecture Series](#) featured six distinguished professors who shared their research findings in relation to issues faced by our community. The series welcomed over 1,000 students, staff and community members to ECU and lecture titles included: “Is there any Psychology in Resilience?”; “Connecting People through food literacy for better health”; and “Nurses, you can’t live without them”.

ECU Research Knowledge Translation

[Towards ensuring a STEM workforce: Engaging industry to inspire and foster real-world STEM teacher learning](#)

Skills in science, technology, engineering and mathematics (STEM) are essential for Australia to remain competitive in the global economy. However, STEM participation and achievement are not keeping pace with demands for STEM-skilled workers. Many teachers feel ill-equipped to deliver learning experiences that foster students’ interest in STEM careers.

ECU, in partnership with Wesfarmers Chemicals, Energy and Fertilisers will address these issues through a project to assess the effectiveness and longer-term viability of a STEM professional learning model. The model integrates: industry engagement; inquiry learning approaches; authentic STEM content aligned to future STEM workforce requirements in WA; and an online community of practice.

[Putting science into the classroom](#)

ECU School of Education researcher Dr Michael Fitzgerald received a \$384,996 Discovery Early Career Researcher Award to investigate whether the provision of authentic science research experience to high school science teachers improves outcomes for teachers and students.

The project will follow science teachers through research experiences, in collaboration with scientist mentors, as part of their professional development. The impact of this experience will be assessed in terms of the teachers’ understanding of the nature of science and how this affects classroom practice.

ECU Health Centre

The [ECU Health Centre](#) provides a comprehensive range of health services to the community, including General Practitioner, nursing and allied health services. The Centre hosts BreastScreen WA; Child and Adolescent Community Health; the Community Midwifery Program, funded by the Western Australia Department of Health; and the Women’s Resource and Engagement Network (WREN) - a specialist Domestic Violence Unit and Health Justice Partnership service.

Consultations at the ECU Health Centre now total 250,000, with 76,600 in 2017. ECU students in a range of health disciplines have completed a total of 30,000 placement hours since the Centre opened.

The Centre also provides for research and research projects. In 2017 these included: parental responsiveness to children's needs and cues; enhancing the quality of Perinatal and Infant Mental Health (PIMH) services for local residents; and mental health help-seeking among older adults with chronic diseases.

Aboriginal stories of stroke and traumatic brain injury

Professor Beth Armstrong won the Mark Longworth Innovation Award at the 2017 Smart Strokes Conference for her paper 'Missing Voices: Aboriginal stories of stroke and traumatic brain injury'.

Growth in research training

ECU increased higher degree by research (HDR) enrolments and completions in 2017, increased the number of PhD qualified academic staff, and enhanced HDR programs with better support, skill training and marketing. Our HDR completions have been steadily increasing since 2012.

Twenty academic staff enrolled in the Principal Supervisor Accreditation Program in 2017. Those who successfully complete the year-long program will be able to supervise at principal level, growing the number of qualified principal supervisors to better support growth in HDR enrolments.

In 2017 ECU developed and implemented a ResearchHub to support the employability of research graduates, through promotion of employment opportunities and career-based resources.

The International Student Barometer (ISB)

Results from the 2017 ISB indicate that international students rate ECU's Graduate Research School (GRS) very highly, with a satisfaction rating of 98 per cent. This places ECU's GRS in the top three in Australia every year since 2011.

The ISB is a survey of onshore international students in which the majority of Australian universities, and many universities globally, participate. ECU has been involved since 2010. International students are asked about their experiences of arrival, learning and support.

iPREP

The ECU-initiated industry mobility placement program, [iPREP WA](#), grew in 2017 with 7 intakes. iPREP supports teams of PhD students who have submitted theses for examination to work on industry-defined problems in projects over six weeks. 113 PhD students, 26 from ECU, were placed into 38 projects and attracted \$209,700 in support funds. The program includes a two-day induction run by the Centre for Entrepreneurial Research and Innovation. In 2017, 27 participants completed 12 industry initiated projects, with eight participants from ECU.

Eight industry engagement scholarships were established in 2017 to increase both the number of PhD students and projects engaged with industry - two more than in 2016. Total funding for industry engagement scholarships, including stipend top-ups, was \$353,000 in 2017, an increase of over 40% from 2016.

Excellence in the promotion of industry engagement in graduate research

In 2017 Dr Tash Ayers and Ms Steph Delaporte from the ECU Graduate Research School won the Australian Council of Graduate Research's inaugural national Excellence in Graduate Research Education Awards. The Excellence in Promoting Industry Engagement in Graduate Research award was for the iPREP WA Program.

iPREPWA is an ECU-led initiative to support research collaboration between the universities and industries of Western Australia. It involves interdisciplinary teams of PhD students, from all five WA universities, working on a six week project with an industry partner during their thesis examination period. ECU doctoral students have the opportunity to spend this time developing workplace skills that will ultimately benefit them as they seek future employment.

Participating industry partners include Fortescue Metals Group, Roy Hill, CITIC Pacific Mining, Department of Health, Department of Culture and the Arts and CingleVue.

Research Engagement with Communities

Research at ECU aims to expand knowledge and improve the quality of life for all Australians and communities across the globe. Our 9th annual [ECU Research Week](#) from 18-23 September 2017 showcased our vibrant research culture.

ECU researchers and students presented on how they might address some of the world's most pressing social, political, economic and environmental issues and the program included 44 events across three campuses, attracting approximately 2500 attendees. In a first for Research Week, 470 people in China viewed international research events via live streaming.

Maggie's Recipe for Life

[Dr Ralph Martins](#) and Maggie Beer AM teamed up on a cookbook of more than 200 recipes to aid brain health and help protect against Alzheimer's and other diseases.

Dr Martins is Foundation ECU Chair in Ageing and Alzheimer's Disease and has spent the past 33 years investigating the diagnosis, prevention and effective treatment of Alzheimer's.

A healthy diet can help reduce a person's risk of developing, and slow the progression of, Alzheimer's and some other forms of dementia. Dr Martin recommends a Mediterranean diet, which includes mostly plant-based foods, fish or other seafood, some poultry and eggs, a moderate amount of cheese and yoghurt, extra virgin olive oil, and herbs and spices rather than salt.

Growing Internationalisation

ECU is committed to building on our established reputation as a leader in international education. Our focus includes strengthening the recognition of our internationalisation activities, and the development of graduates who have the skills, attributes and confidence to work anywhere in the world.

We welcome and educate students from many countries, including; China, India, Bhutan, Nepal, Vietnam, Kenya and Sri Lanka. Each year we provide new opportunities for more overseas students to participate in our programs and build on our international presence (Figure 3). Our programs also provide opportunities for domestic students to acquire cross-cultural knowledge through student exchange and study abroad.

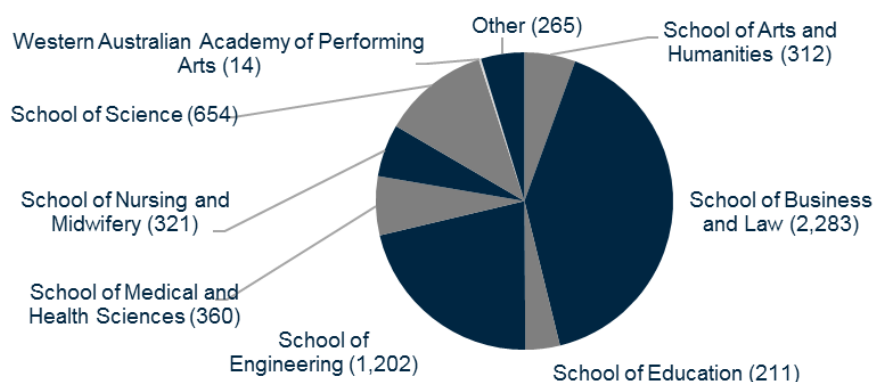
ECU's International Portfolio, led by the Deputy Vice-Chancellor (International), is responsible for co-ordinating the University's international growth, engagement and the establishment of new international education opportunities. It works closely with ECU schools to support their success in the many activities that exemplify ECU's internationalisation and manages the University's principal international partnerships.

In 2017, ECU continued to work with the Australian Government and the Western Australian Government to further develop international education. We also grew international engagement with governments and institutions of other countries.

To further internationalise ECU we are guided by four objectives. They are:

- growth in international enrolments
- strong partnerships and international relations
- global education delivery
- an internationalised student experience.

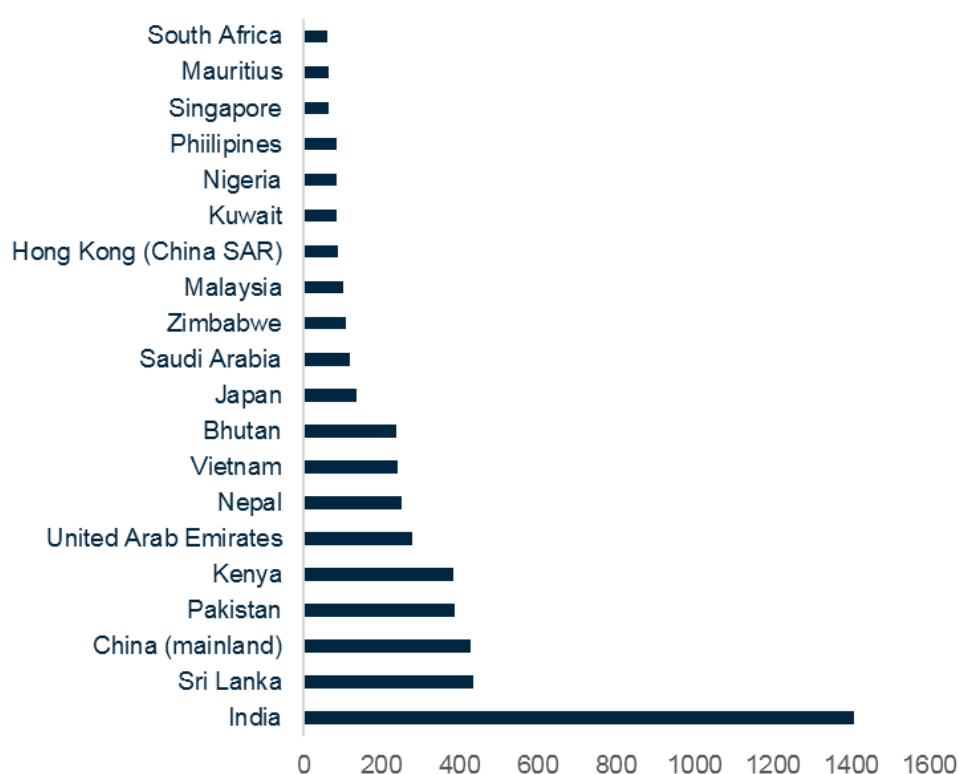
Figure 3: 2017 International Student Enrolments by Enrolled School



Growth in international enrolments

In 2017, we welcomed students from 120 countries outside of Australia (Figure 4).

Figure 4: Number of ECU students from top 20 Countries (2017)



Edith Cowan College

Edith Cowan College (ECC), a joint venture partnership between ECU and Navitas Limited, was officially launched in February. ECC delivers pathway courses to students from around the world. The college is located on our newly acquired ECU Joondalup Campus West site.

Working with ECU and Navitas, ECC hosted a number of key launch events across: Africa (covering agents from Kenya, Zambia, Zimbabwe and South Africa); Vietnam; Dubai (covering agents from Pakistan, India, Nepal, Bhutan, Bangladesh and the Middle-East); Hong Kong (China SAR); and Shanghai. These events highlighted ECU's profile at these locations and the pathways to ECU undergraduate and postgraduate programs for international students.

In early 2017, the Vice-Chancellor led a delegation of senior ECU and ECC staff to Hong Kong (China SAR) and China (mainland). The tour included: two launches of ECC in Hong Kong (China SAR) and Shanghai; a live interview; and academic visits to the Shanghai University of Traditional Medicine and to Fudan University, a premier institution in China.

We have authorised agents located in many countries to assist our potential students with applications to ECU and also with student visa requirements.

Strong partnerships and international relations

In 2017, we continued to develop strategic international partnerships and collaborations. ECU maintains academic partnerships with other education institutions and high quality private providers from around the world. These include joint international research training programs and commercial arrangements to deliver our programs onshore and offshore. An International Strategic Leadership Group is chaired by the Deputy Vice-Chancellor (International) to co-ordinate the assessment, development and implementation of strategic growth initiatives.

We continued our work with domestic and international organisations on articulation pathways into ECU undergraduate and postgraduate programs. Furthermore, links with sponsor bodies have been further developed. For example, we are proud to have established a new relationship with the Consulate of Oman that will see undergraduate sponsored students from Oman studying with ECU.

China

In 2017 ECU established a new Pro-Vice-Chancellor (China) role. The key responsibility of Professor Wei Wang from the School of Medical and Health Sciences, is to lead ECU's research-led strategy in China. This includes the establishment of successful collaborations in areas of research strength at ECU with high profile research and academic partners, such as the China Scholarship Council and the Chinese Academy of Sciences.

Articulation Partnerships

ECU has well established articulation partnerships for undergraduate programs with Beijing University of Agriculture (Bachelor of Environmental Science) and Zhejiang Normal University (Bachelor of Media and Communications (advertising)). We also collaborate with Shanghai University of Science and Technology, Guangdong Baiyun University, Anhui Automobile Vocational College and Shanghai University of Electric Power.

Research-based Partnerships

ECU established new research-based partnerships in 2017 with Tongji University and Shanghai Jiatong University, as well as with the Institute of Acoustics of the Chinese Academy of Sciences. The University also signed a new memorandum of understanding with Bright Oceans Corporation, a high-tech industrial group in Beijing, which includes internship opportunities for our students.

Joint PhD Programs

In April 2017, ECU signed an agreement for a Joint PhD Program with the Northeast Institute of Geography and Agroecology from the Chinese Academy of Sciences. Other major Chinese medical universities we have established joint PhD programs with include: Harbin Medical University; Capital Medical University; Nanjing Medical University; and Taishan Medical University. Moreover, Professor Boafeng Yang, President of Harbin Medical University, and Professor Hongbing Shen, President of Nanjing Medical University, were recently appointed Adjunct Professors at ECU.

Joint PhD programs provide opportunities for students to enrol in an ECU research degree and to seek financial support through the China Scholarship Council.

Digital and Social Media

To support our work, we have improved our digital and social media presence in China. As part of this, a new ECU Team China Digital has been formed with three new in-country staff to build ECU's presence on China social media platforms. These include WeChat, Sina Weibo, Baidu Zhidao, and Zhihu. The social media platforms represent a valuable opportunity for ECU to raise its profile among the substantial internet user population in China.

Zhejiang Normal University (ZJNU)

ECU's partnership with ZJNU, for delivery of the ECU Master of Education (Leadership) degree, has resulted in more than 600 graduates over fifteen years. Around 60 students are currently enrolled in the program.

In 2015, the relationship was augmented by a collaborative program, approved by the Chinese Ministry of Education, which sees ZJNU students receive regular visits and lectures from ECU staff.

An active staff and student exchange relationship is also underway and joint student projects and offshore activities consolidate this partnership. ZJNU students have the opportunity to complete their degree at ECU.

A senior ECU delegation led by ECU's Vice-Chancellor was part of the Western Australia Government delegation visit to Zhejiang province in November 2017, to mark the 30th anniversary of Zhejiang-WA sister state relationship.

Japan

The [Tokyo City University Australia Program](#), established by ECU in 2015, is the largest of its kind in Australia. The program, recognised by the Japanese Prime Minister Shinzo Abe during a recent visit to Australia, allows second year Tokyo City University (TCU) students to receive credit towards their award courses for a study abroad semester at ECU.

In 2017, the program brought nearly 240 Japanese students to study at ECU. A further 250 Japanese students are scheduled to visit ECU in 2018.

Sri Lanka

ECU has a long-term transnational education partnership with the Australian College of Business and Technology (ACBT – an associate of Navitas) in Sri Lanka. To expand on that presence, ECU has engaged in a range of relationship and profile-building activities led by the new Pro-Vice-Chancellor (Sri Lanka) appointed this year, Professor Daryoush Habibi, Executive Dean of the School of Engineering.

Degree programs at ACBT have expanded with additional Engineering units, providing students with a pathway to complete their degree at ECU offshore or onshore at one of our campuses in Western Australia. And we have also established a strategic relationship with the University of Colombo, a premier public higher education institution in Sri Lanka, which will focus on joint research programs and joint research higher degrees with ECU.

Global education delivery

This year we further developed a number of innovative campus partnerships, in addition to those detailed earlier in this report, to grow our international enrolments sustainably in key locations and to increase our recognition as a leader in transnational education (TNE).

ECU's transnational education team has undertaken a business process improvement exercise to review the current systems in place for the engagement, review and appointment of transnational partners. Furthermore, a new governance framework has been implemented across the University to ensure that agreements with third party providers are in accordance with the University's policies, procedures and legislative framework. This includes TEQSA and all other regulatory bodies concerned with the delivery of transnational education programs. All TNE partnerships are reviewed annually to ensure they continue to meet ECU's quality standards.

Dubai

ECU has a well-established strategic partnership with the Emirates Airlines, supported by our [Pro-Vice Chancellor: Engagement: \(Emirates\), Professor of Security and Risk, Nara Srinivasan](#). Our Diploma in Aviation Security Management and Diploma in Ground Handling are delivered in partnership with the Centre of Aviation and Security Studies (CASS) within the Emirates Group in Dubai. The courses have run for more than 10 years and have produced over 490 graduates. In March 2017, we renewed the transnational partnership for a further five years.

Vietnam

The Ho Chi Minh City Open University (HCMCOU) transnational education (TNE) program commenced in April 2017. An induction session and seminar attended by ECU staff from the School of Education and the International Office were held at HCMCOU for prospective students. The new TNE agreement was signed in 2016 with HCMCOU for the delivery of the Master of Education (Teaching English to speakers of other languages).

WAAPA performance at the Asia Pacific Bureau (APB) Festival in Shanghai

In June WAAPA performed at the 10th Asia Pacific Bureau Festival Theatre School Festival and Directors' Meeting at the Shanghai Theatre Academy 2017. Attendance is by invitation only.

The APB was established in 2008 under UNESCO's International Theatre Institute. Its members gather annually for a festival and conference that provides a platform to share, showcase, and experiment with different performance practices and pedagogies from the many different countries and cultures in the region.

Singapore

In October the International Sports Academy, a premier sports private education institution in Singapore, entered into a partnership with ECU to offer our Bachelor of Science (Exercise and Sports Science) program from its campus at Kallang Wave Mall. This partnership provides an opportunity for students in Singapore to obtain a degree recognised as one of the best of its kind in the world and benefit from ECU's world-class curriculum and education in the area of exercise and sports science.

ECU's Sports Science Program among the top 20 worldwide

ECU's Sports Science program was ranked among the top 20 universities worldwide in the [Shanghai Ranking's 2017 global ranking of Sports Science Schools and Departments](#).

An internationalised student experience

This year we provided a number of opportunities to prepare our domestic and international students to be world ready and to acquire cross-cultural knowledge. Further, while inbound students' mobility support activities were refreshed and expanded to increase participation, outbound student mobility opportunities for students studying on-campus were also provided.

The International Office and the Student Services Centre hosted a Learning Abroad Fair in March 2017 attended by over 200 ECU students. The event promoted opportunities for ECU's domestic students to study overseas in study tours, and participate in student exchange, clinical placements, internships, work integrated learning opportunities, and international research.

Outbound Student Mobility

Outbound student mobility opportunities were strengthened with select exchange partnerships to increase student participation.

The Tokyo City University (TCU) Australia Program-Buddy Program

The TCU Australia Program not only provides a unique experience for Japanese students, but also provides ECU students with an opportunity to internationalise their student experience while remaining in Perth. Students are able to participate as volunteers supporting the TCU students in their integration into life at ECU. Over 400 students have completed the Buddy Program in 2016 and 2017, with a further 250 to participate in 2018.

A study tour to TCU in Japan provided 13 ECU students with a cultural experience focused on leadership and industry placement. A new unit was developed in the School of Arts and Humanities: Cross-Cultural Knowledge and Global Citizenship (SAH2100) to improve students' world readiness for the study tour.

Learning Abroad (Global Student Mobility) Funding

The [New Colombo Plan \(NCP\)](#) is an initiative of the Australian Government that provides funding to Australian universities to support Australian undergraduate students to participate in study internships in 40 host locations across the Indo-Pacific region.

In 2017, NCP and the Mobility Endeavour Grants Program ECU received some \$500,000 to provide students with an internationalised experience. Furthermore, three ECU students were awarded prestigious New Colombo Plan (NCP) Scholarships in 2017, an international study experience worth up to \$75,000.

First Minister of Scotland, The RT Hon Lord Jack McConnell

In a free public speech hosted by ECU, Lord McConnell examined the state of politics in the United Kingdom and beyond, and considered how new global politics might affect Australia.

As First Minister of Scotland, Lord Jack McConnell led the Scottish Government between 2001 and 2007. He is now a member of the House of Lords and he is currently engaged in sustainable development and conflict prevention in many countries.

Royal Northern College of Music, Manchester

Professor Linda Merrick, Principal of the Royal Northern College of Music (RNCM), delivered the Vice-Chancellor's Distinguished Oration in August 2017. In her oration: 'The value of a performing arts education in a changing world', Professor Merrick explored the conflict between artistic integrity and economic realities and reflected on how higher education can respond to the challenges of an increasingly global, virtual and media-driven world.

A memorandum of understanding, signed during Professor Merrick's visit, will pave the way for: increased student and staff exchanges; short course and placement opportunities; knowledge sharing; research collaboration; and joint performance projects between the RNCM and ECU. ECU's music students will have the opportunity to broaden their horizons in Manchester, and also to learn in Perth with some excellent and inspiring music teachers from the RNCM.

Study Tours

There were 34 short-term programs abroad undertaken by some 355 ECU students in 2017. Seventeen of these programs were government funded. These included:

- the School of Business and Law's planning study tour to Japan
- the School of Arts and Humanities' Youth Work study to Mongolia
- a photo media study tour, undertaken as part of the unit International Photojournalism and Documentary. This unit runs every two years to Bangladesh and more recently to China.

Government of Western Australia China Scholarship

ECU secured \$16,000 of State Government grants to assist students to undertake learning abroad opportunities in China under the 'Government of Western Australia China Scholarships'.

Ensuring Organisational Sustainability

The organisational sustainability of ECU is essential to the achievement of our strategic goals for the enhancement of our learning and teaching, growing internationalisation, and the advancement of our research and knowledge translation.

In order to ensure our organisational sustainability, ECU has identified four objectives for the duration of the Strategic Plan. They are:

- high performance culture
- service excellence
- infrastructure that supports our goals
- a strong financial base.

High-performance culture

ECU seeks to recruit and retain talented academic staff, academic support staff and highly skilled professional staff, to ensure optimal outcomes for our students and other stakeholders.

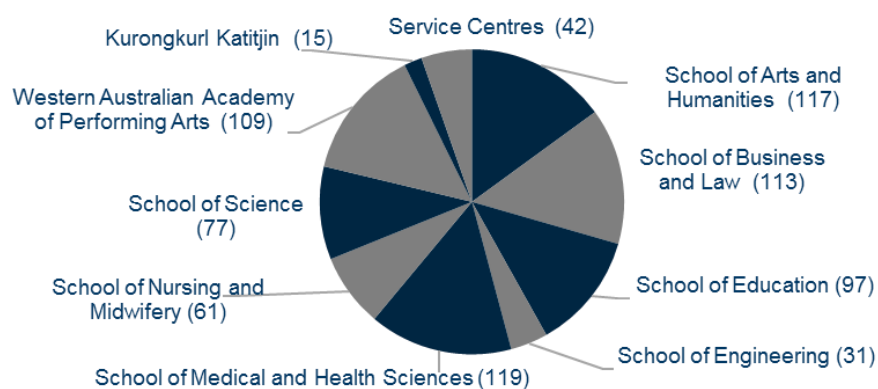
Vice-Chancellor's Staff Excellence Awards

Sixteen individual staff and six teams were recognised for their commitment to excellence in the 2017 Vice-Chancellor's Staff Awards. Excellence was recognised in the categories of: Teaching and Learning; Research; and Inspirational staff.

Our Staff

The distribution of academic staff across ECU schools and centres is shown in Figure 5.

Figure 5: Academic Staff by Organisational Area 2017



ECU continued to grow its academic staff numbers in 2017. There remains a strong focus on academic credentials and many of the new appointments were at senior levels (Level D and Level E), where exceptional academic scholarship and performance is already established, providing the University with additional capacity to enhance its research outcomes.

Further, 38 per cent of these new academic appointments are women. ECU continues to work towards gender balance in its academic workforce, through initiatives such as the Athena SWAN Pilot, further described below.

Within the academic staff cohort, there was a net increase in ongoing and contract academic staff FTE and this has enabled us to reduce our reliance on academic sessional (casual) staff.

Our staff profile of professional and academic staff is shown Figure 6 and 7.

Figure 6: ECU Staff Profile 2016-2017, Professional and Academic staff

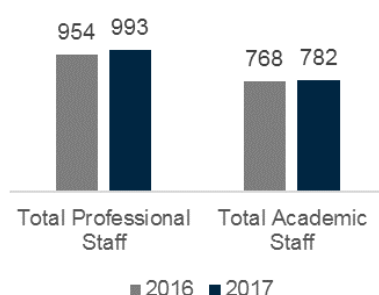
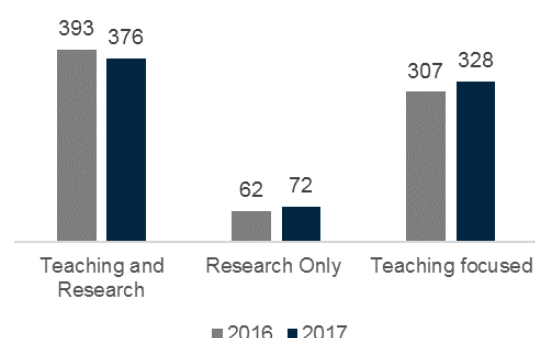


Figure 7: ECU Staff Profile 2016-2017, Academic Staff by research and teaching focus



Lifetime Achievement Award – Di Twigg

Professor Di Twigg received a Lifetime Achievement Honour at the 2017 WA Nursing and Midwifery Excellence Awards. The award recognises her work in nursing workforce and patient outcome research and the relationships between staffing, patient, organisational and economic outcomes.

In 2017, succession planning for our workforce included the following additional appointments:

- 20 new staffing appointments, across all levels of the profile including one new professional appointment (66% female, 100% PhD qualified)
- 4 appointments under the strategic professorial campaign, 50% female

- 35 post-doctoral staff supported across all schools – (predominantly in the fields of science, technology, engineering, mathematics and medicine (STEMM) and Education, and 50% of those supported were female)
- 20 academic staff successful through internal promotions.

In addition, 26 existing staff were supported to complete PhDs (61% female).

Leadership Enhancement

In 2017, ECU undertook a number of activities to build a culture of increased delegation, responsibility and accountability. These included:

- the development of a Leadership Capability Framework (LCF) based on: strategic thought; result delivery; development and management of relationships; and leadership. It places a strong emphasis on delegation, responsibility and accountability, as key cultural and leadership themes
- the LCF was used to facilitate and support staff recruitment, selection, management and promotion decisions
- the use of a *Leadership Styles and Climate* assessment tool that prioritises delegation and empowerment leadership styles, to develop individual leadership development plans for our Operations Managers group.

Edith Cowan University Enterprise Agreement 2017

The University, the National Tertiary Education Union and staff concluded negotiations on a new Edith Cowan University Enterprise Agreement in November 2017. It includes fair and reasonable increases in pay, expansion of access to superannuation, the extension of maternity leave to parental leave, and operational efficiencies and improvements across a range of conditions.

VOICE Biennial Staff Survey

The biennial VOICE staff survey provides the University's leadership with an assessment of staff engagement and satisfaction, as well as staff awareness of our values and strategic direction. The latest survey was conducted in 2016 and results were reported in 2017. An 80 per cent response rate (1409 staff) was achieved; the highest response rate to date and well above the sector average of 65 per cent.

The latest survey included measures of accountability and empowerment to reflect ECU's focus on leadership and these are listed in Table 3. Questions on gender diversity and inclusive practice were extended to measure staff understanding of

the Athena SWAN initiative, further described in the *Advancing Gender Equality* section below.

The results of the survey were extremely positive in terms of understanding of ECU's values and how staff contribute to the overall success of ECU.

Table 3: VOICE Accountability and Empowerment Results 2017

Measure	Item #	Item	Result (% agree)
Accountability	64	Staff are held accountable for achieving results	65%
	65	I take shared responsibility for ECU's performance	90%
	66	I hold others to account	77%
Empowerment	67	I am satisfied with the level of independence I have in everyday decision making in my job	80%
	68	I have the authority to make decisions relevant to my job	71%

The overall engagement score was 80 per cent, some 4 per cent above the sector average. The largest positive shifts from the 2014 VOICE survey results related to support for staff to achieve research goals, change and innovation, and management of workload to improve capacity for high priority projects and activities.

Promoting Equity, Diversity and Social Responsibility

At ECU we are proud of our long-term commitment to the promotion of equality, the value of diversity, and the provision of a working, learning and social environment that is free from harassment and discrimination.

Led by our Pro-Vice-Chancellor (Equity and Indigenous), our progress on equity and diversity initiatives is monitored by dedicated committees. These include:

- the Equity and Diversity Committee, responsible for the provision of advice and reports to the Vice-Chancellor on matters including on progress achieved against our equity plans
- the Vice Chancellor's Reconciliation Committee, responsible for oversight of the implementation of the University's third *Reconciliation Action Plan, (RAP) 2015-2018*
- the Indigenous Consultative Committee, which provides advice and guidance on Aboriginal and Torres Strait Islander matters, including the allocation of resources and Australian Government funding to support services for students

- the Disability, Access and Inclusion Sub Committee, which monitors progress against the *Disability Access and Inclusion Plan (DAIP) 2016-2021*. Our outcomes against the plan for 2017 are detailed in the *Disability Access and Inclusion Plan (DAIP) Outcomes* Section of this report
- the Indigenous Employment Sub Committee, which provides advice on employment matters
- two volunteer equity networks. University Contact Officers provide advice on University policies and support for students and staff who are concerned about discrimination or harassment, while “ALLYs” provide a network of advocates for Lesbian, Gay, Bisexual, Transgender and Intersex (LGBTI) students and staff.

In addition, ECU has continued as a signatory to the Australian Human Rights Commission’s *Racism. It Stops with Me* campaign.

2017 ICC (Indigenous Consultative Committee) Student Awards

The ICC Student Awards have been developed in recognition of leadership, academic and role-model qualities within the ECU Aboriginal and Torres Strait Islander students. They aim to identify and celebrate those outstanding individuals with two award categories, Leadership and Inspiration.

The 2017 Leadership Award went to Bachelor of Arts and Business student Jayden Gerrand, while Bachelor of Youth Work student Marlon Johns received the 2017 Inspiration Award.

Reconciliation

ECU is committed to work in partnership with Aboriginal and Torres Strait Islander peoples, for reconciliation. This commitment extends to our students, staff and communities and is enshrined in *ECU’s Reconciliation Action Plan*, as detailed in the *Engagement with Aboriginal and Torres Strait Islander Peoples (Enhancing Learning and Teaching)* section of this report.

This year was the 50th Anniversary of the 1967 Referendum, which resulted in amendments to two sections of the Australian Constitution which discriminated against Aboriginal people. The *Uluru Statement from the Heart* was made on the 26 May 2017, and ECU delegates at the Referendum Convention at Uluru included ECU’s Pro-Vice-Chancellor (Equity and Indigenous).

Aboriginal and Torres Strait Islander Employment

The Vice-Chancellor’s Reconciliation Committee was formed in 2016 to monitor and manage the implementation of the University’s [*Reconciliation Action Plan*](#)

[2015-2018 \(RAP\)](#), now at the end of its second year. The Plan includes a number of employment initiatives, while the [ECU Aboriginal and Torres Strait Islander Employment Strategy and Action Plan, 2016-18](#) includes detailed institutional employment targets and provides a framework for pathways into employment (traineeships, cadetships and internships) particularly focused on opportunities for ECU students. The three per cent employment target for full-time Aboriginal employment by 2021 is also a key performance indicator detailed in the *ECU Strategic Plan 2017-2021: World Ready* (Table 4).

Although ECU's employment of professional staff with an Aboriginal and Torres Strait Islander background is above the sector average we are always vigilant of opportunities for improvement. ECU has the highest number of Aboriginal trainees of any university in Western Australia. Our cadetships and traineeships continue to provide individuals with improved pathways into mainstream employment.

Table 4: Aboriginal and Torres Strait Islander Employment Levels and Targets, 2017

	ECU Headcount	ECU Actual %	Sector Average %
Professional staff	23	1.9	1.3
Academic Staff	3	0.5	0.9
Total staff	26	1.4	1.1

The ECU 'Growing Our Own' initiative continued in 2017, supporting Aboriginal and Torres Strait Islander students to transition to an academic career with ECU.

Advancement of Gender Equality

Our efforts to attain gender equality across the University continued in 2017, including through the Science in Australia Gender Equity (SAGE) Pilot of the Athena SWAN Charter, which ECU joined in 2016.

In 2017, ECU continued to work towards our submission for the Athena SWAN Bronze level accreditation, which is due in March 2018. The accreditation is awarded to institutions that show increasing levels of gender equality and diversity practices in recruitment, retention and career development in science, technology, engineering, mathematics and medicine (STEMM).

Improved representation of women across STEMM areas and levels is a key consideration. Further, the Athena SWAN pilot brings additional focus to other under-represented groups, as well as the juncture between Aboriginality and gender.

In 2017 as part of the accreditation work:

- we received an 'Excellent' assessment rating from the National Health and Medical Research Council (NHMRC), subsequent to a review of our gender equality policies. ECU met all seven requirements to achieve this rating
- the Edith Cowan Athena SWAN Advancement Scheme, launched in 2016, received increased funding in 2017. The Scheme aims to support those with parent or carer roles who face career disadvantage, and also to recognise champions of gender equality at the University
- the International Athena SWAN 'buddy' program commenced at ECU in May 2017. This included a support visit from an Athena SWAN Leader at the University of Nottingham (UK).

In addition, ECU's 2017 annual compliance report submission to the Workplace Gender Equality Agency (WGEA) was assessed as compliant with the requirements of the *Workplace Gender Equality Act 2012*.

Other work we undertook in 2017 to further gender equity included:

- maintenance of the WGEA citation as an Employer of Choice for Gender Equality achieved in 2017, which we achieved in 2016
- a community-wide Pay Equity Leadership Forum which was hosted by ECU and jointly presented by the Vice-Chancellor and the WGEA Director to discuss the gender pay gap in Western Australia
- an initiative to allocate parking bays for access only after 9am for staff with child 'drop off' duties in the mornings across all campuses
- the achievement of ECU Baby Care Room Awards from the Australian Breastfeeding Association for parenting rooms at ECU campuses
- launching the new [South West Campus Crèche](#) in Bunbury
- a discussion panel event entitled: WA 'Female Firsts', that included our Vice-Chancellor and three of WA's most successful politicians on International Women's Day
- the launch of ECU's *Gender Bias Busting Checklist*. The checklist provides guidance for staff on gender inclusivity in areas such as recruitment, promotion, language, and encourages respectful ways to call-out bias
- sponsorship of the Committee for Economic Development of Australia (CEDA) 2017 Women in Leadership Series, which ECU will continue in 2018
- Gold sponsorship of the annual national Science in Australia Gender Equity (SAGE) Symposium and platinum sponsorship for the international STEMM Equality Congress which was held in Berlin, Germany in 2017.

RESPECT. NOW. ALWAYS.

In February 2016, Universities Australia launched the *Respect. Now. Always.* initiative to prevent and address sexual assault and sexual harassment in universities.

The Australian Human Rights Commission was commissioned by Universities Australia to conduct an independent survey of university students to gain greater insight into the nature, prevalence and reporting of sexual assault and sexual harassment. The survey results were released in August 2017, and all Vice-Chancellors responded by committing their universities to make improvements in the support provided to students and staff.

ECU has zero tolerance of sexual harassment and sexual assault. Like all universities, in late 2017 we began work on our *Respect. Now. Always.* Action Plan to address the recommendations in the report prepared by the [Australian Human Rights Commission](#), as well as those in [Universities Australia's 10 Point Action Plan](#).

Workplace Risk Management

In 2017, ECU strengthened its capability to safely manage risks around workplace radiation, biosafety and hazardous substances in line with other best practice research facilities and environments. This included development of clear application and approval processes for the use of high-risk materials.

Other health and safety work environment initiatives in 2017 included:

- enrolment of all University employees in mandatory introductory and refresher Occupational and Health Safety training courses
- a series of Mental Health First Aid workshops. ECU is on track to apply for recognition as a Silver Level Mental Health Skilled workplace
- improved outcomes in relation to accident/injury experience and reduction in premium costs.

ECU is the only university to feature in the top ten of the HBF Corporate Wellness Index 2017. This is largely due to our popular Live Life Longer Wellness Program, which continued to engage increasing numbers of ECU staff. Some 50 per cent of staff are registered with the online health and wellness portal of the program and there are groups dedicated to men's and women's health interests, as well as a new activity challenge for 2017.

Service excellence

ECU believes that one of the keys to our success is our consideration of the entire student journey. This year we have worked to build greater engagement with all students through professional services that are effective, efficient, and responsive.

We continued to lead our student recruitment with the campaign “Get ready to set your career in motion”. The advertisements showcase the University’s facilities, range of courses and applied learning focus. It was delivered across a variety of media including television, radio, outdoor, print and digital advertisement.

Digital market and social media engagement continued to grow as a proportion of total marketing activity. Growth continued across all social media channels:

- *ECU’s Future Students’* Facebook page grew to over 108,900 likes by November 2017 (20 per cent increase on 2016)
- Twitter followers grew to 6,917 (18 per cent increase on 2016)
- YouTube video views grew to 3,891,672 (86 per cent increase on 2016)
- LinkedIn Company Page members grew to more than 66,400 members (17 per cent increase on 2016).

There was a 42 per cent increase in positive media mentions of ECU in 2017, with an equivalent advertisement value of \$13 million.

Simplified international student fee setting principles were introduced to provide continuing students with greater certainty about the costs of study.

To support our new academic organisational model, four centres were amalgamated in 2016 to establish our new Strategic and Governance Services Centre (SGSC). The new SGSC offers opportunities for streamlined processes and reduced bureaucracy across a broad range of strategic planning, governance, quality, internal audit and compliance functions.

Customer Service Excellence

A Customer Service Excellence (CSE) program was established in 2016 and was completed in 2017. The CSE program has produced a high level capability design for the University’s customer model of operation. The model assists ECU schools and centres to achieve strategic objectives for student satisfaction, retention, employment outcomes for graduates, industry engagement in research, and growth in student numbers and revenues, through service delivery to ECU’s internal and external customers.

Strategic Partnerships

In 2017, the Deputy Vice-Chancellor (Strategic Partnerships) led a program to enhance the extent and quality of our collaborations with industry, community and government. As part of this program, in order to strengthen its Industry Relationship Management (IRM) capability, the University piloted a new operating model and technology through the School of Medical and Health Sciences and the School of Nursing and Midwifery. The pilot encompassed a whole-of-University approach to the strategic development, management and growth of industry relationships and the adoption of a new technology to more efficiently capture and share industry information internally. The IRM pilot was successfully completed in late 2017 and will be rolled out across the University in 2018.

Our industry collaboration is supported by our:

- Industry Collaboration Grant Scheme to support research initiatives that increase collaboration between ECU and Industry. These one-year grants are available up to a maximum of \$30,000
- Industry Engagement Scholarships linking postgraduate researchers with a collaborative industry initiated research project. Eight scholarships were established in 2017, with \$353,000 in research funding to support postgraduate research projects.

The Link – Growing business through research, innovation and connections

The LINK project, in collaboration with the City of Joondalup, continued in 2017 with an increased number of website users and followers on social media. The project is committed to support business growth through the development of strong relationships with industry, academia, local, state and national governments.

ECU Melbourne and ECU Sydney

International students will be able to study courses from our School of Business and Law and School of Science at ECU locations in the central business districts of Sydney and Melbourne from 2018. We have partnered with the Victorian Institute of Technology (VIT) to provide students at [ECU Melbourne](#) and [ECU Sydney](#) with the same high quality content, delivery method and assessments as ECU students who attend our campuses in Western Australia and international locations.

The support systems at both locations are designed to be seamless extensions of those provided at our WA campuses, through a combination of on-site and digital services. Teaching, examinations, academic support, career support, study spaces

and enrolment support are all on site, while library services (including most textbooks) are digital, with physical library support on site. Specialist student services such as fees and enrolment support are available through digital channels.

Our Western Australian State Profile

ECU's continuing engagement with Western Australian (WA) businesses in 2017 included development of relationships with WA Economic Development Advisors, who represent all cities in WA, and with the American Chamber of Commerce which has an extensive local and national network of members across many sectors.

ECU continues to sponsor events with the Australia-Israel Chamber of Commerce, the Chamber of Commerce and Industry (WA), Springboard Enterprises, and the Committee for Economic Development of Australia (CEDA), to provide opportunities to explore potential new research collaborations.

Infrastructure that supports our goals

Our exceptional building and technology infrastructure supports our teaching and research capabilities and our sustainability objectives.

ECU's *Strategic Asset Management Framework* and *Buildings Asset Management Plan*, provides a structured and consistent approach to the management of the University's estate in support of ECU's core functions. Major new building projects and refurbishments of our facilities across all ECU campuses was undertaken in 2017, including:

- two new facilities in Building 2 at our Joondalup Campus for the School of Business and Law allows students to learn in a simulated learning environment, working on real life business challenges. The SMART (Securities & Markets Analytics, Research and Teaching) Lab and Digital Hub give ECU students access to state of the art teaching, learning and research spaces, with a range of software applications widely used in local and international environments. The SMART Lab houses Bloomberg Professional software allowing students access to real-time global financial markets data. The Digital Hub includes virtual reality equipment and a range of software applications used in local and international environments
- development of the Joondalup Health and Science Building. This new facility will provide Australian Standard Physical Containment Level 2 laboratories to enhance teaching and research facilities for the School of Medical and

Health Sciences, School of Science, and School of Nursing and Midwifery. Practical completion is expected in August 2019

- the Engineering Annexe (Building 27) Stage 2 project will add 1850m² of laboratory space to the School of Engineering to accommodate the introduction of a new Petroleum Engineering discipline to commence in 2018 and Maritime Engineering by 2019. The building project includes a number of sustainability features that will monitor energy consumption and resource utilisation
- refurbishment of the main administration building at the Edith Cowan College campus in Joondalup will ensure that the facilities meet ECU standard
- a project at our South West Campus to upgrade the lecture theatres to accommodate a collaborative and flexible teaching environment with enhanced technology
- the update of our WA Screen Academy facilities at the Mount Lawley Campus. The improvements will provide increased capacity for teaching and learning outcomes, industry integration and collaboration.

More information about these major capital projects may be found on page 73 of this report.

ECU takes steps to create campus city in South West Western Australia

ECU will offer a range of new courses from the South West Campus from 2018. These include a degree in Health Sciences, with majors in environmental science, health promotion, nutrition and occupational health and safety; and a Master of Business Administration offered for summer school.

There will also be new opportunities for international students, with study tours planned for 2018, inviting high school students from Vietnam and China to ECU to study English for a two-week period.

To reduce ECU's carbon footprint, in 2017 we:

- partnered with Cleanaway, benefiting from their newly launched Material Recycling Facility. As a result, ECU's recycling rates have improved from 35 per cent to 45 per cent (across all our campuses)
- launched an organic waste recovery program at our metropolitan campuses, to divert more food waste from general waste. Recovery rates are already up to five per cent of the total combined waste stream

- undertook an analysis of water and electrical energy consumption for 22 campus buildings at Joondalup and Mount Lawley to identify further opportunities to reduce consumption
- partnered with the Water Corporation to reduce water consumption, by sharing information, installing flow rate sensors at Mount Lawley and Joondalup to identify leaks, and increased our participation in other water saving programs
- adopted Synergy's model which allows us to accurately forecast future electricity and gas use.

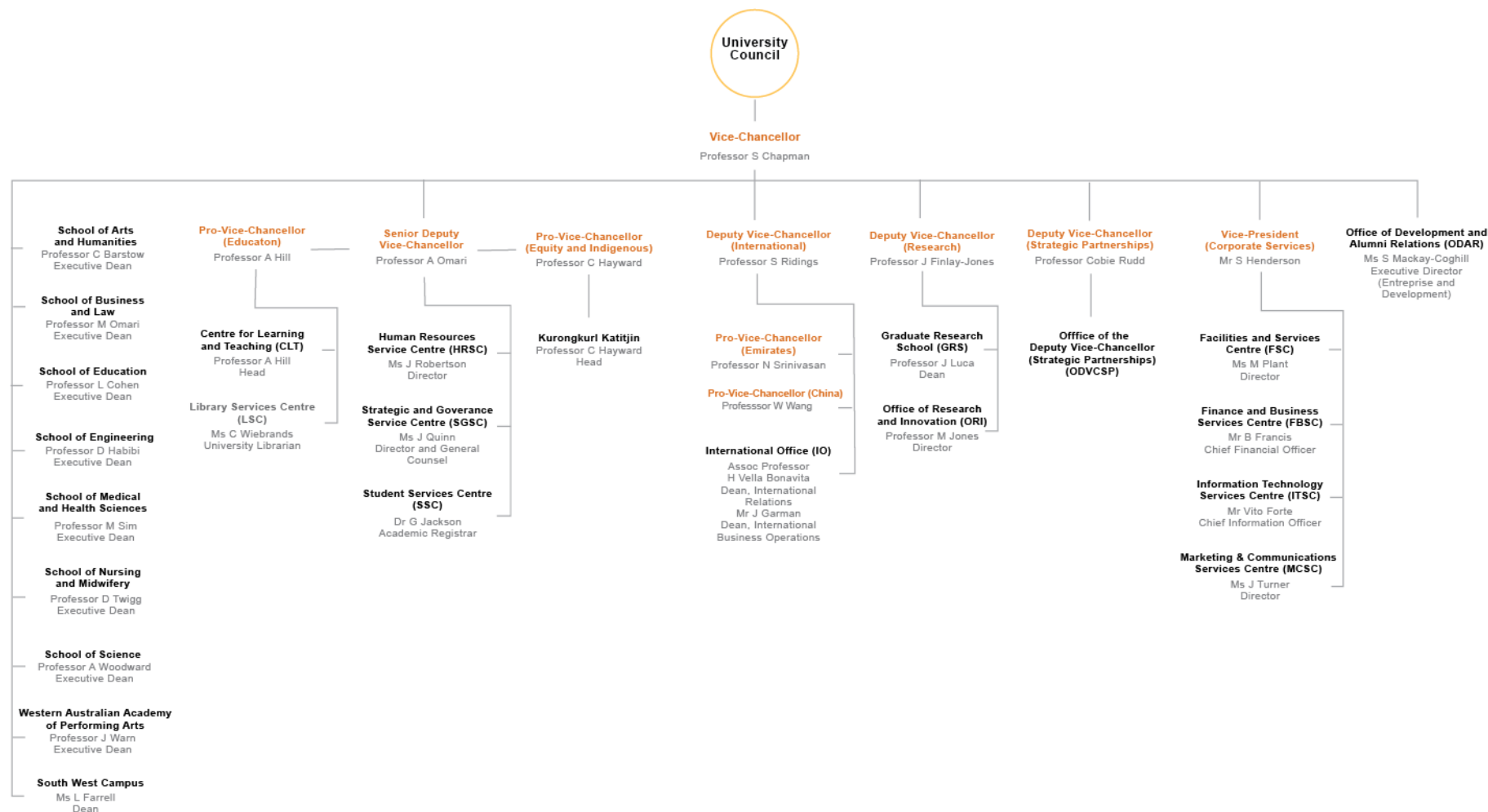
A strong financial base

Our objective is to maintain a strong financial base that enables the University to advance its strategic objectives.

Throughout 2017, ECU operated within the key budget parameters approved by Council. An operating surplus of \$29 million represents a positive outcome for the University. This result exceeded the reforecast (\$18 million) by \$11 million (2.5 per cent). Total revenue for the University in 2017 was \$441 million, which exceeded the reforecast (\$430 million) by \$11 million.

The University received an unqualified external audit opinion for 2017. The Financial Statements can be found from page 87 of this Annual Report.

Figure 8: ECU Organisational Structure as at 31 December 2017



Governance Structure

Figure 9: ECU Committees as at 31 December 2017



Table 5: Council Membership 2017

Member	Start Date	End Date	Meetings Attended*
Chancellor (ECU Act, section 9(1)(i))			
Hon Dr Hendy Cowan AO	1 Jan 2005	31 Dec 2018	6(6)
Persons appointed by the Governor (ECU Act, section 9(1)(a))			
Mr Eddie Bartnik	12 Jun 2012	11 Jun 2018	6(6)
Mr Simon Butterworth	27 Apr 2014	26 Apr 2017	1(2)
Mr John Cahill	9 Aug 2011	8 Aug 2017	4(5)
	12 Sep 2017	8 Aug 2020	
Dr Pamela Garnett	20 Sep 2009	19 Jul 2017	1(3)
Ms Denise Goldsworthy	30 Apr 2013	29 Apr 2016	5(5)
Mr Thomas O'Leary	12 Feb 2016	2 Jun 2017	0(0)
Chairperson of Academic Board – ex-officio (ECU Act, section 9(1)(b))			
Professor Mark McMahon	1 Jan 2017	Ex-officio	6(6)
Vice-Chancellor – ex-officio (ECU Act, section 9(1)(c))			
Professor Stephen Chapman CBE	1 April 2015	Ex-officio	6(6)
Academic Staff – elected (ECU Act, section 9(1)(d))			
Associate Professor Ute Mueller	16 May 2011	30 Sep 2018	6(6)
Non-Academic Salaried Staff – elected (ECU Act, section 9(1)(e))			
Ms Melanie Mola	1 Oct 2015	13 Mar 2017	1(1)
Professor Margaret Jones	27 Sep 2017	26 Sep 2020	2(2)
Enrolled Students – elected (ECU Act, formerly section 9(1)(f))			
Mr Sam Martyn	11 Oct 2016	10 Oct 2017	4(4)
Mr Done Boben	11 Oct 2015	10 Oct 2017	4(4)
Enrolled Undergraduate Student – elected (ECU Act, section 9(1)(f)(i))			
Mr Lewis Price	11 Oct 2017	10 Oct 2018	2(2)

Member	Start Date	End Date	Meetings Attended*
Enrolled Postgraduate Student – elected (ECU Act, section 9(1)(f)(ii))			
Mr Peter Kihui	11 Oct 2017	10 Oct 2018	2(2)
Alumni – elected (ECU Act, section 9(1)(g))			
Mr Brad McManus	22 Dec 2011	19 Aug 2017	3(3)
Persons co-opted by Council (ECU Act, section 9(1)(h))			
Ms Janet Curran	20 Sep 2009	19 Sep 2018	5(6)
Ms Kelly Hick	18 Mar 2012	17 Mar 2018	5(6)
(Deputy Chancellor since 21 March 2016)			
Ms Dorothy Collins	8 Jun 2015	7 Jun 2018	3(6)
Ms Janelle Marr	25 Aug 2016	24 Aug 2019	4(6)
Mr Brian Piesse	12 Sep 2016	11 Sep 2019	5(6)

* Council held six regular meetings during the year. The bracketed figures indicate the potential number of attendances for each member, which excludes meetings (a) for which a leave of absence had been approved, and (b) which occurred outside a membership term that did not cover the full year.

Additional Council membership information can be viewed at [Members of Council](#).

Work of the Governing Council



University Council as at 14 December 2017

Back row, left to right: Prof Margaret Jones, Mr Brian Piesse, the Hon Hendy Cowan AO (Chancellor), Mr John Cahill, Ms Janet Curran, Mr Eddie Bartnik

Front row, left to right: Assoc Prof Ute Mueller, Prof Mark McMahon, Ms Kelly Hlick, Prof Steve Chapman CBE (Vice-Chancellor), Ms Denise Goldsworthy

Absent: Ms Dorothy Collins, Mr Peter Kihui, Ms Janelle Marr, Mr Lewis Price

The Council is the governing authority of the University. Its powers are set out in the *Edith Cowan University Act 1984* and the key responsibilities of the Council are to determine the strategic direction and governance framework of the University.

The Council is chaired by the Chancellor, the Hon Dr Hendy Cowan AO, and consists of the Vice-Chancellor (ex-officio) and members drawn from the community and the University's alumni, students and staff.

Council members fulfil an important duty for the University and the community and do so on an honorary basis.

The major activities of Council fall into six categories:

- determination of the strategic direction of the University
- management/oversight of the Vice-Chancellor
- self-governance of the Council and its various sub-committees
- governance of the University
- management and control of University property
- confirmation of compliance with the ECU Act and all other relevant legislation and statutes.

In addition to the six regular meetings of Council held in 2017, members:

- participated in graduation ceremonies
- visited new facilities within the School of Business and Law.

A number of dedicated committees support Council, as an essential part of the University's governance framework. These committees are generally comprised of Council members and are often assisted by co-opted members of the external community. Each year Council reviews the terms of reference and composition of each of its committees.

Strategic matters considered by Council in 2017 included:

- progress reports against the University's Strategic Goals and an end of year report on performance against the Strategic Plan key performance indicators and targets
- briefs on "Our Approach..." concerned with: strategic partnerships and collaborations; promotion of equality, diversity and social responsibility; student engagement; connection with community; and alumni relations
- an update on the future international activities for the University, including in Sri Lanka and Dubai
- the approval of Honorary Awards recipients for 2018
- a progress report against the *Reconciliation Action Plan, 2015-2018*
- amendments to the University Statutes required due to changes to the *Edith Cowan University Act 1984 (WA)* in 2017
- management of the transition to a reduced Council membership as a result of amendments to the ECU Act
- determination of the Student Services and Amenities Fee allocations for 2017 and the Student Services and Amenities Fee for 2018
- an update from the Vice-Chancellor on activities to support the key objectives of the University
- Guild Election procedures and University Rules, Student Guild.

At its December 2017 meeting, Council considered and approved the ECU Budget for 2018.

Vice-Chancellor's reports

Council received reports from the Vice-Chancellor at each Council meeting. These reports included strategic advice and matters for information.

As part of its governance responsibilities, Council settled a Performance Agreement with the Vice-Chancellor and received a report on his performance in 2016 against agreed targets.

Self-governance of the Council

ECU's [Corporate Governance Statement](#) assists current and new members of Council, executive management and senior staff of the University to carry out their roles. It also helps to inform students and staff in the broader University community about governance processes at the University, and serves a similar purpose for the external community. This includes stakeholders such as governments.

In addition, ECU's governing Council has affirmed a commitment to monitor its performance against the Voluntary Code of Best Practice for the Governance of

Australian Universities and the Tertiary Education Quality Standards Agency Threshold Provider Standards (the Code). Council undertook a preliminary assessment of expected changes to the Code in 2017 and identified no compliance issues with proposed future governance standards.

Council undertakes a regular self-evaluation process and the Council evaluation policy requires an external evaluation to be conducted at least once every five years.

Governance of the University

Key governance activities undertaken by Council in 2017, in addition to the strategic matters detailed earlier, included:

- regular meetings of Council committees and reports from these committees to keep Council informed of activities across ECU's academic and operational areas
- amendments, as required, to University Rules and Council-approved policies
- ongoing professional development opportunities, offered to all members of Council.

Membership

Council was delighted to welcome Professor Margaret Jones as a member in 2017. Professor Jones joins Council as the elected non-academic staff representative. She brings research, leadership, and administration skills and experience that will make a valuable contribution to Council and its work.

Council recorded its great appreciation for the work of valued outgoing members; Ms Melanie Mola, Mr Simon Butterworth, Mr Tom O' Leary, Dr Pamela Garnett, and Mr Brad McManus. The significant contributions they had made to Council and to its committees and boards was noted. Also, Mr Samuel Martyn and Mr Done Boben concluded their terms as elected student members, and Mr Lewis Price and Mr Peter Kihui were elected to these positions.

Compliance

The 2016 Annual Report was approved by Council and submitted to the Western Australian Minister for Education in accordance with the required timelines.

The Council has monitored the performance, compliance and operations of the University, particularly through the Resources Committee and the Quality, Audit and Risk Committee (QARC). QARC provided assurance to Council that the University has in place appropriate risk management, financial and quality controls.

Report Certification

We hereby certify that the key performance indicators are based on proper records, are relevant and appropriate to assist users to assess ECU's performance, and fairly represent the performance of ECU for the financial year ended 31 December 2017.



The Hon Dr Hendy Cowan AO
Chancellor

8 March 2018



Professor Stephen Chapman CBE
Vice-Chancellor

8 March 2018

Key Performance Indicators 2017

Introduction

Edith Cowan University's vision is to be recognised for our world ready graduates and leading edge research, and the *ECU Strategic Plan, 2017-2021* sets our path forward. The four Strategic Goals will direct the University's progress towards our vision, while staying true to our purpose: *to transform lives and enrich society through education and research*. Each goal is linked to objectives (shown below).

The seven key performance indicators in this report are a sub-set of the performance indicators in the Strategic Plan. For each key performance indicator, a time series of results is shown, together with comparative results (national or State averages) where possible. Explanations of variances between results and targets are given whether the variance is more than ten per cent.

Goal 1: Enhancing Learning and Teaching

Objectives	Key performance indicators
1. Teaching that inspires	1. Satisfaction with the educational experience
2. Transformative learning experiences	2. Graduates in full-time employment
3. A globally relevant and innovative curriculum	3. Retention of commencing students
4. Improved learning outcomes and career readiness	

Three of the effectiveness key performance indicators are directly linked to Strategic Goal 1 and outcomes relating to the first four objectives. These three KPIs are benchmarked against other universities' results, allowing us to further assess and analyse our relative progress over time.

KPI 1 Satisfaction with the educational experience is based on feedback from students and measures outcomes in terms of the quality of our teaching and curriculum (*Objective 1* and *Objective 3*) and the overall learning experiences (*Objective 2*).

KPI 2 Graduates in full-time employment enables us to assess our progress with improving graduate career readiness and employment outcomes (*Objective 3* and *Objective 4*).

KPI 3 Retention of commencing students measures the effectiveness of our academic and support operations to engage new learners and support them in their first year of university study (*Objective 2*).

Goal 2: Advancing Research and Knowledge Translation

Objectives	Key performance indicators
5. Growth in research capacity and culture	4. Weighted research publications
6. Extensive research collaboration	5. Higher degree by research completions
7. Increased knowledge translation	
8. Growth in research training	

Two of ECU's audited key performance indicators measure the University's progress in advancing research and knowledge translation, as specified in Strategic Goal 2. The KPIs are effectiveness, and efficiency, indicators.

KPI 4 Weighted research publications measures the key output of research and knowledge translation activity – the production of research publications. KPI 4 therefore provides a composite measure of outcomes in terms of ECU's research capacity, collaboration, and knowledge translation (*Objective 5*, *Objective 6*, and *Objective 7*). Measuring our research outputs per ten full-time equivalent staff provides a measure of research productivity.

KPI 5 Higher degree by research completions reports graduates in Masters by Research and Doctorates by Research, as a direct outcome of the research training function and activities such as attracting research students, providing supervision, and support tailored to the research training environment (*Objective 8*). Measuring this output per ten full-time equivalent staff allows results to be compared to those of other Australian universities regardless of size, for meaningful benchmarking.

Goal 3: Growing Internationalisation

Objectives	Key performance indicators
9. Growth in international enrolments	6. Income from international student fees
10. Strong partnerships and international relations	
11. Global education delivery	
12. An internationalised student experience	

This is an effectiveness indicator that evaluates ECU's overall outcomes relative to the objectives of Strategic Goal 3.

KPI 6 Income from international fees demonstrates how strongly ECU is competing in international markets (*Objective 9*), the impact of joint training programs and student transfer arrangements on student intake (*Objective 10*), and the growth of offshore education delivery (*Objective 11*). Fee income quantifies the consequences of changes to international student load as a result of these

activities. Diversifying revenue streams by growing international fees income is an important contribution to the sustainability of universities.

Objective 12 relates to improving student experiences and graduate outcomes through opportunities for international study and an internationalised curriculum, and is measured by *KPI 1 Satisfaction with the educational experience*. The objective is embedded in Strategic Goal 3 due to its strong emphasis on building partnerships with overseas institutions, as a way of contributing to this Strategic Goal.

Goal 4: Ensuring Organisational Sustainability

Objectives	Key performance indicators
13. High-performance culture	7. Operating margin
14. Service excellence	
15. Infrastructure that supports our goals	
16. A strong financial base	

The final KPI is both an effectiveness, and efficiency, indicator for Strategic Goal 4.

KPI 7 Operating margin directly measures the financial outcome relating to the objective of a strong financial base (Objective 16).

The achievement of the other objectives under Strategic Goal 4 is evidenced in other KPIs. Objective 13 is supported through the recruitment of academic staff with strong research backgrounds and hence improved research publications (KPI 4 Weighted research publications) and research staff capacity (KPI 5 Higher degree by research completions). Other elements of this objective are measured through external mechanisms, e.g. Athena SWAN and the Workplace Gender Equality Agency endorsements, reported on elsewhere in the Annual Report.

Efficient student support and professional services (Objective 14) are evidenced in performance against KPI 1 Satisfaction with the educational experience, KPI 2 Graduates in full-time employment, KPI 3 Retention of commencing students, KPI 5 Higher degree by research completions, KPI 6 Income from international student fees, and KPI 7 Operating margin. The wide range of administrative functions at ECU means that Objective 14 has a broad impact across the organisation.

ECU's supporting infrastructure (Objective 15) is reflected in several KPIs, including KPI 1 Satisfaction with the educational experience, KPI 6 Income from international student fees, and KPI 7 Operating margin.

KPI 1 Satisfaction with the educational experience

Strategic Goal 1: Enhancing learning and teaching

Edith Cowan University has a strong tradition of high quality teaching: students and graduates have for many years recorded high levels of satisfaction with their learning experiences at ECU. We maintain this focus on the student experience and teaching excellence in the new *ECU Strategic Plan, 2017-2021*.

Measure

The Student Experience Survey (SES) collects feedback from students on their learning experiences and the national results are made public on the Commonwealth Government's Quality Indicators for Learning and Teaching (QILT) website, which encourages prospective students to compare Australian institutions on such indicators. The SES commenced in 2015 and was preceded by the University Experience Survey (UES) instrument for 2013 and 2014.

This effectiveness indicator measures the satisfaction of undergraduate students with the overall quality of their educational experience, as derived from the SES/UES results.

Performance Result

ECU's performance for the latest reporting year represents a continuation of strong performance on student and graduate satisfaction measures over many years. ECU recorded the highest level of overall student satisfaction of the 37 Australian public universities and ECU's performance ranking improved from fourth rank in the 2015 survey to third rank in the 2016 survey, including private universities. Overall satisfaction reduced slightly (from 86.9 per cent in 2015 to 85.7 per cent in 2016), but remains well above the national average (79.9 per cent in 2016).

Year of survey	2013	2014	2015	2016	2017
ECU (%)	83.7	85.0	86.9	85.7	-
National average (%)	79.1	80.5	80.0	79.9	-
ECU national rank	5	4	4	3	-
Target national rank				-	top 10

Source: Social Research Centre – Student Experience Survey (SES) 2015-2016, University Experience Survey (UES) 2013-2014.

Definition: The percentage of undergraduate domestic and onshore international students who were satisfied with their overall educational experience in response to the single question: 'Overall quality of education experience' in the SES/UES.

Notes: All Table A and B providers are included in the published survey data except The University of Divinity. Previously, our Annual Reports measured student satisfaction and teaching quality through two KPIs: Course Satisfaction and Quality of Teaching. These were based on graduates' responses to 'Overall, I was satisfied with the quality of this course' in the Course Experience Questionnaire (CEQ), and for the latter, six items in the CEQ that comprised the Quality of Teaching Scale. The new survey instruments: the Student Experience Survey, and the University Experience Survey measure satisfaction of current students, rather than graduates.

KPI 2 Graduates in full-time employment

Strategic Goal 1: Enhancing learning and teaching

Good employment outcomes are fundamental to the wellbeing and livelihood of our graduates and their communities. ECU continues to improve the career-readiness of our graduates through work-integrated learning, internships, volunteering, student exchange programs, and targeted career advice and support.

Measure

The Graduate Outcomes Survey (GOS) collects feedback from graduates approximately four months after graduation and the national results are made public on the Commonwealth Government's Quality Indicators for Learning and Teaching (QILT) website, which encourages prospective students to compare Australian institutions on such indicators. In 2016 the former Graduate Destination Survey (GDS), and its parent survey, the Australian Graduate Survey (AGS), were replaced with the new Graduate Outcomes Survey.

This effectiveness indicator measures the full-time graduate employment rate for domestic students graduating from all undergraduate courses, as derived from the GOS and GDS results.

Performance Result

ECU's performance for the latest reporting year was below target; set for 2017 as the State average. The full-time graduate employment rate increased from 64.9 per cent in 2015 to 65.4 per cent in 2016, but declined to 58.3 per cent in 2017. All WA universities showed a decline between 2016 and 2017, reflecting the prevailing economic and labour market conditions in the State. The ECU result was 3.5 percentage points below the State average for 2016 and 6.6 percentage points below the State average for 2017.

ECU's overall graduate employment rate (not shown), which includes both full-time and part-time employment, was 82.5 per cent in 2017, compared to a State average of 84.9 per cent.

Year of survey	2013	2014	2015	2016	2017
ECU (%)	67.1	57.4	64.9	65.4	58.3
State average (%)	73.2	65.4	66.5	68.9	64.9
Target (%)		75.0	73.0	65.0	State av

Source: Department of Education and Training – Graduate Outcomes Survey 2016; Graduate Destination Survey 2013-2015.

Definition: The proportion of domestic undergraduate graduates who were employed full-time approximately four months after completing their course, as a percentage of those who were available for full-time employment. 'Available' means, in addition to those already in full-time work, those seeking full-time work.

Notes: 'State average' includes all WA institutions, and the University of Notre Dame Australia graduates based in Sydney (except 2015). The survey is conducted in two parts: in November for mid-year completers and in May for end of year completers from the previous year. The 2017 survey national dataset relates to all those who completed their courses in 2016. The survey methodology changed for 2016 in the change from the Graduate Destination Survey to the Graduate Outcomes Survey.

KPI 3 Retention of commencing students

Strategic Goal 1: Enhancing learning and teaching

ECU provides a range of support services to help new students in their first year of study. Nearly 70 per cent of ECU students are admitted based on prior vocational education and training (VET) study, secondary education, or work and life experience, so many are unfamiliar with university study and the university environment. Supporting students during their first year of study is critical to their overall success.

Measure

Retention of students from the first year to the second year of study is a key indicator of institutional performance and a well-established metric used by the sector and government.

Many factors influence student retention, including some that are outside of a university's control, such as government financial assistance and places for enabling programs. Other influences include curriculum design, student support services, entry standards and academic staff.

Differences in university student demographics also impact on the relative overall retention performance of institutions. For example, mature age students are more likely to discontinue their courses than school leavers, due to external pressures like caring responsibilities and financial commitments.

This effectiveness indicator measures the proportion of all domestic and international bachelor course students who commence a course and remain enrolled in the institution in the following year.

Performance Result

ECU's performance for the latest reporting year is for students commencing in 2015 who continued their studies into 2016. The retention rate has declined slightly (0.7 percentage points) compared with the 2014 result. ECU's retention rate is six percentage points below the national average.

ECU's student demographics may be impacting performance. The proportion of mature age students (aged 25 years and over) at ECU is 10 percentage points above the sector average (48 per cent compared to 38 per cent), and the 2016 Student Experience Survey highlighted that 33 per cent of ECU student respondents believe financial issues were negatively impacting on their study, compared to 27 per cent nationally.

Definitional changes mean that the target originally set for 2015 is no longer valid.

Year of commencement	2013	2014	2015	2016	2017
ECU (%)	74.9	75.4	74.7	-	-
National average (%)	81.2	81.0	81.0	-	-
Target (%)	National av				

Source: Department of Education and Training – Education Portal

Definition: The proportion of all domestic and international bachelor students who commence a course in the specified year and remain enrolled in the following year, excluding students who completed their course.

Notes: The national average is for Table A and Table B providers only. The reference year is the year of commencement in a course. The definition was amended to match that used by Government, so earlier targets are no longer applicable. The data set is made available via the Department of Education and Training's Selection Higher Education Statistics, Appendix 4.9: <https://docs.education.gov.au/node/45216>. Results for 2015 were made available to universities in December 2017.

KPI 4 Weighted research publications

Strategic Goal 2: Advancing research and knowledge translation

Growing research outputs, and the quality of research, so that all of ECU's research is world class, is critical to the future development and sustainability of the University. This will require a step-change in ECU's research capacity and the development of a strong and supportive research culture. This improvement will build on a firm base: the most recent Excellence in Research for Australia (ERA) assessment in 2015, judged ECU's research to be above, or well above, world standard in a number of health and medical science disciplines including nursing, neuroscience, clinical sciences, and oncology and carcinogenesis, as well as in ecology and environmental science, and materials engineering.

Measure

Research publications are a well-established measure of research output, and through the classification of publications, the quality of those research outputs.

This effectiveness and efficiency indicator measures the research publication output of ECU researchers, adjusted for changes in academic staff full-time equivalence numbers (i.e. per 10 FTE), to allow meaningful comparison over time.

Performance Result

ECU's performance for the latest reporting year was an improvement on 2015, and continued improvement is seen across the time series. A change to the calculation of academic staff (FTE) means that the target originally set for 2016 is no longer valid.

Building ECU's research capacity, and therefore our research outputs, will be achieved by recruiting high-achieving researchers in key fields, enhancing succession planning, increasing research support and refining our recognition and incentive mechanisms. At the same time, maintaining and further improving the quality and impact of ECU's result will be a focus.

Publication year	2013	2014	2015	2016	2017
Authored books	9.3	6.5	4.3	2.2	-
Book chapters	35.6	43.8	39.3	29.4	-
Journal articles	343.4	332.3	383.4	384.8	-
Conference publications	128.3	95.6	85.2	116.4	-
Total unweighted publications	516.6	478.2	512.3	532.9	-
Total weighted publications	553.8	504.1	529.6	541.7	-
Academic staff FTE	502	432	437	434	-
ECU per 10 FTE	11.1	11.8	12.1	12.5	-
Target per 10 FTE				-	12.6

Source: ECU.

Definition: Total traditional research outputs authored by ECU staff, adjuncts and/or students in the following historical Higher Education Research Data Collection publication categories: 'Book: Authored – Research'; 'Book Chapter: Chapter in a Book: Authored – Research'; 'Journal Article: Refereed Article in a Scholarly Journal'; and, 'Conference Publication: Full Written Paper – Refereed'. All publications are counted, irrespective of the work function of the author(s). Weighted publications refers to each 'Book: Authored – Research' being 5:1 compared with all other publication types. Outputs are also apportioned based on the proportion of co-authorship for each output attributable to ECU.

Notes: Research publications figures for 2017 are unavailable until June 2018. Academic staff FTE is the full-time equivalence of academic staff in work functions 'research only' and 'teaching and research', excluding casual/sessional academic staff. In prior Annual Reports, this figure (and the totals for research outputs) was restricted to staff at Level B and above, and included 'teaching only' staff. Numbers from prior years have been adjusted to match the updated definition (weighted publications per 10 FTE increased by 0.3 for 2013, 1.4 for 2014 and 0.8 for 2015). Previous targets are no longer applicable.

KPI 5 Higher degree by research completions

Strategic Goal 2: Advancing research and knowledge translation

Increasing completions of higher degrees by research (doctorates or masters by research qualifications) benefits academia, industry and society. New ideas open up new research opportunities and discoveries, and with jobs becoming increasingly specialised, the deeper knowledge of these graduates also benefits employers. Higher degrees by research are also the pathway into academia, so producing an increased number of high-quality graduate benefits ECU's objectives to increase the number of research staff and to strengthen succession planning.

Measure

This effectiveness and efficiency indicator measures the doctorates by research and masters by research completions, adjusted for changes in academic staff full-time equivalence numbers (i.e. per 10 FTE), to allow meaningful comparison over time.

Performance Result

ECU's performance in the latest reporting year was a decline on 2015 performance. In 2016, ECU performed below the national average in the number of completions of higher degree by research qualifications per 10 academic full-time equivalent staff, reversing a trend in 2014 and 2015, where ECU has performed above the national average.

ECU's target from 2017 is to remain in the top 10 nationally on this indicator through to 2021. To achieve this, we intend to improve supervision capacity and quality by increasing the number of PhD qualified staff and those who meet criteria for supervision. We will review the skills training embedded in our research training programs, and provide additional support to those completing their research and moving into employment.

Year of completion	2013	2014	2015	2016	2017
Doctorate	85	86	88	67	-
Masters	22	37	36	23	-
Total completions	107	123	124	90	-
Academic staff FTE	502	432	437	434	-
Completions per 10 FTE	2.2	2.8	2.8	2.1	-
National completions per 10 FTE	2.3	2.4	2.5	2.7	-
ECU national rank	17	5	5	27	-
Target national rank	top 10				

Source: Department of Education – Higher Education Student Data Collection (HESDC).

Definition: Completions recorded against course levels "Masters by Research" and "Doctorates by Research".

Notes: Academic staff FTE is the full-time equivalence of academic staff in work functions 'research only' and 'teaching and research', excluding casual/sessional academic staff. In prior Annual Reports, this figure was restricted to only staff at Level B and above, and included 'teaching only' staff. Numbers from prior years have been adjusted to match the updated definition (completions per 10 FTE increased by 0.1 for 2013, 0.3 for 2014 and 0.1 for 2015). Previous targets are no longer applicable.

KPI 6 Income from international student fees

Strategic Goal 3: Growing internationalisation

ECU aspires to become a leader in international student education. We will provide opportunities for more overseas students to participate in ECU programs by increasing our onshore enrolments and by expanding our international presence through teaching delivered in locations outside Australia.

Growth in international student numbers and international partnerships, will provide further opportunities for all students, both domestic and international, to experience an internationalised student experience and to become world ready graduates.

Measure

Income from international student fees is a direct measure of the growth of internationalisation at ECU through onshore and offshore delivery. It is also a measure of the University's diversification of its revenue base and its success in generating income from non-government sources.

This effectiveness indicator measures the total income (or revenue) from fee-paying international students, both onshore and offshore.

Performance Result

ECU's performance in 2017 exceeded target by \$6M (7%) and was an increase on income in 2016 by \$9M (11%).

ECU's international student income growth has accelerated in recent years as part of a renewed focus on diverse and effective student recruitment channels, global education delivery and strong partnerships with sponsoring bodies, agents, institutions and articulation program providers.

The ECU Strategic Plan 2017-2021 sets an ambitious, yet achievable, annual growth target of 7 per cent (compounding) for the duration of the Strategic Plan. The 2017 target is derived from the 2016 baseline (estimated in October 2016) of \$82M ($82 \times 1.07 = 88$).

Accounting year	2013	2014	2015	2016	2017
ECU (\$M)	55	58	67	85	94
Target (\$M)					88

Source: ECU.

Definition: Total income (or revenue) from fee-paying international students onshore and offshore.

Notes: Revenue is interpreted in accordance with the Australian Accounting Standards.

KPI 7 Operating margin

Strategic Goal 4: Ensuring organisational sustainability

In order to meet the objectives of the first three strategic goals, the University needs to maintain a sound financial base. Over the past few years, higher education policy changes have limited recurring government funding and removed government support for capital development. Operating surpluses generated by universities provide for building and maintenance of significant infrastructure, the development of new technologies and other strategic initiatives.

Measure

Operating margin is a key means for the Commonwealth Government to assess the “financial wellbeing” of public universities. As an effectiveness indicator, operating margin shows the extent to which a university has effectively planned for the future and possible adverse events or conditions. As an efficiency indicator, the operating margin shows whether a university has sufficient resources to run its services.

This effectiveness and efficiency indicator measures the net operating result as a proportion of total revenue.

Performance Result

ECU's performance in 2017 was above target and an improvement on 2016.

ECU has consistently demonstrated that it has a sound financial base, with sustainable revenue streams and controlled costs that consistently deliver moderate operating surpluses, of above the target 4 per cent.

The ECU Strategic Plan 2017-2021 includes an objective to further strengthen our financial sustainability by growing student enrolments, strategically allocating funding, developing further budget flexibility in schools, achieving productivity gains in service centres, and growing the revenue to the ECU Foundation.

Accounting Year	2013	2014	2015	2016	2017
ECU (%)	8	7	7	6	7
Target (%)	4	4	4	4	4

Source: ECU.

Definition: Operating margin is the net operating result over total revenue, and therefore a direct measure of the underlying financial efficiency of the University.

Notes: Revenue and expenditure are interpreted in accordance with the Australian Accounting Standards.

Significant Issues

Policy Environment

In May 2017, the Australian Government announced proposals to reform the higher education system. The proposed [Higher Education Reform Package](#) included measures with significant potential impact on ECU.

The legislation for these reforms failed to be passed, but, as part of the Mid-Year Economic and Fiscal Outlook (MYEFO) announcement in December 2017, funding constraints have been applied for 2018 and 2019. The MYEFO announcement also included proposals for the future introduction of performance-based funding.

During 2017, in anticipation of proposed reform measures being legislated in some form, ECU convened a Higher Education Reforms Steering Committee and four themed working groups. The Committee and working groups met on a number of occasions between July and November to consider, model and develop responses to the proposed reforms. This work will stand the University in good stead, as we monitor and respond to the introduction of further policy and funding changes in 2018 and beyond.

Compliance with the Proposed Work Health and Safety Act

Although Western Australia has yet to adopt the National Model Work Health and Safety Act (WHS Act) and Regulations, ECU has undertaken significant preparation for future implementation in order to meet current best practice in health and safety legislative requirements.

In 2017, this work included: provision of training and information to managers and supervisors on the proposed legislation; adoption of a Globally Harmonised system to classify and label workplace hazardous chemicals; enhanced report requirements at all levels of the University for health and safety performance; and regular briefs on these matters and the progress of WA's adoption of the harmonised legislation to the University Health and Safety Committee, the Quality, Audit and Risk Committee, and Council.

Financial, Governance and Legal Disclosures

Pricing policies

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

Major capital projects

Table 6: Major Capital Projects Completed, 2017

Project	Estimated total cost (\$M)	Actual total cost (\$M)
Campus Access Control Systems	2.0	2.0
Repurposing (in part) of Joondalup B 1, 31 and 10	5.0	4.6
Joondalup B 18 (Level 3 and 4) Refits	3.8	3.7
Car Parks and Traffic Infrastructure – Bunbury	0.3	0.3
Joondalup Reflection Space – Library West	0.2	0.2
Car Parks and Traffic Infrastructure – Joondalup	1.5	1.5
Bunbury Car Park 4 and Waste Station (2017)	0.5	0.4
Repurposing Joondalup B 18 (Levels 1 and 2) and Joondalup B 19 Labs	2.1	2.1
Joondalup B 34 Student Support (General Purpose)	66.0	65.6
Mount Lawley Building Refit B 10, 3, 4 and 5	4.5	4.7

Table 7: Major Capital Projects in Progress, 2017

Project	Estimated total cost (\$M)	Actual total cost to date (\$M)
ECU Health Centre (L3 Fitout)	1.5	0.5
Joondalup B 27 Engineering Annexe 2 – Phase 2	10.0	0.9
Joondalup and Bunbury Repurposing Teaching Space to Demonstration Wards	3.1	1.0
Joondalup Health and Science Building	43.0	0.2

Employees

Table 8: Academic Staff by Function, 2013-2017

	2013	2014	2015	2016	2017
<i>Teaching</i>	138	157	175	227	258
<i>Research</i>	61	52	64	63	75
Teaching and Research	468	429	408	389	379
Other	25	24	10	5	6
Total Academic Staff	692	662	658	685	717
Total Professional Staff	1,186	1,146	1,128	1,126	1,136

Note: Figures are based on full-time equivalency, rather than headcount. Figures are average full-time equivalents for 2017.

Occupational safety, health and injury management

Executive Commitment to Occupational Safety, Health and Injury Management

ECU is committed to providing a safe and healthy work and study environment for students, staff, visitors and contractors. The University takes a proactive approach to the minimisation of the potential for injury, illness and harm and has a range of health and safety policies, guidelines, procedures and protocols that exceed legislative obligations.

Executive commitment is articulated in the [University Work Health and Safety Policy](#) that sets down a robust due diligence compliance framework that requires all ECU schools and service centres to report against a number of health and safety targets and measures, and to develop and implement Health and Safety improvement plans.

To assist in the development of a positive safety culture, members of ECU's Council as well as co-opted members of Council's boards and committees are required to complete ECU's health and safety induction. This assists the Council members and co-opted members to exercise their due diligence obligations; provides insights into ECU's health and safety management system; and helps to promote the importance of health and safety to staff and students.

All ECU staff are required to complete a health and safety induction every two years, and ECU managers and supervisors are required to complete Occupational Health and Safety for Managers and Supervisors training course. This course provides information and instruction on manager's health and safety legislative obligations, risk management, safety leadership, ECU health and safety procedures, consultative arrangements and injury management.

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

ECU's [Health and Safety Consultative Committee structure](#) comprises:

- a University Health and Safety Committee that meets quarterly, and consists of health and safety representatives, management representatives, and two senior leadership nominees. It reports to the Vice-Chancellor, via the University Executive
- School and service centre health and safety committees that meet at least quarterly and report to the University Health and Safety Committee.

ECU's [Radiation Biosafety Hazardous Substances Committee](#) (RBHSC) reports to Academic Board, thereby providing advice and assistance to the University on its application of legislation, policy and guidelines that govern radiation, biosafety and hazardous substances. The committee addresses the legislative requirements for an Institutional Biosafety Committee and has representatives from ECU schools and service centres, as well as discipline specialists and external laypersons, as required. It provides a quarterly summary to the University Health and Safety Committee and the Quality, Audit and Risk Committee.

Workers' Compensation and Injury Management

ECU's [Workers' Compensation and Injury Management Policy](#) and associated guidelines support a detailed process for Workers' Compensation claims and return to work. Collectively these documents meet the requirements of the *Workers' Compensation and Injury Management Act 1981* (WA). Return to work programs for employees with physical and psychological injuries and illnesses are developed in consultation with the employee, their supervisor and the treating medical practitioner.

Performance indicators for Workers' Compensation claims, costs and premiums, and injury metrics are monitored and reported quarterly to the Quality, Audit and Risk Committee, and Council.

Assessment of the Occupational Safety and Health Management System

ECU continues to promote self-assessment of health and safety processes by our schools and service centres, in accordance with the principles and functions of the Australian and New Zealand Standard AS/NZS 4801:2001 and the International Standard OHSAS 18001:2007.

In 2014, an external audit of the Health and Safety Management System was undertaken against OHSAS 18001. The University continues to use the results in its ongoing improvement of the Health and Safety Management System. As at the end of 2017, 75 per cent of agreed actions that arose from the 2014 external audit were completed.

In accordance with ECU's Audit Operational Plan, occupational health and safety processes are internally audited on a three-yearly basis. The most recent audit was conducted in 2017 by an external consultant against the principles of International Standard OHSAS 18001. Actions are under way to address the audit findings.

Completion and regular review of the ECU Hazard Risk Register is undertaken routinely and due diligence reported annually, as mandated, to ensure: health and safety hazards are identified, risk assessed, and actions to reduce the risk agreed; and the register is endorsed by Executive Deans and Service Centre Directors.

Table 9: Performance against 2017 Injury Management Targets

Indicator	Target	2015 ⁴	2016 ⁵	2017	2017 Target
Number of fatalities	Zero	0	0	0	Achieved
Lost time injury/diseases incidence rate ¹	Zero or 10% reduction on previous year	0.50	0.61	0.38	Achieved
Lost time injury severity rate ²	Zero or 10% improvement on previous year	11.1	18.8	0.0	Achieved
Percentage of injured workers returned to work within ³ :					
(i) 13 weeks	-	67%	82%	100%	-
(ii) 26 weeks	At least 80% return to work within 26 weeks	77%	91%	100%	Achieved
Percentage of managers trained in occupational safety and health and injury management	At least 80%	53%	68%	81%	Achieved

¹ Lost time injury/diseases incidence rate is defined as the number of lost time injury claims lodged, divided by the number of employees (FTE), multiplied by 100.

² Lost time injury severity rate is the number of lost time injury claims where employees do not return to any work duties within 60 days, divided by the total lost time injury claims, multiplied by 100.

³ The percentage of injured workers returned to work within 13 weeks and 26 weeks measures employees returning to full duties.

⁴ There has been a change to the 2015 lost time injury severity rate figure reported in the ECU 2016 Annual Report to include an injury that occurred in 2015, where further lost time was incurred in 2017.

⁵ The 2016 'Lost time injury/disease incidence rate', 'Lost time injury severity rate' and the 'Percentage of workers returned to work within 13 and 26 weeks' have been amended from the figures reported in the 2016 Annual Report. This is due to an additional injury that occurred in 2016 but was not reported until 2017 and an injury that occurred in second half of 2016, where the timeframe of 26 weeks and days lost of 60 days had not been reached when the 2016 Annual Report was finalised.

Insurance of Officers

ECU paid a premium of \$35,715 in respect of Directors and Officers Liability Insurance in 2017. The cover applies to members of Council and Officers of the University and its controlled entities. The cover also applies to staff members and external members appointed to ECU advisory boards and committees established by statute.

Disclosure of Senior Officers Interests

There is nothing to report regarding the interests of Senior Officers of the University in subsidiary bodies or contractors to the University. No disclosures have been made.

Corporate standards and risk management

Risk Management Statement

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

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

Strategic oversight of risk management is included in the terms of reference for the Quality, Audit and Risk Committee and the Quality, Audit and Risk Committee Charter.

Functionally, the Strategic and Governance Services Centre is responsible for: the development and implementation of risk management strategies, methods and tools; legal risk; legislative compliance; business continuity management; insurance; and fraud and misconduct prevention and management. The Human Resources Services Centre is responsible for the day-to-day operation of occupational health and safety strategies and workers' compensation.

Risk Management

Effective risk management is a major component of corporate governance at ECU. In 2017, we commenced work to update processes for recording risk management data.

Improved data analysis in internal audits has reduced ECU's exposure to fraud and academic integrity risks. Cyber resilience risks continue to be a focus of internal audit work, and the University uses current technologies, policies and procedures to mitigate this risk.

Safety and regulatory risks continue to be monitored, with enhancements to the way that safety incidents are analysed, reported and acted upon. There were no interventions by regulators in respect of regulatory non-compliance during 2017.

Business Continuity Plans are in place for each ECU campus. These plans are reviewed annually and also after any specific incidents that impact on operations. As part of the review and validation process, respective plans are incorporated into the University's annual incident management exercise, with outcomes reported to the Quality, Audit and Risk Committee.

More information on [Risk Management](#) can be found on the ECU website.

Advertising

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

Advertising expenditure in 2017 totalled \$ 4,817,803. The amount in each expenditure class and the organisations paid are listed in Table 10.

Table 10: Advertising Expenditure, 2017

Advertising agencies	\$ 3,347,007
303 Mullenlowe Australia Pty Ltd	
Longtail Communications Company Pty Ltd	
Other Organisations	
Market research organisations	\$ 94,419
Polling organisations	
Direct mail organisations	
Media advertising organisations	\$1,376,377
Carat Australia Media Services Pty Ltd	
Google	
Other Organisations	
Total Expenditure	\$ 4,817,803

Record Keeping

The record keeping program continued to be embedded across the University in 2017. With the finalisation of the electronic document and records management

system (EDRMS) rollout in 2016, the focus turned to the provision of ongoing education, awareness-raising and business support across schools and service centres. Work on research data management continued through 2017, with the further implementation of data management plans and storage solutions for ECU's research data. Additional work is also underway to investigate digitisation strategies, such as electronic authorisations, to support the business and compliance requirements for the University.

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

ECU is subject to requirements in the *State Records Act 2000* (WA) and is committed to compliance in its record keeping. ECU's activities under each of the requirements include:

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

ECU's *Record Keeping Plan* was approved for a further five-year period in 2016, and is due for review again in 2021.

The *West Australian University Sector Disposal Authority* (WAUSDA) was developed by the four public universities in WA, and was last updated and approved by the State Record Commission in 2013. A review of this authority by the State Records Office WA is underway, with input from the WAUSDA working party.

ECU's University Vital Records Program continued with close to 500 new vital records registered and securely stored in the record keeping system in 2017. There are currently 3470 active vital records of the University managed through the Vital Records Program.

The organisation conducts a record keeping training program

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

- continuation of the Records Awareness Training System first implemented in 2008 to raise record management awareness. Since implementation, 2500 staff have completed the course to some degree
- the provision of training to 1860 staff (to date), on the University's record keeping software HP Record Manager (HPRM). Training is undertaken through scheduled classroom, one on one and customised group sessions.

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

The outcomes of all record keeping training are monitored and staff feedback is collected through questionnaires. This feedback informs the future content and delivery of the broader training program.

In their responses to the Client Satisfaction Survey, the use of the record keeping system was identified as an area where staff felt they could improve. In response, enhancements to the suite of HP Records Manager training were made in 2017.

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

All new ECU employees undergo an induction course that addresses roles and responsibilities for the compliance aspects of the University's Record Keeping Plan. The induction program flags Records Awareness Training as essential training within the University's Role Base Development Framework.

Disability Access and Inclusion Plan (DAIP) outcomes

As required under Schedule 3 of the *Disability Service Regulations 2004* (WA), in June 2017 ECU lodged its annual progress report on implementation of the [ECU Disability Access and Inclusion Plan, 2016-2021](#). Examples of achievements in each of the DAIP outcome areas are listed below.

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

- as part of student orientation, campus and library tours include an introduction to the ECU's Assistive Technologies room at each library
- all corporate events follow the Disability Services Commission's *Guidelines for Creating Accessible Events*, and ongoing multiple site assessments ensure accessibility at all ECU hosted events.

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

- refits at the Joondalup Campus included accessibility improvements for bioscience laboratories and seating upgrades and a hearing loop service for a lecture theatre
- the ECU Wayfinding project included access and mobility map updates. Access and mobility maps feature prominently on the ECU website.

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

- academic and professional staff training on the provision of information in accessible formats included: interactive workshops on accessible documents in MS Word, Adobe and Blackboard; and professional development on accessible and inclusive course design
- the assessment process for procurement of IT software and services includes accessibility requirements and negotiation with vendors for improvements that address inadequacies identified by ECU.

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

- a series of Mental Health First Aid training workshops was held in 2017. Up to 120 (5 per cent) staff are expected to be accredited as Mental Health First Aiders
- seventy-four staff have attended the Introduction to Mental Health workshops in 2017.

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

- complaints processes and information meet accessibility standards. Relevant training and support was made available to University Contact Officers.

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

- ECU's *Disability Access and Inclusion Plan, 2016-2021* includes information on how to provide feedback
- ECU surveys meet or exceed legislative standards for accessibility and the software used to build surveys is compliant with *US section 508* requirements.

Outcome Seven: People with disabilities have the same opportunities as other people to obtain and maintain employment with the University

The Recruitment at ECU workshop includes information on requirements for equal opportunities, while staff orientation and on-boarding processes have been automated to provide smoother processes for people with disability.

Auditor General's Statement



Auditor General

INDEPENDENT AUDITOR'S REPORT

To the Parliament of Western Australia

EDITH COWAN UNIVERSITY

Report on the Financial Statements

Opinion

I have audited the financial statements of Edith Cowan University which comprise the Statement of Financial Position as at 31 December 2017, the Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows for the University and the consolidated entity for the year then ended, and Notes comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the financial statements are based on proper accounts and present fairly, in all material respects, the operating results and cash flows of Edith Cowan University and the consolidated entity for the year ended 31 December 2017 and the financial position at the end of that period. They are in accordance with Australian Accounting Standards, the *Financial Management Act 2006* and the Treasurer's Instructions.

Basis for Opinion

I conducted my audit in accordance with the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the University in accordance with the *Auditor General Act 2006* and the relevant ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial statements. I have also fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibility of the University Council for the Financial Statements

The University Council is responsible for keeping proper accounts, and the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards, the *Financial Management Act 2006* and the Treasurer's Instructions, and for such internal control as the University Council determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the University Council is responsible for assessing the agency's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

Auditor's Responsibility for the Audit of the Financial Statements

As required by the *Auditor General Act 2006*, my responsibility is to express an opinion on the financial statements. The objectives of my audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Australian Auditing Standards, I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the University Council.
- Conclude on the appropriateness of the University Council's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the agency's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Report on Controls

Opinion

I have undertaken a reasonable assurance engagement on the design and implementation of controls exercised by Edith Cowan University. The controls exercised by the University are those policies and procedures established by the University Council to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions (the overall control objectives).

My opinion has been formed on the basis of the matters outlined in this report.

In my opinion, in all material respects, the controls exercised by Edith Cowan University are sufficiently adequate to provide reasonable assurance that the receipt, expenditure and investment of money, the acquisition and disposal of property and the incurring of liabilities have been in accordance with legislative provisions during the year ended 31 December 2017.

The University Council's Responsibilities

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

Auditor General's Responsibilities

As required by the *Auditor General Act 2006*, my responsibility as an assurance practitioner is to express an opinion on the suitability of the design of the controls to achieve the overall control objectives and the implementation of the controls as designed. I conducted my engagement in accordance with Standard on Assurance Engagements ASAE 3150 *Assurance Engagements on Controls* issued by the Australian Auditing and Assurance Standards Board. That standard requires that I comply with relevant ethical requirements and plan and perform my procedures to obtain reasonable assurance about whether, in all material respects, the controls are suitably designed to achieve the overall control objectives and the controls, necessary to achieve the overall control objectives, were implemented as designed.

An assurance engagement to report on the design and implementation of controls involves performing procedures to obtain evidence about the suitability of the design of controls to achieve the overall control objectives and the implementation of those controls. The procedures selected depend on my judgement, including the assessment of the risks that controls are not suitably designed or implemented as designed. My procedures included testing the implementation of those controls that I consider necessary to achieve the overall control objectives.

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

Limitations of Controls

Because of the inherent limitations of any internal control structure it is possible that, even if the controls are suitably designed and implemented as designed, once the controls are in operation, the overall control objectives may not be achieved so that fraud, error, or noncompliance with laws and regulations may occur and not be detected. Any projection of the outcome of the evaluation of the suitability of the design of controls to future periods is subject to the risk that the controls may become unsuitable because of changes in conditions.

Report on the Key Performance Indicators**Opinion**

I have undertaken a reasonable assurance engagement on the key performance indicators of Edith Cowan University for the year ended 31 December 2017. The key performance indicators are the key effectiveness indicators and the key efficiency indicators that provide performance information about achieving outcomes and delivering services.

In my opinion, in all material respects, the key performance indicators of Edith Cowan University are relevant and appropriate to assist users to assess the University's performance and fairly represent indicated performance for the year ended 31 December 2017.

The University Council's Responsibility for the Key Performance Indicators

The University Council is responsible for the preparation and fair presentation of the key performance indicators in accordance with the *Financial Management Act 2006* and the Treasurer's Instructions and for such internal control as the University Council determines necessary to enable the preparation of key performance indicators that are free from material misstatement, whether due to fraud or error.

In preparing the key performance indicators, the University Council is responsible for identifying key performance indicators that are relevant and appropriate having regard to their purpose in accordance with Treasurer's Instruction 904U *Key Performance Indicators*.

Auditor General's Responsibility

As required by the *Auditor General Act 2006*, my responsibility as an assurance practitioner is to express an opinion on the key performance indicators. The objectives of my engagement are to obtain reasonable assurance about whether the key performance indicators are relevant and appropriate to assist users to assess the agency's performance and whether the key performance indicators are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion.

I conducted my engagement in accordance with Standard on Assurance Engagements ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* issued by the Australian Auditing and Assurance Standards Board. That standard requires that I comply with relevant ethical requirements relating to assurance engagements.

An assurance engagement involves performing procedures to obtain evidence about the amounts and disclosures in the key performance indicators. It also involves evaluating the relevance and appropriateness of the key performance indicators against the criteria and guidance in Treasurer's Instruction 904U for measuring the extent of outcome achievement and the efficiency of service delivery. The procedures selected depend on my judgement, including the assessment of the risks of material misstatement of the key performance indicators. In making these risk assessments I obtain an understanding of internal control relevant to the engagement in order to design procedures that are appropriate in the circumstances.

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

My Independence and Quality Control Relating to the Reports on Controls and Key Performance Indicators

I have complied with the independence requirements of the *Auditor General Act 2006* and the relevant ethical requirements relating to assurance engagements. In accordance with ASQC 1 *Quality Control for Firms that Perform Audits and Reviews of Financial Reports and Other Financial Information, and Other Assurance Engagements*, the Office of the Auditor General maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

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

This auditor's report relates to the financial statements and key performance indicators of Edith Cowan University for the year ended 31 December 2017 included on the University's website. The University's management is responsible for the integrity of the University's website. This audit does not provide assurance on the integrity of the University's website. The auditor's report refers only to the financial statements and key performance indicators described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these financial statements or key performance indicators. If users of the financial statements and key performance indicators are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial statements and key performance indicators to confirm the information contained in this website version of the financial statements and key performance indicators.



COLIN MURPHY
AUDITOR GENERAL
FOR WESTERN AUSTRALIA
Perth, Western Australia
13 March 2018

Certification of Financial Statements

The accompanying financial statements of ECU and the accompanying consolidated financial statements have been prepared in compliance with the provisions of the *Financial Management Act 2006* (WA) from proper accounts and records to present fairly the financial transactions for the financial year ended 31 December 2017 and the financial position as at 31 December 2017.

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



The Hon Dr Hendy Cowan AO
Chancellor

8 March 2018



Professor Stephen Chapman CBE
Vice-Chancellor

8 March 2018



Mr Brad Francis
Chief Financial
Officer

12 March 2018

Certification of financial statements required by Australian Department of Education

I declare that:

- the amount of Australian Government financial assistance expended during the reporting period was for the purpose(s) for which it was intended and ECU has complied with applicable legislation, contracts, agreements and program guidelines in making expenditure; and
- ECU charged Student Services and Amenities Fees strictly in accordance with the *Higher Education Support Act 2003* and the Administration Guidelines made under the Act. Revenue from the fee was spent strictly in accordance with the Act and only on services and amenities specified in subsection 19-38(4) of the Act.



The Hon Dr Hendy Cowan AO
Chancellor

8 March 2018



Professor Stephen Chapman CBE
Vice-Chancellor

8 March 2018

Edith Cowan University**Contents****For the Year Ended 31 December 2017**

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This financial report covers Edith Cowan University as an individual entity. The financial report is presented in the Australian currency.

The financial report was authorised for issue by the University Council on the 19th day of March 2018. The University has the power to amend and reissue the financial statements.

Edith Cowan University

Income Statement

For the Year Ended 31 December 2017

		Consolidated		Parent	
		2017	2016	2017	2016
	Note	\$000's	\$000's	\$000's	\$000's
Income from continuing operations					
Australian Government financial assistance					
Australian Government grants	2	170,018	171,272	170,018	171,272
HELP - Australian Government payments	2	98,432	94,154	98,432	94,154
State and local Government financial assistance	3	11,244	11,045	11,244	11,045
HECS-HELP - Student payments		8,701	9,527	8,701	9,527
Fees and charges	4	112,657	99,717	108,577	99,717
Investment revenue	5	15,510	13,704	16,569	13,704
Royalties	6	581	5,466	581	5,466
Consultancies and contracts	7	8,449	6,389	8,449	6,389
Gains on disposal of assets	9	-	31	-	31
Share of profit or loss on investments accounted for using the equity method	22	3,305	1,422	3,305	1,422
Other revenue	8	11,692	12,544	12,912	12,544
Total income from continuing operations		440,589	425,271	438,788	425,271
Expenses from continuing operations					
Employee related expenses	10	248,112	238,574	248,112	238,574
Depreciation and amortisation	11	23,866	22,233	23,629	22,233
Repairs and maintenance	12	10,215	13,682	10,215	13,682
Borrowing costs	13	3,734	2,997	3,734	2,997
Impairment of assets	14	528	432	528	432
Investment losses	5	1,190	2,454	1,190	2,454
Losses on disposal of assets	9	48	-	48	-
Other expenses	15	124,770	120,302	123,472	120,302
Total expenses from continuing operations		412,463	400,674	410,928	400,674
Net result before income tax		28,126	24,597	27,860	24,597
Income tax benefit	16	962	-	-	-
Net result after income tax for the period		29,088	24,597	27,860	24,597

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

Edith Cowan University

Statement of Comprehensive Income
For the Year Ended 31 December 2017

	Note	Consolidated		Parent	
		2017	2016	2017	2016
		\$000's	\$000's	\$000's	\$000's
Net result for the period		29,088	24,597	27,860	24,597
<i>Items that may be reclassified to profit or loss</i>					
Gain on value of available-for-sale financial assets	30	6,205	3,828	6,205	3,828
Loss on cash flow hedges	30	(32)	(9)	(32)	(9)
Total	30	6,173	3,819	6,173	3,819
<i>Items that will not be reclassified to profit or loss</i>					
Loss on revaluation of property, plant and equipment	30	(16,574)	(1,624)	(16,574)	(1,624)
Total other comprehensive income		(10,401)	2,195	(10,401)	2,195
Total comprehensive income attributable to the University		18,687	26,792	17,459	26,792

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

Edith Cowan University

Statement of Financial Position
As at 31 December 2017

		Consolidated		Parent	
	Note	2017 \$000's	2016 \$000's	2017 \$000's	2016 \$000's
Assets					
Current assets					
Cash and cash equivalents	17	68,591	69,555	67,895	69,555
Receivables	18	11,046	10,395	12,268	10,395
Other financial assets	19	126,071	122,720	126,071	122,720
Other non-financial assets	20	14,015	11,348	11,959	11,348
Total current assets		219,723	214,018	218,193	214,018
Non-current assets					
Receivables	18	20,888	20,107	62,773	20,107
Other financial assets	19	133,751	122,733	133,751	122,733
Investment properties	21	19,220	20,410	19,220	20,410
Investments in subsidiary	37	-	-	11,206	-
Investments accounted for using the equity method	22	1,348	1,422	1,348	1,422
Property, plant and equipment	23	787,601	805,727	786,837	805,727
Intangible assets	24	16,643	6,432	7,642	6,432
Other non-financial assets	20	1,458	1,558	1,458	1,558
Total non-current assets		980,909	978,389	1,024,235	978,389
Total assets		1,200,632	1,192,407	1,242,428	1,192,407
Liabilities					
Current liabilities					
Trade and other payables	25	14,742	11,083	14,456	11,083
Borrowings	26	21,399	19,436	21,399	19,436
Derivative financial instrument	27	32	-	32	-
Employee benefit provisions	28	50,890	48,290	52,340	48,290
Provisions	28	3,393	4,005	3,393	4,005
Other liabilities	29	39,440	42,910	39,294	42,910
Total current liabilities		129,896	125,724	130,914	125,724
Non-current liabilities					
Borrowings	26	83,029	61,173	83,029	61,173
Employee benefits provisions	28	26,324	25,124	26,324	25,124
Provisions	28	3,653	41,343	45,659	41,343
Total non-current liabilities		113,006	127,640	155,012	127,640
Total liabilities		242,902	253,364	285,926	253,364
Net Assets		957,730	939,043	956,502	939,043
Equity					
Reserves	30	311,788	322,189	311,788	322,189
Retained earnings	30	645,942	616,854	644,714	616,854
Total equity		957,730	939,043	956,502	939,043

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

Edith Cowan University

Statement of Changes in Equity
For the Year Ended 31 December 2017

2017

	Consolidated		
	Retained Earnings	General Reserves	Total
	\$000's	\$000's	\$000's
Balance at 1 January 2017	616,854	322,189	939,043
Net result	29,088	-	29,088
Loss on revaluation of properties	-	(16,574)	(16,574)
Gain on available-for-sale financial assets	-	6,205	6,205
Loss on cash flow hedges	-	(32)	(32)
Other comprehensive income	-	(10,401)	(10,401)
Total comprehensive income	29,088	(10,401)	18,687
Balance at 31 December 2017	645,942	311,788	957,730

2016

	Consolidated		
	Retained Earnings	General Reserves	Total
	\$000's	\$000's	\$000's
Balance at 1 January 2016	593,811	318,440	912,251
Net result	24,597	-	24,597
Loss on revaluation of properties	-	(1,624)	(1,624)
Gain on available-for-sale financial assets	-	3,828	3,828
Loss on cash flow hedges	-	(9)	(9)
Transfer from revaluation reserves to retained surplus	(1,554)	1,554	-
Other comprehensive income	(1,554)	3,749	2,195
Total comprehensive income	23,043	3,749	26,792
Balance at 31 December 2016	616,854	322,189	939,043

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

Edith Cowan University

Statement of Changes in Equity
For the Year Ended 31 December 2017

2017

	Retained Earnings	Parent General Reserves	Total
	\$000's	\$000's	\$000's
Balance at 1 January 2017	616,854	322,189	939,043
Net result	27,860	-	27,860
Loss on revaluation of properties	-	(16,574)	(16,574)
Gain on available-for-sale financial assets	-	6,205	6,205
Loss on cash flow hedges	-	(32)	(32)
Other comprehensive income	-	(10,401)	(10,401)
Total comprehensive income	27,860	(10,401)	17,459
Balance at 31 December 2017	644,714	311,788	956,502

2016

	Retained Earnings	Parent General Reserves	Total
	\$000's	\$000's	\$000's
Balance at 1 January 2016	593,811	318,440	912,251
Net result	24,597	-	24,597
Loss on revaluation of properties	-	(1,624)	(1,624)
Gain on available-for-sale financial assets	-	3,828	3,828
Loss on cash flow hedges	-	(9)	(9)
Transfer to revaluation reserves from retained surplus	(1,554)	1,554	-
Other comprehensive income	(1,554)	3,749	2,195
Total comprehensive income	23,043	3,749	26,792
Balance at 31 December 2016	616,854	322,189	939,043

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

Edith Cowan University

Statement of Cash Flows

For the Year Ended 31 December 2017

	Note	Consolidated		Parent	
		2017	2016	2017	2016
		\$000's	\$000's	\$000's	\$000's
Cash flows from operating activities					
Australian Government Grants received	2(f)	267,658	266,345	267,658	266,345
OS-HELP (net)	2(f)	322	289	322	289
Superannuation Supplementation	2(f)	2,522	2,510	2,522	2,510
State Government Grants received		9,519	12,328	9,519	12,328
Local Government Grants received		13	197	13	197
HECS-HELP - Student payments		8,701	9,527	8,701	9,527
Receipts from student fees and other customers		131,732	117,284	127,157	117,284
Dividends and distributions received		5,367	3,317	5,367	3,317
Interest received		8,450	9,731	9,509	9,731
Payments to suppliers and employees (inclusive of GST)		(388,911)	(369,365)	(385,617)	(369,365)
Interest and other cost of finance		(3,403)	(2,928)	(3,403)	(2,928)
GST recovered		9,116	8,349	9,128	8,349
Net cash provided by operating activities	39	51,086	57,584	50,876	57,584
Cash flows from investing activities					
Proceeds from sale of property, plant and equipment		18	57	18	57
Payments for intangibles, property, plant and equipment		(70,375)	(14,697)	(16,342)	(14,697)
Payments for financial assets		(9,062)	(1,688)	(20,270)	(1,688)
Loan to Subsidiary		-	-	(44,000)	-
Repayment of loan from Subsidiary		-	-	689	-
Distributions from Joint Ventures		3,550	-	3,550	-
Net cash used in investing activities		(75,869)	(16,328)	(76,355)	(16,328)
Cash flows from financing activities					
Proceeds from borrowings		44,000	-	44,000	-
Repayment of borrowings		(20,181)	(18,940)	(20,181)	(18,940)
Net cash used in financing activities		23,819	(18,940)	23,819	(18,940)
Net increase/(decrease) in cash and cash equivalents		(964)	22,316	(1,660)	22,316
Cash and cash equivalents at beginning of financial year		69,555	47,239	69,555	47,239
Cash and cash equivalents at end of financial year	17	68,591	69,555	67,895	69,555

Financing arrangements

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

Edith Cowan University

Notes to Financial Statements

For the Year Ended 31 December 2017

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Edith Cowan University

Notes to Financial Statements For the Year Ended 31 December 2017

1 Summary of significant accounting policies

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

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

(a) Basis of preparation

The annual financial statements represent the audited general purpose financial statements of Edith Cowan University ("University"). They have been prepared on an accrual basis and comply with the Australian Accounting Standards.

The University applies Tier 1 reporting requirements.

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

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

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

Date of authorisation for issue

The financial statements were authorised for issue by the University Council on 19th March 2018.

Historical cost convention

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

Critical accounting estimates and judgments

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

- Estimating the useful life of key assets;
- Control of student accommodation assets;
- Impairment of assets;
- Classification of financial assets;
- Discount rates and payback periods used in estimating provisions;

Edith Cowan University

Notes to Financial Statements

For the Year Ended 31 December 2017

1 Summary of significant accounting policies continued

(a) Basis of preparation continued

- Estimating liabilities for defined benefit superannuation plans

(b) Basis of consolidation

(i) *Subsidiary*

The consolidated financial statements incorporate the assets and liabilities of the subsidiary of Edith Cowan University ("parent entity") as at 31 December 2017 and the results of the subsidiary for the year then ended. Edith Cowan University and its subsidiary together are referred to in this financial report as the University or the consolidated entity.

Subsidiary is entity (including structured entity) over which the University has control. The University has control over an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Power over the investee exists when the University has existing rights that give it current ability to direct the relevant activities of the investee. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the University controls another entity. Returns are not necessarily monetary and can be only positive, only negative, or both positive and negative.

Subsidiary is fully consolidated from the date on which control is transferred to the University. They are de-consolidated from the date control ceases.

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

The acquisition method of accounting is used to account for the acquisition of subsidiary by the University.

Where the consolidated entity loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The consolidated entity recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

Interest in subsidiary is accounted for at cost, less any impairment, in the parent entity. Dividends received from subsidiary is recognised as other income by the parent entity and its receipt may be an indicator of an impairment of the investment.

(ii) *Associates*

Associates are all entities over which the University has significant influence but not control. Investments in associates are accounted for in the parent entity financial statements using the cost method or the equity method, and in the consolidated financial statements using the equity method of accounting, after initially being recognised at cost. The University's investment in associates includes goodwill (net of any accumulated impairment loss) identified on acquisition (refer to note 22).

The University's share of its associates' post-acquisition profits or losses is recognised in the income statement, and its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. Dividends receivable from associates are recognised in the parent entity's income statement, while in the consolidated financial statements they reduce the carrying amount of the investment.

Edith Cowan University

Notes to Financial Statements

For the Year Ended 31 December 2017

1 Summary of significant accounting policies continued

(b) Basis of consolidation continued

Gains or losses resulting from 'upstream' and 'downstream' transactions, involving assets that do not constitute a business, are recognised in the parent's financial statements only to the extent of unrelated investors' interests in the associate or joint venture. Gains or losses resulting from the contribution of non-monetary assets in exchange for an equity interest are accountable for in the same method.

When the University's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the University does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

(iii) Joint ventures

Investments in joint arrangement are classified as either joint operations or joint ventures depending on the contractual rights and obligations each investor has, rather than the legal structure of the joint arrangement.

The interest in a joint venture entity is accounted for in the consolidated financial statements using the equity method and is carried at cost by the parent entity. Under the equity method, the share of the profits or losses of the entity is recognised in the income statement, and the share of movements in reserves is recognised in reserves in the statement of comprehensive income and the statement of changes in equity. Details relating to the entity are set out in note 22.

(iv) Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- Fair values of the assets transferred
- Liabilities incurred to the former owners of the acquired business
- Equity interests issued by the University
- Fair value of any asset or liability resulting from a contingent consideration arrangement, and
- Fair value of any pre-existing equity interest in the Subsidiary

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The University recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition related costs are expensed as incurred.

The excess of the:

- Consideration transferred,
- Amount of any non-controlling interest in the acquired entity, and

Edith Cowan University

Notes to Financial Statements For the Year Ended 31 December 2017

1 Summary of significant accounting policies continued

(iv) Business combinations continued

- acquisition-date fair value of any previous equity interest in the acquired entity

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in profit or loss as a bargain purchase.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss.

(c) Revenue recognition

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

The University recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the University and specific criteria have been met for each of the University's activities as described below. In some cases this may not be probable until consideration is received or an uncertainty is removed. The University bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Revenue is recognised for the major business activities as follows:

(i) Government Grants

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

(ii) HELP payments

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

(iii) Student fees and charges

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

(iv) Royalties

Revenue from royalties is recognised as income when earned.

(v) Consultancies and contracts/ Fee for service

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

Edith Cowan University

Notes to Financial Statements

For the Year Ended 31 December 2017

1 Summary of significant accounting policies continued

(c) Revenue recognition continued

transaction. The stage of completion is measured by reference to cost incurred to date as a percentage of estimated total cost for each contract.

(vi) Investment revenue

Dividend and distribution revenue from investments are recognised when received. Interest revenue is recognised on an accrual basis taking into account the interest rates applicable to the financial assets.

(vii) Gains

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

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

Realised gains on disposal of non-current assets

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

Unrealised gains associated with investment property at fair value

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

Gains associated with financial assets

Gains arising on the derecognition of financial assets are recognised when control of the asset and the significant risks and rewards of ownership transfer from the University. Net gains are included in income for the period in which they arise.

(viii) Lease income

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

(ix) Service concession income

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

(x) Operating rights income

Operating rights income is attributable to the parent entity financial statements of the University only and represents the amortisation of the operating rights liability granted by the University to its subsidiary, Edith Cowan Accommodation Holdings Pty Ltd. Income is recognised on a straight-line basis and represents the provision of access to student accommodation land and buildings over the remainder of the existing contract term to allow the University to operate the student accommodation assets. Refer to note 1(t) for further details regarding this provision.

(d) Income tax

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

(e) Borrowing costs

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

Edith Cowan University

Notes to Financial Statements For the Year Ended 31 December 2017

1 Summary of significant accounting policies continued

(f) Impairment of assets

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

(g) Cash and cash equivalents

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

(h) Restricted funds

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

(i) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for impairment of receivables is established when there is objective evidence that the University will not be able to collect all amounts due according to the original terms of receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 90 days overdue) are considered indicators that the trade receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. Cash flows relating to short-term receivable are not discounted if the effect of discounting is immaterial. The amount of the provision is recognised in the income statement.

(j) Investments and other financial assets

Classification

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

(i) Loans and receivables

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

(ii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed

Edith Cowan University

Notes to Financial Statements For the Year Ended 31 December 2017

1 Summary of significant accounting policies continued

(j) Investments and other financial assets continued

maturities that the University's management has the positive intention and ability to hold to maturity.

(iii) Available-for-sale financial assets

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

Regular purchases and sales of financial assets are recognised on trade date - the date on which the University commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the University has transferred substantially all the risks and rewards of ownership.

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

Subsequent measurement

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

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

Fair Value

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

Impairment

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

(k) Derivatives

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The University derivatives comprise of highly probable forecast transactions (cash flow hedges).

The replacement or rollover of a hedging instrument into another hedging instrument is not considered an expiration or termination if such replacement is documented as part of the hedging strategy. Additionally it is not considered a termination or expiration if, as a consequence of law or constitution, parties to the hedging instrument agree to replace their original counterparty to become the new counterparty to each of the parties.

Edith Cowan University

Notes to Financial Statements For the Year Ended 31 December 2017

1 Summary of significant accounting policies continued

(k) Derivatives continued

(i) Cash flow hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income. The gain or loss relating to the ineffective portion is recognised immediately in the income statement within other income or other expense.

Amounts that have been recognised in other comprehensive income are reclassified from equity to profit or loss as a reclassification adjustment in the periods when the hedged item affects the income statement (for instance when the forecast sale that is hedged takes place).

When the forecast cash flow that is hedged results in the recognition of a non-financial asset (for example, inventory or fixed assets) the gains and losses previously recognised in other comprehensive income are either reclassified as a reclassification adjustment to the income statement or are included in the initial measurement of the cost of the asset. The deferred amounts are ultimately recognised in the income statement as cost of goods sold in the case of inventory, or as depreciation in the case of fixed assets.

When a hedging instrument expires or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss that has been recognised in other comprehensive income from the period when the hedge was effective shall remain separately in equity until the forecast transaction occurs. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was recognised in other comprehensive income shall be reclassified to the income statement as a reclassification adjustment.

(l) Fair value measurement

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

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

The fair value of assets or liabilities that are not traded in an active market (for example, over-the-counter derivatives, land and investment properties) is determined using valuation techniques. The University uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date. Quoted market prices or dealer quotes for similar instruments (level 2) are used for managed funds and derivative financial instruments and current rentals derived from market data are used for investment properties. Other techniques that are not based on observable market data are used to determine the fair value of unlisted shares, buildings and leasehold improvements (level 3). Techniques used to determine fair value for these assets and liabilities are outlined in note 42.

The fair value of forward exchange contracts is determined using forward exchange market rates at the reporting date. The level in the fair value hierarchy shall be determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety.

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

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values due to their short-term nature. The fair value for disclosure purposes, of financial assets and financial liabilities measured at amortised cost, is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the University for similar financial instruments.

Edith Cowan University

Notes to Financial Statements

For the Year Ended 31 December 2017

1 Summary of significant accounting policies continued

(m) Property, plant and equipment

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

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

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

On derecognition, any accumulated surplus on revaluation is transferred from revaluation to retained earnings.

Leasehold improvements

Leasehold improvements are capitalised at amounts directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended for the University.

Service concession assets

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

(i) ultimately controlling or regulating the services that may be provided by the operator with respect to the student accommodation assets, the pricing of such services, and to whom such services may be provided; and

(ii) controlling the significant residual interest in the infrastructure at the end of the term of the arrangement.

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

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

Edith Cowan University

Notes to Financial Statements For the Year Ended 31 December 2017

1 Summary of significant accounting policies continued

(m) Property, plant and equipment continued

The service concession arrangement with the operator was terminated during the current year with the University assuming control of the entity responsible for management of the student accommodation assets. At this time, service concession assets were transferred to other asset classes which are consistent with the nature and function of the underlying assets at the carrying amounts that existed at the time of termination.

Depreciation

Land and artworks are not depreciated.

Artworks are considered as heritage assets and are anticipated to have very long and indefinite useful lives. Their service potential has not, in any material sense, been consumed during the reporting period. As such no amount for depreciation has been recognised in respect of these artworks.

Leasehold improvements are depreciated over the shorter of the lease term or the assets useful life. Where lease arrangements contain options for renewal and extension of the lease term, such extensions are only taken into account for the purposes of determining an appropriate depreciation period when, at inception of the lease, it is reasonably certain that the University will exercise the option.

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

Asset Category	Estimated Useful Life
Buildings	25 - 50 years
Service concession assets - buildings	36.5 - 50 years
Computing equipment	3 - 4 years
Other equipment and furniture	6 years
Motor Vehicles	4 - 6 years
Library collections	10 years

The asset's residual value and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

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

(n) Repairs and Maintenance

Repairs, maintenance and minor renewal costs are recognised as expenses as incurred.

(o) Investment properties

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

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

Subsequent to initial recognition at cost, investment property is carried at fair value, which is based on active market

Edith Cowan University

Notes to Financial Statements For the Year Ended 31 December 2017

1 Summary of significant accounting policies continued

(o) Investment properties continued

prices of similar properties, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. If this information is not available, the University uses alternative valuation methods such as recent prices in less active markets or discounted cash flow projections. These valuations are reviewed annually by a member of the Australian Property Institute. Changes in fair values are recorded in the income statement.

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

(p) Leases

Leases of property plant and equipment, where the University, as lessee, have substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the lower of the fair value of the leased property and the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in other short-term and long-term payables. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases are depreciated over the shorter of the asset's useful life and the lease term.

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases (note 35(b)). The University leases certain property and equipment by way of operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

(q) Intangible assets

Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. For assets acquired at no cost or for nominal cost, cost is their fair value at the date of acquisition.

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

Amortisation is calculated on a straight line basis over the estimated useful life of the asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period. The estimated useful lives for each class of intangible assets are:

<i>Intangible asset class</i>	<i>Life</i>
Digital library collection	10 years
Re-acquired operating rights	28 - 36 years

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

Edith Cowan University

Notes to Financial Statements For the Year Ended 31 December 2017

1 Summary of significant accounting policies continued

(r) Trade and other payables

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

(s) Borrowings

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

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

Borrowings are classified as current liabilities unless the University has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period and does not expect to settle the liability for at least 12 months after the end of the reporting period.

(t) Provisions

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

Provisions are not recognised for future operating losses.

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

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

Employee benefits

(i) Short-term obligations

Liabilities for short-term employee benefits including wages and salaries, non-monetary benefits and bonuses are measured at the amount expected to be paid when the liability is settled, if it is expected to be settled wholly before 12 months after the end of the reporting period, and is recognised in other payables. Liabilities for non-accumulating sick leave are recognised when the leave is taken and measured at the rates payable.

(ii) Other long-term obligations

The liability for other long-term benefits are those that are not expected to be settled wholly before 12 months after the end of the annual reporting period. Other long-term employee benefits include such things as annual leave, accumulating sick leave and long service leave liabilities.

It is measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future

Edith Cowan University

Notes to Financial Statements For the Year Ended 31 December 2017

1 Summary of significant accounting policies continued

(t) Provisions continued

wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

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

(iii) Retirement benefit obligations

All employees of the University are entitled to benefits on retirement, disability or death from the University's superannuation plans. The University has a defined benefit section and a defined contribution section within its plans. The defined benefit section provides defined lump sum benefits based on years of service and final average salary. The defined contribution section receives fixed contributions from the University and the University's legal or constructive obligation is limited to these contributions. The employees of the University are all members of the defined contribution section of the University's plans.

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

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

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

(iv) Deferred government benefit for superannuation

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

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

Liabilities for existing pensioners have been calculated allowing for the level of the existing pension, the level of assumed pension indexation and expected mortality rates.

Some former pension scheme members have transferred to the Gold State Super. In respect of their transferred benefit the members receive a lump sum benefit at retirement, death or invalidity which is related to their salary during their employment and indexed during any deferral period after leaving public sector employment. Liabilities for member of Gold State Super have been calculated based on their projected unfunded transferred service amounts and rates of exit.

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

Deferred government benefits for superannuation are the amounts recognised as reimbursement rights as they are the amounts expected to be received from the Australian Government for the emerging costs of the superannuation funds

Edith Cowan University

Notes to Financial Statements

For the Year Ended 31 December 2017

1 Summary of significant accounting policies continued

(t) Provisions continued

for the life of the liability, refer to note 18.

For details relating to the individual schemes, refer to note 44.

(v) Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts an offer of benefits in exchange for the termination of employment. The University recognises the expense and liability for termination benefits either when it can no longer withdraw the offer of those benefits or when it has recognised costs for restructuring within the scope of AASB137 that involves the payment of termination benefits. The expense and liability are recognised when the University is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy.

Termination benefits are measured on initial recognition and subsequent changes are measured and recognised in accordance with the nature of the employee benefit. Benefits expected to be settled wholly within 12 months are measured at the undiscounted amount expected to be paid. Benefits not expected to be settled before 12 months after the end of the reporting period are discounted to present value.

Service concession provision

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

Provision of operating rights

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

(u) Foreign currency translation and hedge accounting

(i) Functional and presentation currency

Items included in the financial statements of each of the University's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Australian Dollars, which is the University's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies

Edith Cowan University**Notes to Financial Statements****For the Year Ended 31 December 2017****1 Summary of significant accounting policies continued****(u) Foreign currency translation and hedge accounting continued**

are recognised in the income statement. Qualifying cash flow hedges shall be accounted for by recognising the portion of the gain or loss determined to be an effective hedge in other comprehensive income and the ineffective portion in profit or loss.

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

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

(v) Goods and Services Tax (GST)

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

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

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

(w) Comparative amounts

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

Edith Cowan University

Notes to Financial Statements

For the Year Ended 31 December 2017

1 Summary of significant accounting policies continued

(x) New Accounting Standards and interpretations

Certain new Accounting Standards and interpretations have been published that are not mandatory for 31 December 2017 reporting periods. The University's assessment of the impact of these new Standards and Interpretations is set out below:

Standard	Name	Application date	Implications
AASB 2010-7	Amendments to Australian Accounting Standards arising from AASB 9	1 January 2018	ECU will determine the impact of the Standard when applicable.
AASB 2014-1	Amendments to Australian Accounting Standards (Part E: Financial Instruments)	1 January 2018	ECU will determine the impact of the Standard when applicable.
AASB 2014-5	Amendments to Australian Accounting Standards arising from AASB 15	1 January 2019	ECU will determine the impact of the Standard when applicable.
AASB 2014-7	Amendments to Australian Accounting Standards arising from AASB 9	1 January 2018	ECU will determine the impact of the Standard when applicable.
AASB 2014-10	Amendments to Australian Accounting Standards arising from AASB 10 and AASB 128	1 January 2018	ECU will determine the impact of the Standard when applicable.
AASB 2016-3	Amendments to Australian Accounting Standards - Clarifications to AASB 15	1 January 2018	ECU will determine the impact of the Standard when applicable.
AASB 2016-6	Amendments to Australian Accounting Standards - Applying AASB 9 Financial Instruments with AASB 4 Insurance Contracts	1 January 2018	ECU will determine the impact of the Standard when applicable.
AASB 2016-8	Amendments to Australian Accounting Standards - Australian Implementation Guidance for Not-for-Profit Entities.	1 January 2019	ECU will determine the impact of the Standard when applicable.
AASB 2017-1	Amendments to Australian Accounting Standards arising from AASB 1, AASB 128, and AASB 140	1 January 2019	ECU will determine the impact of the Standard when applicable.
AASB 9	Financial Instruments	1 January 2018	ECU will determine the impact of the Standard when applicable.
AASB 15	Revenue from Contracts with Customers	1 January 2019	ECU will determine the impact of the Standard when applicable.
AASB 16	Leases	1 January 2019	ECU will determine the impact of the Standard when applicable.
AASB 1058	Income of Not-for-Profit Entities	1 January 2019	ECU will determine the impact of the Standard when applicable.

(y) Rounding of amounts

Amounts in the financial statements have been rounded off in accordance with ASIC Corporations (Rounding in Financial/Directors' Report) Instrument 2016/191. Amounts have been rounded off to the nearest thousand dollars.

Edith Cowan University

Notes to Financial Statements

For the Year Ended 31 December 2017

2 Australian Government financial assistance including Australian Government loan programs (HELP)

(a) Commonwealth Grants Scheme and Other Grants

	Note	Consolidated		Parent	
		2017	2016	2017	2016
		\$000's	\$000's	\$000's	\$000's
Commonwealth Grants Scheme ^{#1}		145,598	149,616	145,598	149,616
Indigenous Support Program		1,022	616	1,022	616
Higher Education Participation Program		2,868	3,485	2,868	3,485
Disability Support Program		224	115	224	115
Indigenous Student Success Program		42	200	42	200
Academic Centres of Cyber Security Excellence		231	-	231	-
Promotion of Excellence in Learning and Teaching		40	75	40	75
Total Commonwealth Grants Scheme and Other Grants	45(a)	150,025	154,107	150,025	154,107

(b) Higher Education Loan Programs

HECS - HELP		83,534	79,952	83,534	79,952
FEE - HELP		10,967	10,148	10,967	10,148
VET FEE - HELP		1,039	1,264	1,039	1,264
SA-HELP	45(h)	2,892	2,790	2,892	2,790
Total Higher Education Loan Programs	45(b)	98,432	94,154	98,432	94,154

(c) Department of Education and Training Research

Research Training Program ^{#2}		7,878	7,200	7,878	7,200
Research Support Program ^{#3}		4,331	4,213	4,331	4,213
Total Scholarships	45(c)	12,209	11,413	12,209	11,413

(d) Australian Research Council

	Note	Consolidated		Parent	
		2017	2016	2017	2016
		\$000's	\$000's	\$000's	\$000's
Discovery		287	283	287	283
Linkages		308	205	308	205
Total Australian Research Council	45(d)	595	488	595	488

Edith Cowan University

**Notes to Financial Statements
For the Year Ended 31 December 2017**
2 Australian Government financial assistance including Australian Government loan programs (HELP) continued**(e) Other Australian Government financial assistance****Non-capital**

National competitive	3,298	1,526	3,298	1,526
Other research grants	3,201	3,068	3,201	3,068
Other non-research grants	690	663	690	663
Other	-	7	-	7

Total other Australian Government financial assistance

7,189	5,264	7,189	5,264
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Total Australian Government Financial Assistance

268,450	265,426	268,450	265,426
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#1 Includes the basic CGS grant amount, CGS - Regional Loading, CGS - Enabling Loading, Allocated Places and Non-designated Courses

#2 Includes Australian Postgraduate Awards, International Postgraduate Research Scholarships and Research Training Scheme

#3 Includes Joint Research Engagement, JRE Engineering Cadetship, Research Block Grants and Sustainable Research Excellence in Universities

	Consolidated		Parent	
	2017	2016	2017	2016
	\$000's	\$000's	\$000's	\$000's
Reconciliation				
Australian Government grants (a + c + d + e)	170,018	171,272	170,018	171,272
HECS - HELP payments	83,534	79,952	83,534	79,952
FEE - HELP payments	10,967	10,148	10,967	10,148
VET FEE - HELP	1,039	1,264	1,039	1,264
SA - HELP payments	2,892	2,790	2,892	2,790
Total Australian Government financial assistance	268,450	265,426	268,450	265,426

Edith Cowan University

Notes to Financial Statements
For the Year Ended 31 December 2017
2 Australian Government financial assistance including Australian Government loan programs (HELP) continued(f) *Australian Government Grants received - cash basis (Ref note 45)*

	Note	Consolidated		Parent	
		2017 \$000's	2016 \$000's	2017 \$000's	2016 \$000's
CGS and Other Education Grants	45(a)	150,965	153,060	150,965	153,060
Higher Education Loan Programs	45(b)	97,275	95,942	97,275	95,942
Department of Education and Training Research	45(c)	11,634	11,478	11,634	11,478
ARC grants - Discovery & Linkages	45(d)	595	488	595	488
Other Australian Government Grants		7,189	5,377	7,189	5,377
Total Australian Government Grants received - cash basis		267,658	266,345	267,658	266,345
OS-Help (Net)	45(f)	322	289	322	289
Superannuation Supplementation	45(g)	2,522	2,510	2,522	2,510
Total Australian Government funding received - cash basis		270,502	269,144	270,502	269,144

3 State and Local Government financial assistance

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

	Consolidated		Parent	
	2017 \$000's	2016 \$000's	2017 \$000's	2016 \$000's
Non-capital				
WA State Government operating grants	6,704	6,230	6,704	6,230
WA State Government research grants	4,527	4,618	4,527	4,618
Local Government research grants	13	197	13	197
Total State and Local Government financial assistance	11,244	11,045	11,244	11,045

Edith Cowan University

**Notes to Financial Statements
For the Year Ended 31 December 2017**
4 Fees and charges

		Consolidated		Parent	
		2017	2016	2017	2016
Note		\$000's	\$000's	\$000's	\$000's
Course fees and charges					
Fee-paying onshore overseas students		91,843	82,924	91,843	82,924
Fee paying offshore overseas students		1,897	2,003	1,897	2,003
Continuing education - short course fees		2,876	2,312	2,876	2,312
Fee-paying domestic postgraduate students		3,581	3,962	3,581	3,962
Fee-paying domestic undergraduate students		18	74	18	74
Total course fees and charges		100,215	91,275	100,215	91,275
Other non-course fees and charges					
Student Services and Amenities Fees	45(h)	1,038	1,043	1,038	1,043
Examination, registration and photocopying fees		77	467	77	467
Service fees		1,905	530	1,905	530
Parking fees		1,855	1,720	1,855	1,720
Facility hire		1,811	3,465	1,811	3,465
Student accommodation rental income		4,080	-	-	-
Fees and charges		1,676	1,217	1,676	1,217
Total other fees and charges		12,442	8,442	8,362	8,442
Total fees and charges		112,657	99,717	108,577	99,717

5 Investment revenue and losses

	Consolidated		Parent	
	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
Investment revenue				
Interest revenue from the University operating account	273	716	269	716
Interest from bank bills	8,270	8,208	8,270	8,208
Rental income from investment properties	1,600	1,463	1,600	1,463
Dividends received	111	112	111	112
Distributions from managed funds	5,256	3,205	5,256	3,205
Interest from intercompany loan	-	-	1,063	-
Total investment revenue	15,510	13,704	16,569	13,704
Investment losses				
Net loss on revaluation of investment properties	(1,190)	(2,454)	(1,190)	(2,454)
Net investment revenue	14,320	11,250	15,379	11,250

Edith Cowan University

Notes to Financial Statements
For the Year Ended 31 December 2017

6 Royalties

	Consolidated		Parent	
	2017	2016	2017	2016
	\$000's	\$000's	\$000's	\$000's
Royalties	581	5,466	581	5,466

7 Consultancies and contracts

	Consolidated		Parent	
	2017	2016	2017	2016
	\$000's	\$000's	\$000's	\$000's
Consultancies	296	181	296	181
Contract research	8,153	6,208	8,153	6,208
Total consultancy and contracts	8,449	6,389	8,449	6,389

8 Other revenue

	Consolidated		Parent	
	2017	2016	2017	2016
	\$000's	\$000's	\$000's	\$000's
Other revenue				
Donations and bequests	1,198	934	1,198	934
Scholarships and prizes	1,379	1,321	1,379	1,321
Proceeds from sale of non-capitalised equipment	280	2,316	280	2,316
Commissions, recoveries and rebates recovered	5,787	3,571	6,216	3,571
Sale of goods	1,477	1,684	1,477	1,684
Box office sales	904	764	904	764
Service concession income	35	1,241	35	1,241
Operating rights income	-	-	791	-
Other revenue	632	713	632	713
Total other revenue	11,692	12,544	12,912	12,544

Edith Cowan University

Notes to Financial Statements
For the Year Ended 31 December 2017

9 Gains/(losses) on disposal of assets

	Consolidated		Parent	
	2017	2016	2017	2016
	\$000's	\$000's	\$000's	\$000's
Proceeds from sale of assets	18	57	18	57
Carrying amount of assets disposed	(66)	(26)	(66)	(26)
Net gains/(losses) on disposal	(48)	31	(48)	31

10 Employee related expenses

	Consolidated		Parent	
	2017	2016	2017	2016
	\$000's	\$000's	\$000's	\$000's
Academic				
Salaries	94,550	88,377	94,550	88,377
Contributions to superannuation and pension schemes - funded	13,147	12,306	13,147	12,306
Payroll tax	6,885	5,987	6,885	5,987
Worker's compensation	97	456	97	456
Long service leave expense	2,136	2,666	2,136	2,666
Annual leave	1,128	1,709	1,128	1,709
Other	120	129	120	129
Total academic	118,063	111,630	118,063	111,630
Non-academic				
Salaries	105,103	102,333	105,103	102,333
Contributions to superannuation and pension schemes - funded	14,047	13,734	14,047	13,734
Payroll tax	7,264	6,508	7,264	6,508
Worker's compensation	13	518	13	518
Long service leave expense	2,154	1,802	2,154	1,802
Annual leave	1,011	1,420	1,011	1,420
Other	457	629	457	629
Total non-academic	130,049	126,944	130,049	126,944
Total employee related expenses	248,112	238,574	248,112	238,574

Edith Cowan University

Notes to Financial Statements
For the Year Ended 31 December 2017
11 Depreciation and amortisation

	Consolidated		Parent	
	2017	2016	2017	2016
	\$000's	\$000's	\$000's	\$000's
Depreciation				
Buildings	14,652	14,031	14,652	14,031
Service concession assets	1,064	1,432	1,064	1,432
Other equipment and furniture	4,558	3,571	4,475	3,571
Computing equipment	816	534	812	534
Motor vehicles	101	119	101	119
Library collections	889	957	889	957
Total depreciation	22,080	20,644	21,993	20,644
Amortisation				
Digital library collections	1,124	1,027	1,124	1,027
Leasehold improvements	512	562	512	562
Re-acquired rights	150	-	-	-
Total amortisation	1,786	1,589	1,636	1,589
Total depreciation and amortisation	23,866	22,233	23,629	22,233

12 Repairs and maintenance

	Consolidated		Parent	
	2017	2016	2017	2016
	\$000's	\$000's	\$000's	\$000's
Building maintenance	9,443	11,758	9,443	11,758
Grounds maintenance	772	1,924	772	1,924
Total repairs and maintenance	10,215	13,682	10,215	13,682

13 Borrowing costs

	Consolidated		Parent	
	2017	2016	2017	2016
	\$000's	\$000's	\$000's	\$000's
Interest expense	3,734	2,997	3,734	2,997
Total borrowing costs expensed	3,734	2,997	3,734	2,997

Edith Cowan University

Notes to Financial Statements
For the Year Ended 31 December 2017
14 Impairment of assets

	Consolidated		Parent	
	2017	2016	2017	2016
	\$000's	\$000's	\$000's	\$000's
Bad and doubtful debts	528	432	528	432
Total impairment of assets	528	432	528	432

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

15 Other expenses

	Consolidated		Parent	
	2017	2016	2017	2016
	\$000's	\$000's	\$000's	\$000's
Scholarships, grants and prizes	13,063	11,143	13,063	11,143
Computing, equipment and consumables	9,496	5,096	9,496	5,096
Advertising and marketing	5,465	5,974	5,465	5,974
Promotions and sponsorships	4,092	3,128	4,092	3,128
Audit fees, bank charges, legal costs and insurance	2,114	2,406	2,114	2,406
Software maintenance and licensing	19,446	22,961	19,446	22,961
Other occupancy related	4,870	6,826	4,870	6,826
Library subscriptions	3,241	3,292	3,241	3,292
Lease rentals	319	439	319	439
Printing and stationery	2,705	2,264	2,705	2,264
Professional and consulting fees	18,940	19,453	18,940	19,453
Student related expenditure	9,610	10,634	9,610	10,634
Telecommunications	370	1,690	370	1,690
Travel, entertainment, staff development and related expenses	9,511	8,398	9,511	8,398
Utilities and rates	5,985	5,912	5,985	5,912
Net loss on asset write-offs ^{#1}	3	49	3	49
Cost of goods sold	39	39	39	39
Student Practicum and related expenses	2,646	2,497	2,646	2,497
Student accommodation outgoings	1,298	-	-	-
Miscellaneous	11,557	8,101	11,557	8,101
Total other expenses	124,770	120,302	123,472	120,302

#1 Additional detail on write-offs during the year is included at note 43.

Edith Cowan University

Notes to Financial Statements For the Year Ended 31 December 2017

16 Income tax benefit

As noted in note 1(d), the University is exempt from tax under the Income Tax Assessment Act 1997 (the Act). During the year, the University acquired Edith Cowan Accommodation Holdings Pty Ltd (refer note 40), an entity to which the Act does apply. As a result, the University acquired deferred tax liability determined by applying using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements.

Subsequent to the acquisition of Edith Cowan Accommodation Holdings Pty Ltd, the University applied for, and was granted a tax exemption over the operations of its acquired subsidiary. As a result, the deferred tax liability acquired has subsequently been derecognised as income tax benefit.

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

	Consolidated		Parent	
	2017	2016	2017	2016
	000's	000's	000's	000's
Net result before income tax:				
From continuing operations	28,126	24,597	27,860	24,597
Less: Non taxable operating result from parent entity	(28,126)	(24,597)	(27,860)	(24,597)
Tax at the Australian tax rate of 30% (2016: 30%)	-	-	-	-
Sub total	-	-	-	-
Reversal of acquired deferred tax liability	962	-	-	-
Total Income tax benefit:	962	-	-	-

17 Cash and cash equivalents

	Consolidated		Parent	
	2017	2016	2017	2016
	\$000's	\$000's	\$000's	\$000's
Cash at bank	23,794	20,751	23,098	20,751
Term deposits	44,785	48,792	44,785	48,792
Cash held in imprest	12	12	12	12
Total cash and cash equivalent	68,591	69,555	67,895	69,555

Edith Cowan University

Notes to Financial Statements For the Year Ended 31 December 2017

17 Cash and cash equivalents continued

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

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

	Note	Consolidated		Parent	
		2017 \$000's	2016 \$000's	2017 \$000's	2016 \$000's
Unrestricted		57,592	59,325	56,896	59,325
Restricted cash	31	10,999	10,230	10,999	10,230
Balance as per cash flow statement		68,591	69,555	67,895	69,555

(b) *Cash-at-bank and held in imprests*

Cash at bank is interest bearing at variable interest rates. Refer to note 41.

(c) *Term deposits*

The term deposits are interest bearing at variable interest rates. Refer to note 41.

18 Receivables

	Note	Consolidated		Parent	
		2017 \$000's	2016 \$000's	2017 \$000's	2016 \$000's
Current					
Trade receivables and student debts		6,264	5,141	6,314	5,141
Intercompany loan		-	-	1,426	-
Less: Provision for impaired receivables		(1,255)	(746)	(1,243)	(746)
		5,009	4,395	6,497	4,395
Deferred government benefit for superannuation	44	2,633	2,487	2,633	2,487
GST and withholding tax receivable		3,404	3,513	3,138	3,513
Total current receivables		11,046	10,395	12,268	10,395

Edith Cowan University

Notes to Financial Statements
For the Year Ended 31 December 2017

18 Receivables continued

		Consolidated		Parent	
		2017 \$000's	2016 \$000's	2017 \$000's	2016 \$000's
Non-current					
Intercompany loan		-	-	41,885	-
Deferred government benefit for superannuation	44	20,888	20,107	20,888	20,107
Total non-current receivables		20,888	20,107	62,773	20,107
Total trade and other receivables		31,934	30,502	75,041	30,502

Impaired receivables

As at 31 December 2017 current receivables of the University with a nominal value of \$1.2m (2016: \$0.7m) were impaired. It was assessed that a portion of these receivables are expected to be recovered.

The ageing analysis of these receivables is as follows:

	Consolidated		Parent	
	2017 \$000's	2016 \$000's	2017 \$000's	2016 \$000's
3 to 6 months	535	424	523	424
6 to 12 months	374	170	374	170
Over 12 months	346	152	346	152
Total current impaired receivables	1,255	746	1,243	746

As at 31 December 2017, trade receivables of \$0.9m (2016: \$0.9m) were past due but not impaired. These relate to a number of clients and students for whom there is no recent history of default.

The ageing analysis of these receivables is as follows:

	Consolidated		Parent	
	2017 \$000's	2016 \$000's	2017 \$000's	2016 \$000's
3 months or less	877	858	850	858
	877	858	850	858

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Notes to Financial Statements
For the Year Ended 31 December 2017

Movements in the provision for impaired receivables are as follows:

	Consolidated		Parent	
	2017	2016	2017	2016
	\$000's	\$000's	\$000's	\$000's
Balance at 1 January	746	364	746	364
Impairment recognised during the year	540	432	528	432
Written off during the year	(31)	(50)	(31)	(50)
Balance at 31 December	1,255	746	1,243	746

The creation and release of the provision for impaired receivables has been included in 'Impairment of assets' in the Income Statement. Amounts charged to the provision account are generally written off when there is no expectation of further recovery.

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

19 Other financial assets

	Consolidated		Parent	
	2017	2016	2017	2016
	\$000's	\$000's	\$000's	\$000's
Current				
Held-to-maturity investments				
Fixed term deposits	126,071	122,720	126,071	122,720
Total current other financial assets	126,071	122,720	126,071	122,720
Non-Current				
Available-for-sale investments				
Listed shares	2,180	1,992	2,180	1,992
Unlisted shares	16,202	11,027	16,202	11,027
Funds under management	64,344	58,689	64,344	58,689
Held-to-maturity investments				
Fixed term deposits	51,025	51,025	51,025	51,025
Total non-current other financial assets	133,751	122,733	133,751	122,733
Total other financial assets	259,822	245,453	259,822	245,453

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**Notes to Financial Statements
For the Year Ended 31 December 2017**
20 Other non-financial assets

	Consolidated		Parent	
	2017	2016	2017	2016
	\$000's	\$000's	\$000's	\$000's
Current				
Accrued income	2,320	634	1,258	634
Advances and prepayments	11,695	10,714	10,701	10,714
Total current other non-financial assets	14,015	11,348	11,959	11,348
Non-current				
Other non-financial assets	1,458	1,558	1,458	1,558
Total other non-financial assets	15,473	12,906	13,417	12,906

21 Investment properties

	Consolidated		Parent	
	2017	2016	2017	2016
	\$000's	\$000's	\$000's	\$000's
At Fair value				
Opening balance at 1 January	20,410	22,636	20,410	22,636
Additions	-	228	-	228
Loss on revaluation	(1,190)	(2,454)	(1,190)	(2,454)
Closing balance as at 31 December	19,220	20,410	19,220	20,410

For fair value hierarchy categorisation of investment properties see note 42.

(a) *Amounts recognised in Income Statement for investment properties*

	Consolidated		Parent	
	2017	2016	2017	2016
	\$000's	\$000's	\$000's	\$000's
Rental income	1,600	1,463	1,600	1,463
Direct operating expenses	(395)	(340)	(395)	(340)
Loss on revaluation	(1,190)	(2,454)	(1,190)	(2,454)
Total recognised in Income Statement	15	(1,331)	15	(1,331)

(b) *Valuation basis*

The fair value of all investment properties has been determined by reference to recent market transactions. The investment properties have been valued as at 31 December 2017 by an independent professional valuer.

Edith Cowan University

Notes to Financial Statements For the Year Ended 31 December 2017

22 Investments accounted for using the equity method

(a) Associates

Name of Entity	Country of incorporation	Carrying amount		Ownership Interest		Principal activity
		2017	2016	2017	2016	
		\$000's	\$000's	%	%	
SC8 Limited	Australia	658	-	30	-	Provider of cyber security services

(b) Joint Ventures

Name of Entity	Country of incorporation	Carrying amount		Ownership Interest		Principal activity
		2017	2016	2017	2016	
		\$000's	\$000's	%	%	
Edith Cowan College Pty Ltd	Australia	690	1,422	50	50	Provider of university pathway programs

(c) Individually immaterial associates and joint ventures

Aggregate carrying amount of interests in the joint venture accounted for using the equity method that are not individually material in the consolidated financial statements:

	Associates		Joint Ventures	
	2017	2016	2017	2016
	\$000's	\$000's	\$000's	\$000's
Profit/(loss) from continuing operations	(242)	-	3,662	969
Profit/(loss) from continuing operations after income tax	(242)	-	3,547	655
Total comprehensive income	(242)	-	3,547	655

23 Property, plant and equipment

Consolidated	Work-in-progress \$000's	Land \$000's	Buildings \$000's	Service concession assets - land \$000's	Service concession assets - building \$000's	Leasehold improvements \$000's	Artworks \$000's	Library Collections \$000's	Motor Vehicles \$000's	Other equipment and furniture \$000's	Computer Equipment \$000's	Total \$000's
At 1 January 2016												
- Cost	8,037	-	-	11,617	64,607	-	-	13,320	793	37,168	10,961	146,503
- Valuation	-	144,610	556,121	-	-	5,771	14,605	-	-	-	-	721,107
Accumulated depreciation and impairment	-	-	-	-	(7,046)	-	-	(8,407)	(512)	(26,013)	(9,745)	(51,723)
Net book amount	8,037	144,610	556,121	11,617	57,561	5,771	14,605	4,913	281	11,155	1,216	815,887
Year ended 31 December 2016												
Opening net book amount	8,037	144,610	556,121	11,617	57,561	5,771	14,605	4,913	281	11,155	1,216	815,887
Additions	10,211	-	680	-	-	-	70	-	23	1,876	68	12,928
Disposals during the year	-	-	-	-	-	-	-	-	(7)	(19)	-	(26)
Revaluation decrements	-	(210)	(947)	-	-	(467)	-	-	-	-	-	(1,624)
Reclassifications out	(228)	-	-	-	-	-	-	-	-	-	-	(228)
Write-offs during the year	-	-	-	-	-	-	(4)	-	-	-	-	(4)
Depreciation charge	-	-	(14,031)	-	(1,432)	(562)	-	(957)	(119)	(3,571)	(534)	(21,206)
Transfers	(8,727)	-	6,577	-	-	-	-	155	33	1,800	162	-
Closing net book amount	9,293	144,400	548,400	11,617	56,129	4,742	14,671	4,111	211	11,241	912	805,727
At 31 December 2016												
- Cost	9,293	-	-	11,617	64,606	-	-	13,474	805	40,264	10,181	150,240
- Valuation	-	144,400	548,400	-	-	4,742	14,671	-	-	-	-	712,213
Accumulated depreciation	-	-	-	-	(8,477)	-	-	(9,363)	(594)	(29,023)	(9,269)	(56,726)
Net book amount	9,293	144,400	548,400	11,617	56,129	4,742	14,671	4,111	211	11,241	912	805,727

23 Property, plant and equipment continued

Consolidated	Work-in-progress \$000's	Land \$000's	Buildings \$000's	Service concession assets - land \$000's	Service concession assets - building \$000's	Leasehold improvements \$000's	Artworks \$000's	Library Collections \$000's	Motor Vehicles \$000's	Other equipment and furniture \$000's	Computer Equipment \$000's	Total \$000's
	-	-	-	-	-	-	-	-	-	-	-	-
Year ended 31 December 2017												
Opening net book amount	9,293	144,400	548,400	11,617	56,129	4,742	14,671	4,111	211	11,241	912	805,727
Additions	12,536	-	-	-	6,250	-	61	-	6	1,404	-	20,257
Acquisitions through business combinations	-	-	-	-	-	-	-	-	-	809	41	850
Disposals during the year	-	-	-	-	-	-	-	-	-	(66)	-	(66)
Revaluation decrements	-	(2,482)	(13,923)	-	-	(169)	-	-	-	-	-	(16,574)
Write-offs during the year	-	-	-	-	-	-	-	-	-	(1)	-	(1)
Depreciation charge	-	-	(14,652)	-	(1,064)	(512)	-	(889)	(101)	(4,558)	(816)	(22,592)
Transfers	(8,392)	11,617	65,933	(11,617)	(61,315)	-	-	153	13	2,774	834	-
Closing net book amount	13,437	153,535	585,758	-	-	4,061	14,732	3,375	129	11,603	971	787,601
At 31 December 2017												
- Cost	13,437	-	-	-	-	-	-	13,628	792	44,548	10,411	82,816
- Valuation	-	153,535	585,758	-	-	4,061	14,732	-	-	-	-	758,086
Accumulated depreciation	-	-	-	-	-	-	-	(10,253)	(663)	(32,945)	(9,440)	(53,301)
Net book amount	13,437	153,535	585,758	-	-	4,061	14,732	3,375	129	11,603	971	787,601

23 Property, plant and equipment continued

Parent	Work-in-progress \$000's	Land \$000's	Buildings \$000's	Service concession assets - land \$000's	Service concession assets - building \$000's	Leasehold improvements \$000's	Artworks \$000's	Library Collections \$000's	Motor Vehicles \$000's	Other equipment and furniture \$000's	Computer Equipment \$000's	Total \$000's
At 1 January 2016												
- Cost	8,037	-	-	11,617	64,607	-	-	13,320	793	37,168	10,961	146,503
- Valuation	-	144,610	556,121	-	-	5,771	14,605	-	-	-	-	721,107
Accumulated depreciation and impairment	-	-	-	-	(7,046)	-	-	(8,407)	(512)	(26,013)	(9,745)	(51,723)
Net book amount	8,037	144,610	556,121	11,617	57,561	5,771	14,605	4,913	281	11,155	1,216	815,887
Year ended 31 December 2016												
Opening net book amount	8,037	144,610	556,121	11,617	57,561	5,771	14,605	4,913	281	11,155	1,216	815,887
Additions	10,211	-	680	-	-	-	70	-	23	1,876	68	12,928
Disposals during the year	-	-	-	-	-	-	-	-	(7)	(19)	-	(26)
Revaluation decrements	-	(210)	(947)	-	-	(467)	-	-	-	-	-	(1,624)
Reclassifications out	(228)	-	-	-	-	-	-	-	-	-	-	(228)
Write-offs during the year	-	-	-	-	-	-	(4)	-	-	-	-	(4)
Depreciation charge	-	-	(14,031)	-	(1,432)	(562)	-	(957)	(119)	(3,571)	(534)	(21,206)
Transfers	(8,727)	-	6,577	-	-	-	-	155	33	1,800	162	-
Closing net book amount	9,293	144,400	548,400	11,617	56,129	4,742	14,671	4,111	211	11,241	912	805,727
At 31 December 2016												
- Cost	9,293	-	-	11,617	64,606	-	-	13,474	805	40,264	10,181	150,240
- Valuation	-	144,400	548,400	-	-	4,742	14,671	-	-	-	-	712,213
Accumulated depreciation	-	-	-	-	(8,477)	-	-	(9,363)	(594)	(29,023)	(9,269)	(56,726)
Net book amount	9,293	144,400	548,400	11,617	56,129	4,742	14,671	4,111	211	11,241	912	805,727

23 Property, plant and equipment continued

	Work-in-progress	Land	Buildings	Service concession assets - land	Service concession assets - building	Leasehold improvements	Artworks	Library Collections	Motor Vehicles	Other equipment and furniture	Computer Equipment	Total
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
Parent												
Year ended 31 December 2017												
Opening net book amount	9,293	144,400	548,400	11,617	56,129	4,742	14,671	4,111	211	11,241	912	805,727
Additions	12,535	-	-	-	6,250	-	61	-	6	1,404	-	20,256
Disposals during the year	-	-	-	-	-	-	-	-	-	(66)	-	(66)
Revaluation decrements	-	(2,482)	(13,923)	-	-	(169)	-	-	-	-	-	(16,574)
Write-offs during the year	-	-	-	-	-	-	-	-	-	(1)	-	(1)
Depreciation charge	-	-	(14,652)	-	(1,064)	(512)	-	(889)	(101)	(4,475)	(812)	(22,505)
Transfers	(8,392)	11,617	65,932	(11,617)	(61,315)	-	-	153	13	2,774	835	-
Closing net book amount	13,436	153,535	585,757	-	-	4,061	14,732	3,375	129	10,877	935	786,837
At 31 December 2017												
- Cost	13,436	-	-	-	-	-	-	13,628	792	43,147	10,268	81,271
- Valuation	-	153,535	585,757	-	-	4,061	14,732	-	-	-	-	758,085
Accumulated depreciation	-	-	-	-	-	-	-	(10,253)	(663)	(32,270)	(9,333)	(52,519)
Net book amount	13,436	153,535	585,757	-	-	4,061	14,732	3,375	129	10,877	935	786,837

Edith Cowan University

Notes to Financial Statements For the Year Ended 31 December 2017

23 Property, plant and equipment continued

(a) *Valuations of land, buildings and Artworks*

Land, buildings and leasehold improvements were revalued as at 31 December 2017 by independent professional valuers. The fair value of all land has been determined by reference to recent market transactions and the fair value of buildings and leasehold improvements have been determined by reference to the cost of replacing the remaining future economic benefits, refer to note 1(m).

Artworks are heritage assets and have been valued as at 31 December 2015 by independent professional valuers, the fair value of artworks has been determined by reference to recent market transactions.

(b) *Service Concession Asset*

The University entered into a Service Concession Arrangement with Campus Living Villages ('CLV'), an entity that specialises in the construction, operation and maintenance of long-term student accommodation services. As part of the arrangement, CLV constructed a 355 bed student village at the Mt Lawley campus, a 127 bed student accommodation in Joondalup and refurbishment of existing accommodation at Mt Lawley, Joondalup and Bunbury campuses. As part of the arrangement, CLV assumed management of all such accommodation and was compensated for the provision of capital works to the University through the granting of rights by the University to CLV allowing CLV to operate and enjoy full access to such assets, including the retention of all rental income. Pursuant to the principles of service concession accounting in Australian accounting standards, the financial statements reflected the control of all assets under the arrangement by the University with the rights of the operator recognised as a service concession liability. The term of the arrangement was 38 years in total, at which time the full operation and management would return to the University.

Termination of the Service Concession Arrangement

The Service Concession Arrangement was terminated during the current year with the University acquiring control of the entity used by CLV to manage and operate the student accommodation buildings. As a consequence of the acquisition, the consolidated entity has assumed unrestricted title and control to all related assets, and this is represented in the above tables by a transfer between asset classes.

On the operational entity becoming a subsidiary of the University, the University, as parent entity, remains in an arrangement with its subsidiary in relation to the operation and management of the student accommodation buildings. The subsidiary retains the operating rights allowing the subsidiary to operate and enjoy full access to such assets, including the retention of all rental income. On expiry of the arrangement, the full operation and management will return to the parent entity.

24 Intangible assets

	Digital Library Collections \$000's	Re-acquired Operating Rights \$000's	Total \$000's
Consolidated			
Year ended 31 December 2016			
Opening net book amount	5,690	-	5,690
Additions	1,769	-	1,769
Amortisation charge	(1,027)	-	(1,027)
Closing net book amount	6,432	-	6,432
At 31 December 2016			
Cost	15,636	-	15,636
Accumulated amortisation	(9,204)	-	(9,204)
Net book amount	6,432	-	6,432
Year ended 31 December 2017			
Opening net book amount	6,432	-	6,432
Additions	2,334	9,151	11,485
Amortisation charge	(1,124)	(150)	(1,274)
Closing net book amount	7,642	9,001	16,643
At 31 December 2017			
Cost	17,971	9,151	27,122
Accumulated amortisation	(10,329)	(150)	(10,479)
Net book amount	7,642	9,001	16,643

24 Intangible assets continued

	Digital Library Collections \$000's	Re-acquired Operating Rights \$000's	Total \$000's
Parent			
Year ended 31 December 2016			
Opening net book amount	5,690	-	5,690
Additions	1,769	-	1,769
Amortisation charge	(1,027)	-	(1,027)
Closing net book amount	6,432	-	6,432
At 31 December 2016			
Cost	15,636	-	15,636
Accumulated amortisation	(9,204)	-	(9,204)
Net book amount	6,432	-	6,432
Year ended 31 December 2017			
Opening net book amount	6,432	-	6,432
Additions	2,334	-	2,334
Amortisation charge	(1,124)	-	(1,124)
Closing net book amount	7,642	-	7,642
At 31 December 2017			
Cost	17,971	-	17,971
Accumulated amortisation	(10,329)	-	(10,329)
Net book amount	7,642	-	7,642

(a) Re-acquired Operating Rights

During the year, the University as parent entity re-acquired operating rights previously granted to an external operator to manage and operate student accommodation buildings. This acquisition was attained as part of the business combination discussed further at note 40 Business Combinations.

(b) Remaining amortisation periods

The remaining amortisation periods of the above classes of intangible assets are as follows:

- Digital library collections 10 years
- Re-acquired operating rights 28 - 36 years

25 Trade and other payables

	Consolidated		Parent	
	2017	2016	2017	2016
	\$000's	\$000's	\$000's	\$000's
Current				
OS-HELP liabilities to Australian Government	1,233	911	1,233	911
Trade payables	12,781	9,081	12,520	9,081
CGS and other liabilities to Australian Government	365	801	365	801
GST payable	363	290	338	290
Total current trade and other payables	14,742	11,083	14,456	11,083

25 Trade and other payables continued

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

(a) Foreign currency risk

The carrying amounts of the University's trade and other payables are denominated in the following currencies.

	Consolidated		Parent	
	2017	2016	2017	2016
	\$000's	\$000's	\$000's	\$000's
Australian Dollar	14,672	11,067	14,386	11,067
Euro	66	12	66	12
US Dollar	2	4	2	4
Canadian Dollar	2	-	2	-
	14,742	11,083	14,456	11,083

For an analysis of the sensitivity of trade and other payables to foreign currency risk refer to note 41.

26 Borrowings

	Consolidated		Parent	
	2017	2016	2017	2016
	\$000's	\$000's	\$000's	\$000's
Current - Unsecured interest bearing				
Secured loans	21,399	19,436	21,399	19,436
Non-current - Unsecured interest bearing				
Secured loans	83,029	61,173	83,029	61,173
Total borrowings	104,428	80,609	104,428	80,609

26 Borrowings continued

(a) *Financing arrangements*

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

	Consolidated		Parent	
	2017 \$000's	2016 \$000's	2017 \$000's	2016 \$000's
Credit standby arrangements				
Total credit standby arrangements				
Loan facilities	120,000	120,000	120,000	120,000
Other facilities	15,070	7,570	15,070	7,570
Total credit standby arrangements	135,070	127,570	135,070	127,570
Used at balance date				
Loan facilities	104,428	80,609	104,428	80,609
Other facilities	381	432	381	432
Total used at balance date	104,809	81,041	104,809	81,041
Unused at balance date				
Loan facilities	15,572	39,391	15,572	39,391
Other facilities	14,689	7,138	14,689	7,138
Total unused at balance date	30,261	46,529	30,261	46,529

Assets pledged as security

The University has not directly pledged any assets as security against the borrowings. The borrowings are secured by the Western Australian Government guarantee.

(b) *Fair value*

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

Consolidated	2017		2016	
	Carrying amount \$000's	Fair value \$000's	Carrying amount \$000's	Fair value \$000's
Borrowings				
Secured loans	104,428	105,859	80,609	81,253
	104,428	105,859	80,609	81,253
Parent				
Borrowings				
Secured loans	104,428	105,859	80,609	81,253
	104,428	105,859	80,609	81,253

The fair value of borrowings have been prepared assuming hypothetical settlement dates of 31 December 2016 and

26 Borrowings continued

(b) *Fair value continued*
31 December 2017.

(c) *Risk exposures*

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

	Consolidated		Parent	
	2017	2016	2017	2016
	\$000's	\$000's	\$000's	\$000's
Within one year	21,399	19,436	21,399	19,436
Between one and five years	48,043	61,173	48,043	61,173
Later than five years	34,986	-	34,986	-
	104,428	80,609	104,428	80,609
These borrowings are classified as follows:				
Current borrowings	21,399	19,436	21,399	19,436
Non-current borrowings	83,029	61,173	83,029	61,173
	104,428	80,609	104,428	80,609

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

For an analysis of the sensitivity of borrowings to interest rate risk refer to note 41.

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

	2016	Cash flows	2017
	\$000's	\$000's	\$000's
Long-term borrowings	61,173	21,856	83,029
Short-term borrowings	19,436	1,963	21,399
	80,609	23,819	104,428

27 Derivative financial instruments**Current liabilities**

	Consolidated		Parent	
	2017	2016	2017	2016
	\$000's	\$000's	\$000's	\$000's
Current liabilities				
Derivative financial instruments	32	-	32	-

27 Derivative financial instruments continued

(a) Instruments used by the University

The University is party to derivative financial instruments in the normal course of business in order to hedge exposure to fluctuations in foreign exchange rates in accordance with the University's financial risk management policies (refer to note 41).

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

These contracts are hedging obligations for payments for the ensuing financial year. The contracts are timed to mature when payments are contractually due for payment.

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

(b) Interest rate and foreign exchange risk

For an analysis of the sensitivity of derivatives to interest rate and foreign exchange risk refer to note 41.

28 Provisions

		Consolidated		Parent	
		2017	2016	2017	2016
Note		\$000's	\$000's	\$000's	\$000's
Current provisions expected to be settled within 12 months					
Employee benefits					

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

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

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

28 Provisions continued

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

Other provisions include a provision for present obligations arising from an onerous contract under which the unavoidable costs of meeting the contract obligations exceed the economic benefits expected to be received.

(a) Movements in provisions

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

	Employment on-costs \$000's	Service concession liabilities \$000's	Operating rights issued \$000's	Other \$000's	Total \$000's
Consolidated - 2017					
Carrying amount as at 1 January 2017	4,752	-	-	8,556	13,308
Additional provisions recognised	5,357	-	-	-	5,357
Amounts used	(3,702)	-	-	-	(3,702)
Set-off against service concession assets on termination of agreement	-	-	-	-	-
Unused amounts reversed	-	-	-	(1,510)	(1,510)
Carrying amount as at 31 December 2017	6,407	-	-	7,046	13,453

	Employment on-costs \$000's	Service concession liabilities \$000's	Operating rights issued \$000's	Other \$000's	Total \$000's
Parent - 2017					
Carrying amount as at 1 January 2017	4,752	38,033	-	8,556	51,341
Additional provisions recognised	5,357	6,214	44,247	-	55,818
Amounts used	(3,702)	-	(791)	-	(4,493)
Set-off against service concession assets on termination of agreement	-	(44,247)	-	-	(44,247)
Unused amounts reversed	-	-	-	(1,510)	(1,510)
Carrying amount as at 31 December 2017	6,407	-	43,456	7,046	56,909

Termination of the Service Concession Arrangement

The Service Concession Arrangement was terminated during the current year with the University acquiring control of the entity used by operator to manage and operate the student accommodation. As a consequence of the acquisition, the University as a consolidated entity has assumed unrestricted title and control to all related assets and no longer has an obligation to the operator. As a consequence, the Service Concession provision has been set off with the corresponding Service Concession asset acquired on consolidation of the subsidiary, refer to Note 40 Business Combinations for further details.

The financial statements of the University as parent entity continues to recognised an obligation in relation to the original granting of operating rights to Edith Cowan Accommodation Holdings Pty Ltd. This obligation has been reclassified from Service Concession liabilities to Operating Rights issued to reflect that the continued obligation is no

28 Provisions continued

longer related to a service concession arrangement with an external operator.

29 Other liabilities

	Consolidated		Parent	
	2017	2016	2017	2016
	\$000's	\$000's	\$000's	\$000's
Current				
Fees and grants received in advance	14,403	16,120	14,403	16,120
Financial assistance received in advance	1,651	2,661	1,651	2,661
Accrued expenses	23,386	24,129	23,240	24,129
Total other liabilities	39,440	42,910	39,294	42,910

30 Reserves and retained earnings**(a) Reserves**

	Consolidated		Parent	
	2017	2016	2017	2016
	\$000's	\$000's	\$000's	\$000's
Reserves				
Revaluation reserves - properties	289,539	306,113	289,539	306,113
Revaluation reserves - investment	22,281	16,076	22,281	16,076
Hedging reserve - cash flow hedges	(32)	-	(32)	-
Total Reserves	311,788	322,189	311,788	322,189

30 Reserves and retained earnings continued

Movements

	Consolidated		Parent	
	2017 \$000's	2016 \$000's	2017 \$000's	2016 \$000's
Hedging reserve - cash flow hedges				
Balance 1 January	-	9	-	9
Revaluation - gross	(32)	(9)	(32)	(9)
Balance 31 December	(32)	-	(32)	-
Revaluation reserves - investments				
Balance 1 January	16,076	12,248	16,076	12,248
Revaluation - gross	6,205	3,828	6,205	3,828
Balance 31 December	22,281	16,076	22,281	16,076
Revaluation reserves - properties				
Balance 1 January	306,113	306,183	306,113	306,183
Revaluation - gross	(16,574)	(1,624)	(16,574)	(1,624)
Transfer to retained earnings	-	1,554	-	1,554
Balance 31 December	289,539	306,113	289,539	306,113
Total reserves	311,788	322,189	311,788	322,189

(b) *Retained earnings*

Movement in retained earnings were as follows:

	Consolidated		Parent	
	2017 \$000's	2016 \$000's	2017 \$000's	2016 \$000's
Retained earnings at the beginning of the year	616,854	593,811	616,854	593,811
Net result for the period	29,088	24,597	27,860	24,597
Transfer from revaluation reserves	-	(1,554)	-	(1,554)
Retained earnings at end of the year	645,942	616,854	644,714	616,854

(c) *Nature and purpose of reserves*(i) *Revaluation reserves - properties*

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

(ii) *Revaluation reserves - investments*

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

(iii) *Hedging reserve - cash flow hedges*

The hedging reserve is used to record gains or losses on a hedging instrument in a cash flow hedge that are recognised directly in equity, as described in note 1(u). Amounts are reclassified to the income statement when the associated hedged transaction affects profit and loss. If the gains/losses in a cash flow hedge relate to the foreign purchase of a non-financial asset (e.g. property, plant and equipment), they are reclassified to the carrying amount of

30 Reserves and retained earnings continued

(c) *Nature and purpose of reserves continued*
the asset on initial recognition.

31 Restricted cash

	Consolidated		Parent	
	2017	2016	2017	2016
	\$000's	\$000's	\$000's	\$000's
Restricted cash				
ECU Foundation	10,999	10,230	10,999	10,230

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

32 Key management personnel disclosures

(a) *Remuneration of key management personnel*

The University has determined key management personnel to include members of the University Council and senior officers.

The total fees, salaries, superannuation, non-monetary benefits and other benefits for senior officers and University Council members for the reporting period are presented within the following bands:

	Consolidated		Parent	
	2017	2016	2017	2016
	Number	Number	Number	Number
\$0 to \$10,000	17	15	17	15
\$130,001 to \$140,000	-	1	-	1
\$140,001 to \$150,000	1	-	1	-
\$180,001 to \$190,000	-	1	-	1
\$190,001 to \$200,000	1	1	1	1
\$210,001 to \$220,000	1	-	1	-
\$240,001 to \$250,000	2	-	2	-
\$250,001 to \$260,000	2	-	2	-
\$260,001 to \$270,000	-	1	-	1
\$270,001 to \$280,000	1	-	1	-
\$280,001 to \$290,000	2	1	2	1
\$290,001 to \$300,000	2	-	2	-
\$300,001 to \$310,000	1	1	1	1
\$310,001 to \$320,000	2	2	2	2
\$320,001 to \$330,000	-	1	-	1
\$330,001 to \$340,000	1	2	1	2
\$360,001 to \$370,000	-	1	-	1
\$380,001 to \$390,000	-	1	-	1
\$410,001 to \$420,000	1	1	1	1
\$420,001 to \$430,000	-	1	-	1
\$430,001 to \$440,000	1	-	1	-

32 Key management personnel disclosures continued

(a) Remuneration of key management personnel continued

	Consolidated		Parent	
	2017 Number	2016 Number	2017 Number	2016 Number
\$470,001 to \$480,000	1	-	1	-
\$480,001 to \$490,000	-	1	-	1
\$500,001 to \$510,000	1	1	1	1
\$540,001 to \$550,000	1	-	1	-
\$560,001 to \$570,000	-	1	-	1
\$840,001 to \$850,000	1	-	1	-
\$860,001 to \$870,000	-	1	-	1
Total	39	34	39	34

	Consolidated		Parent	
	2017 \$000's	2016 \$000's	2017 \$000's	2016 \$000's
Short-term employee benefits	6,477	6,167	6,477	6,167
Post-employment benefits	930	834	930	834
Termination benefits	67	-	67	-
Total key management personnel compensation	7,474	7,001	7,474	7,001

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

The total remuneration includes superannuation expense incurred by the University in respect of Council members and senior officers.

No Council member or senior officer is a member of the pension scheme.

33 Remuneration of auditors

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

	Consolidated		Parent	
	2017 \$000's	2016 \$000's	2017 \$000's	2016 \$000's
Audit the Financial Statements				
Audit fees - OAG	252	249	252	249
Other audit and assurance services				
Audit fees - OAG	14	14	14	14
Audit fees - Non-OAG firms	5	5	5	5
Total	271	268	271	268

34 Contingencies

As at 31 December 2017 or at the date of this report, there is no known contingent liabilities which is likely to materially affect the University's financial position.

35 Commitments

(a) Capital expenditure commitments

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

	Consolidated		Parent	
	2017	2016	2017	2016
	\$000's	\$000's	\$000's	\$000's
Property, plant and equipment				
Within one year	7,400	4,323	7,400	4,323
	7,400	4,323	7,400	4,323

(b) Lease commitments: The Entity as lessee

(i) Operating leases

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

	Consolidated		Parent	
	2017	2016	2017	2016
	\$000's	\$000's	\$000's	\$000's
Within one year	4,326	3,747	4,326	3,747
Between one year and five years	5,622	6,806	5,622	6,806
Non-cancellable operating lease	9,948	10,553	9,948	10,553

(c) Other expenditure commitments

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

	Consolidated		Parent	
	2017	2016	2017	2016
	\$000's	\$000's	\$000's	\$000's
Within one year	11,086	13,198	11,086	13,198
Between one year and five years	3,343	5,820	3,343	5,820
	14,429	19,018	14,429	19,018

All commitments reported above are exclusive of GST.

36 Related parties

(a) Parent entities

The ultimate parent entity within the University is Edith Cowan University. Transactions between parent company and its subsidiary are eliminated on consolidation and are not disclosed in this note.

(b) Subsidiary

Interests in subsidiary are set out in note 37.

(c) Key management personnel

The University had no material related party transaction with Key Management Personnel or their close family members or their controlled (or jointly controlled) entities for disclosure.

(d) Transactions with related parties

The following transactions occurred with related parties:

	Joint Venture		Associates	
	2017	2016	2017	2016
	\$000's	\$000's	\$000's	\$000's
Sale of goods and services	2,807	-	1,100	-
Purchase of goods and services	652	-	82	-

(e) Outstanding balances

The following balances are outstanding at the reporting date in relation to transactions with related parties:

	Joint Venture		Associates	
	2017	2016	2017	2016
	\$000's	\$000's	\$000's	\$000's
Trade amounts owing from related parties	6	-	136	-

No provisions for doubtful debts have been raised in relation to any outstanding balances, and no expense has been recognised in respect of bad or doubtful debts due from related parties.

37 Subsidiary

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

Name of Entity	Principal place of business	Ownership interest	
		2017	2016
		%	%
Edith Cowan Accommodation Holdings Pty Ltd	Western Australia	100.00	-

38 Events occurring after the reporting date

On 15 January 2018, ECU completed the acquisition of 50.1% shareholding of St Stephens College Pty Ltd (SSC) for a purchase price of \$2m.

St Stephen's College provides Australian education programs to Chinese high school students. The college focuses on English and Business skills and gives Chinese students a pathway to tertiary study in Australia.

39 Reconciliation of net result to net cash flows from operating activities

	Consolidated		Parent	
	2017	2016	2017	2016
	\$000's	\$000's	\$000's	\$000's
Net result after tax for the period	29,088	24,597	27,860	24,597
Non-cash items				
Depreciation and amortisation expense	23,866	22,233	23,629	22,233
Revaluation of investment properties	1,190	2,454	1,190	2,454
Provision for impairment of receivables	528	432	528	432
Service concession income	(35)	(1,241)	(35)	(1,241)
Loss on sale of asset	48	(31)	48	(31)
Net loss on asset write-offs	3	49	3	49
Operating rights income	-	-	(791)	-
Share of (profit)/loss on investments accounted for using the equity method not received as dividends or distributions	(3,305)	(1,422)	(3,305)	(1,422)
Income Tax Benefit	(962)	-	-	-
	50,421	47,071	49,127	47,071
(Increase)/decrease in receivables and non-financial assets	(1,907)	(215)	(1,540)	(215)
Increase in inventories	9	-	-	-
Increase/(decrease) in trade and other payables	(917)	8,919	(242)	8,919
Increase in provisions	3,480	1,809	3,531	1,809
	665	10,513	1,749	10,513
Net cash provided by operating activities	51,086	57,584	50,876	57,584

40 Business Combinations**(a) Summary of acquisition**

On 15 June 2017, the University acquired 100% of the issued share capital of Edith Cowan Accommodation Holdings Pty Ltd ('ECAH' - previously called Campus Living Villages at ECU Pty Ltd), the operator of student accommodation facilities on land owned by the University at its Joondalup, Mt Lawley and Bunbury campuses. These services were previously provided under a service concession arrangement with the University.

The acquisition allows the University to generate returns from the operation of accommodation facilities located on its campuses and has settled the pre-existing relationship between the University and ECAH historically recognised as a service concession liability of \$44.2m at acquisition date (refer note 28 Provisions).

Details of the purchase considerations, the net assets acquired are as follows:

40 Business Combinations continued**(a) Summary of acquisition continued**

	2017
	\$000's
Cash paid	58,706
Less: settlement of pre existing relationship (service concession arrangement)	<u>(44,247)</u>
Total purchase consideration	<u>14,459</u>

(b) Purchase consideration

	2017
	\$000's
Outflow of cash to acquire subsidiary, net of cash acquired	
Cash consideration	58,706
Less: Cash balance acquired	<u>(4,674)</u>
Outflow of cash	<u>54,032</u>

(c) Assets acquired and liabilities assumed

The assets and liabilities recognised as a result of the acquisition are as follows:

	Fair value
	\$000's
2017	
Cash	4,674
Receivables	1,795
Other assets	51
Prepayments	95
Property, plant and equipment	850
Intangible assets - re-acquired rights	9,151
Deferred Tax Liabilities	(1,003)
Payables	(1,103)
Provisions	<u>(51)</u>
Net assets	<u>14,459</u>
Net identifiable assets acquired	<u>14,459</u>

41 Financial risk management

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

(a) *Market risk*

(i) *Foreign exchange risk*

The University manages its foreign exchange risk by negotiating all contracts in Australian dollars as far as it is practical. The University seeks to hedge any material and highly probable foreign exchange exposure. The University does not speculate in foreign currency exchange.

At 31 December 2017, the University held no open foreign currency forward exchange contracts.

(ii) *Interest risk*

The University's exposure to interest rate risk arises from its cash at bank balance and borrowings. The University's interest rate risk arising from the University's borrowings is managed by diversifying maturities and interest rate terms, and monthly monitoring of targeted interest cover, liquidity and debt portfolio maturity profile. Other than as detailed in the interest rate sensitivity analysis table in (iv), the University has limited exposure to interest rate.

(iii) *Price risk*

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

(iv) *Summarised sensitivity analysis*

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

41 Financial risk management continued

(a) Market risk continued

	Carrying amount \$'000	Interest rate risk				Foreign exchange risk				Other price risk			
		-1%		+1%		-10%		+10%		-10%		+10%	
		Profit \$000's	Equity \$000's	Profit \$000's	Equity \$000's	Profit \$000's	Equity \$000's	Profit \$000's	Equity \$000's	Profit \$000's	Equity \$000's	Profit \$000's	Equity \$000's
31 December 2017													
Financial assets													
Cash and cash equivalents	68,591	(390)	(390)	390	390	-	-	-	-	-	-	-	-
Trade receivable	5,009	-	-	-	-	19	19	(19)	(19)	-	-	-	-
Financial assets - available for sale	82,726	-	-	-	-	-	-	-	-	(8,273)	(8,273)	8,273	8,273
Financial assets - held to maturity	177,096	(115)	(115)	115	115	-	-	-	-	-	-	-	-
Sub-total		(505)	(505)	505	505	19	19	(19)	(19)	(8,273)	(8,273)	8,273	8,273
Financial liabilities													
Trade payables	14,379	-	-	-	-	(5)	(5)	5	5	-	-	-	-
Borrowings	104,428	-	-	-	-	-	-	-	-	-	-	-	-
Accrued expenses	23,386	-	-	-	-	-	-	-	-	-	-	-	-
Derivative financial instruments	32	-	-	-	-	(3)	(3)	3	3	-	-	-	-
Sub-total		-	-	-	-	(8)	(8)	8	8	-	-	-	-
Total increase/(decrease)		(505)	(505)	505	505	11	11	(11)	(11)	(8,273)	(8,273)	8,273	8,273
31 December 2016													
Financial assets													
Cash and cash equivalents	69,555	(423)	(423)	423	423	-	-	-	-	-	-	-	-
Trade receivables	4,395	-	-	-	-	5	5	(5)	(5)	-	-	-	-
Financial assets - available for sale	71,708	-	-	-	-	-	-	-	-	(7,171)	(7,171)	7,171	7,171
Financial assets - held to maturity	173,745	(65)	(65)	65	65	-	-	-	-	-	-	-	-
Sub-total		(488)	(488)	488	488	5	5	(5)	(5)	(7,171)	(7,171)	7,171	7,171
Financial liabilities													
Trade payables	10,793	-	-	-	-	(2)	(2)	2	2	-	-	-	-
Borrowings	80,609	-	-	-	-	-	-	-	-	-	-	-	-
Accrued expenses	24,129	-	-	-	-	-	-	-	-	-	-	-	-
Sub-total		-	-	-	-	(2)	(2)	2	2	-	-	-	-
Total increase/(decrease)		(488)	(488)	488	488	3	3	(3)	(3)	(7,171)	(7,171)	7,171	7,171

41 Financial risk management continued

(b) Credit risk

Credit risk arises principally from the University's investment securities and to a limited extent from its receivables. The carrying amount of the financial assets represents the maximum credit risk exposure at the reporting date.

The University manages its exposure to credit risk by diversifying investments between fund managers, setting investment restrictions and establishing strategic asset allocation benchmarks.

The University's Investment Policy Statement, sets out Investment Policy for matters such as performance objectives, investment restrictions, performance benchmarks and monitoring, and the strategic asset allocation benchmark for each investment pool. The Investment Policy Statement is reviewed internally at least every three years. An independent consultant is engaged to assess both the Investment Policy and the internal reviews thereof, unless otherwise approved by Council.

The majority of the University's exposure to credit risk from receivables is denominated in Australian dollars. The University's trade and receivable management policy is designed to ensure that credit facilities are provided to customers with an appropriate credit history.

The University's cash and cash equivalent transactions are invested only with investment grade deposit taking institutions and in accordance with the University Treasury Policy, where maximum exposure limits are set for each institution according to their risk profile.

(c) Liquidity risk

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

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

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

	Within 1 year		1 - 2 years		2 - 5 years		5+ years		Total	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
Financial Assets:										
Cash and cash equivalents	68,591	69,555	-	-	-	-	-	-	68,591	69,555
Trade and other receivables	5,009	4,395	-	-	-	-	-	-	5,009	4,395
Financial assets - available for sale	-	-	-	-	-	-	82,726	71,708	82,726	71,708
Financial assets - held to maturity	126,071	122,704	-	-	51,025	51,025	-	-	177,096	173,729
Total Financial Assets	199,671	196,654	-	-	51,025	51,025	82,726	71,708	333,422	319,387
Financial Liabilities:										
Trade and other payables	14,379	10,793	-	-	-	-	-	-	14,379	10,793
Borrowings	21,399	19,436	21,977	19,867	26,066	41,306	34,986	-	104,428	80,609
Accrued expenses	23,386	24,129	-	-	-	-	-	-	23,386	24,129
Derivative financial instruments	32	-	-	-	-	-	-	-	32	-
Total Financial Liabilities	59,196	54,358	21,977	19,867	26,066	41,306	34,986	-	142,225	115,531

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

42 Fair value measurement

(a) Fair value measurements

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

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

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

	Note	Carrying Amount		Fair Value	
		2017	2016	2017	2016
		\$000's	\$000's	\$000's	\$000's
Financial assets					
Cash and cash equivalents	17	68,591	69,555	68,591	69,555
Trade receivables	18	5,009	4,395	5,009	4,395
Available-for-sale financial assets	19	82,726	71,708	82,726	71,708
Held-to-maturity financial assets	19	177,096	173,745	177,096	173,745
Total financial assets		333,422	319,403	333,422	319,403
Financial liabilities					
Trade payables	25	14,379	10,793	14,379	10,793
Borrowings	26	104,428	80,609	105,859	81,253
Accrued expense	29	23,386	24,129	23,386	24,129
Derivative financial instruments	27	32	-	32	-
Total financial liabilities		142,225	115,531	143,656	116,175

The University measures and recognises the following assets and liabilities at fair value on a recurring basis.

- Derivative financial instruments
- Available-for-sale financial assets
- Land and buildings
- Leasehold improvements
- Investments properties
- Artworks

42 Fair value measurement continued

(b) Fair value hierarchy

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

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

(i) Recognised fair value measurements

Fair value measurements recognised in the statement of financial position are categorised into the following levels:

Fair value measurements at 31 December 2017

	Note	\$000's	Level 1 \$000's	Level 2 \$000's	Level 3 \$000's
Recurring fair value measurements					
Financial assets					
Investment in shares	19	2,180	2,180	-	-
Investment in unlisted shares	19	16,202	-	-	16,202
Investment in managed funds	19	64,344	-	64,344	-
Total financial assets		82,726	2,180	64,344	16,202
Non-financial assets					
Investment properties	21	19,220	-	19,220	-
Land	23	153,535	-	153,535	-
Buildings	23	585,757	-	-	585,757
Leasehold improvements	23	4,061	-	-	4,061
Artworks	23	14,732	-	14,732	-
Total non-financial assets		777,305	-	187,487	589,818
Financial liabilities					
Derivative financial instrument	27	32	-	32	-

Fair Value measurements at 31 December 2016

	Note	\$000's	Level 1 \$000's	Level 2 \$000's	Level 3 \$000's
Recurring fair value measurements					
Financial assets					
Investment in shares	19	1,992	1,992	-	-
Investment in Unlisted shares	19	11,027	-	-	11,027
Investment in managed funds	19	58,689	-	58,689	-
Total financial assets		71,708	1,992	58,689	11,027
Non-financial assets					
Investment properties	21	20,410	-	20,410	-
Land	23	144,400	-	144,400	-
Buildings	23	548,400	-	-	548,400

42 Fair value measurement continued

(b) Fair value hierarchy continued

	Note	\$000's	Level 1 \$000's	Level 2 \$000's	Level 3 \$000's
Leasehold improvements	23	4,742	-	-	4,742
Artworks	23	14,671	-	14,671	-
Total non-financial assets		732,623	-	179,481	553,142

There were no transfers between levels 1, 2 and 3 for recurring fair value measurements during the year. All reported fair value measurements were recurring.

(ii) Disclosed fair values

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

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

Non-current borrowings are measured at amortised cost with interest recognised in the income statement when incurred. The fair value of borrowings disclosed in note 26 represents the contractual undiscounted cash flows at balance date.

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

(i) Recurring fair value measurements

The fair value of financial instruments that are not traded in an active market (for example, derivatives and unlisted shares) is determined using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, buildings and leasehold improvements.

The University uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date. Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of forward foreign exchange contracts is determined using forward exchange rates at the end of the reporting period
- other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments

All of the resulting fair value estimates are included in level 2 except for unlisted equity securities (as explained in (d) below), buildings and leasehold improvements.

Investment properties and freehold land and buildings (classified as property, plant and equipment) are valued independently every year. At the end of each reporting period, the University updates their assessment of the fair value of each property, taking into account the most recent independent valuations.

The best evidence of fair values is current prices in an active market for similar properties. Where such information is

42 Fair value measurement continued

(c) *Valuation techniques used to derive level 2 and level 3 fair values continued*
not available, the valuers consider information from a variety of sources, including:

- current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences
- discounted cash flow projections based on reliable estimates of future cash flows
- capitalised income projections based on a property's estimated net market income, and a capitalisation rate derived from an analysis of market evidence

All resulting fair value estimates for properties are included in level 3 except for land and investment properties. The level 2 fair value of land and investment properties has been derived using the sales comparison approach. Sale prices of comparable land in close proximity are adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is price per square metre.

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

The following table is a reconciliation of level 3 items for the periods ended 31 December 2017 and 2016:

Consolidated

	Unlisted Shares \$000's
Level 3 Fair Value Measurement 2017	
Opening balance	11,027
Recognised in other comprehensive income	5,175
Closing balance	16,202
Level 3 Fair Value Measurement 2016	
Opening balance	9,198
Recognised in other comprehensive income	1,829
Closing balance	11,027

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

There were no transfers of assets/liabilities between levels 2 and 3.

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

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements. See (c) above for the valuation techniques adopted.

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

Description	Fair value at 31 December 2017 \$000's	Unobservable inputs*	Range of inputs (probability weighted average)	Relationship of unobservable inputs to fair value
Unlisted shares	16,202	Discount on value of underlying assets	+/-10%	Increase/decrease of discount by 10% would increase/decrease fair value of underlying assets by \$2.0m

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

(iii) *Valuation processes*

Calculation methodology has been disclosed as part of (c) in this note.

43 Write-offs

	Consolidated		Parent	
	2017 \$000's	2016 \$000's	2017 \$000's	2016 \$000's
Total write-offs as approved by the University council during the financial year				
Receivables written-off against provision	35	50	27	50
Other receivables written-off	2	45	2	45
Property, plant and equipment	1	4	1	4
Total write-offs	38	99	30	99

44 Deferred government benefit for superannuation**Unfunded Pension and Unfunded Gold State Super (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. An arrangement exists between the Commonwealth Government and the Western Australian Government to meet the unfunded liability for the Edith Cowan University's beneficiaries of the State Superannuation Schemes on an emerging cost basis. A corresponding asset is also recognised under receivables to recognise the reimbursement rights (refer to note 18).

The recognition of both the asset and the liability concurrently does not affect the end of year net asset position of the University. The liability and equivalent receivables are measured actuarially on an annual basis.

44 Deferred government benefit for superannuation continued

Nature of the benefits provided by the Schemes

Pension Scheme

The employer-financed benefit is a pension benefit payable on retirement, death or invalidity, or a lump sum benefit on resignation.

Gold State Super (transferred benefits)

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

The regulatory framework

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

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

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

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

Other entities responsibilities for the governance of the Schemes

The Government Employees Superannuation Board (GESB) is the Scheme's Trustee and is responsible for the governance of the Scheme. As Trustee, GESB has a legal obligation to act solely in the best interests of Scheme beneficiaries. GESB has the following roles:

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

Scheme risks

Pension Scheme

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

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

44 Deferred government benefit for superannuation continued
employer contributions.

Gold State Super (transferred benefits)

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

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

Significant events

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

Sensitivity analysis

Pension Scheme

The sensitivity of the defined benefit obligation to changes in the significant assumptions is:

44 Deferred government benefit for superannuation continued

	Change in assumption	Impact on defined benefit obligation (\$'000)	
		Increase in assumption	Decrease in assumption
Discount rate	0.5% p.a	(860)	923
Pension increase rate	0.5% p.a	864	(813)

The above sensitivity analyses are based on a change in an assumption while holding all the other assumptions constant. In practice this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method has been applied as when calculating the defined benefit liability recognised in the statement of financial position.

The methods and types of assumptions used in the preparation of the sensitivity analysis did not change compared to the prior period.

Gold State Super (transferred benefits)

The sensitivity of the defined benefit obligation to changes in the significant assumptions is:

	Change in assumption	Impact on defined benefit obligation (\$'000)	
		Increase in assumption	Decrease in assumption
Discount rate	0.5% p.a	(6)	5
Salary increase rate	0.5% p.a	5	(5)

The above sensitivity analyses are based on a change in an assumption while holding all the other assumptions constant. In practice this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method has been applied as when calculating the defined benefit liability recognised in the statement of financial position.

The methods and types of assumptions used in the preparation of the sensitivity analysis did not change compared to the prior period.

Funding Arrangements

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

Reconciliation of the net defined benefit liability/(asset)

	Pension Scheme		Gold State Super	
	2017 \$000's	2016 \$000's	2017 \$000's	2016 \$000's
Defined benefit obligation	23,184	22,268	337	326
Fair value of plan assets	-	-	-	-
Deficit	23,184	22,268	337	326
Adjustment for effect of asset ceiling	-	-	-	-
Net deferred benefit liability/(asset)	23,184	22,268	337	326

44 Deferred government benefit for superannuation continued

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

	Pension Scheme		Golden State Super		Total	
	2017 \$000's	2016 \$000's	2017 \$000's	2016 \$000's	2017 \$000's	2016 \$000's
Current	2,584	2,431	49	56	2,633	2,487
Non-current	20,600	19,837	288	270	20,888	20,107
Total	23,184	22,268	337	326	23,521	22,594

Reconciliation of the defined benefit obligation

	Pension Scheme		Gold State Super	
	2017 \$000's	2016 \$000's	2017 \$000's	2016 \$000's
Present value of defined benefit obligations at the beginning of the year	22,268	24,035	326	425
Interest cost	553	654	8	11
Actuarial (gains)/losses arising from changes in financial assumptions	472	392	(2)	(9)
Actuarial (gains)/losses arising from liability experience	2,264	(295)	5	6
Benefits paid	(2,373)	(2,518)	-	(107)
Balance at the end of the year	23,184	22,268	337	326

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

Reconciliation of the fair value of Scheme assets

	Pension Scheme		Gold State Super	
	2017 \$000's	2016 \$000's	2017 \$000's	2016 \$000's
Fair value of Scheme assets at beginning of the year	-	-	-	-
Employer contributions	2,373	2,518	-	107
Benefits paid	(2,373)	(2,518)	-	(107)
Balance at the end of the year	-	-	-	-

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

Fair value of Scheme assets

There are no assets in the Pension Scheme to support the State Share of the Benefit. Hence, there is:

- No fair value of Scheme assets;
- No asset allocation of Scheme assets;

44 Deferred government benefit for superannuation continued

- No financial instruments issued by the employer;
- No assets used by the employer;
- No asset-liability matching strategies.

Significant Actuarial assumptions at the reporting date

	Pension Scheme		Gold State Super	
	2017 % p.a	2016 % p.a	2017 % p.a	2016 % p.a
Discount rate (active members)	2.36	2.63	2.36	2.63
Discount rate (pensioners)	2.36	2.63	2.36	2.63
Expected salary increase rates	-	-	1.5% for first year, 1.1% for second year, 1.0% for third year, and then 3.7% p.a	2.5% for first 3 years, and then 3.5% pa
Expected pension increase rates	2.50	2.50	-	-

The discount rate is based on the Government bond maturing in April 2025. The decrement rates used (e.g. mortality and retirement rates) are based on those used at the last actuarial valuation for the Schemes.

44 Deferred government benefit for superannuation continued**Expected Contributions**

	Pension Scheme 2017 \$000's	Gold State Super 2017 \$000's
Expected employer contributions in the next financial year	2,584	49

Maturity profile of defined benefit obligation**Pension Scheme**

The weighted average duration of the defined benefit obligation for the whole of the Pension Scheme is 7.9 years (2016: 7.3 years).

Gold State Super (transferred benefits)

The weighted average duration of the defined benefit obligation for the whole of the Gold State Super Scheme is 3.4 years (2016: 4.1 years).

45 Acquittal of Australian Government financial assistance

(a) Education - CGS and other Education grants

		Commonwealth Grants Scheme ^{#1}		Indigenous Support Program		Higher Education Participation Program ^{#2}		Disability Support Program		Promo of Excellence in Learning and Teaching	
		2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
Note		\$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 Australian Government for the program)	2(f)	146,548	148,465	1,022	616	2,833	3,521	224	115	65	140
Net accrual adjustments		(950)	1,151	-	-	35	(36)	-	-	(25)	(65)
Revenue for the period	2(a)	145,598	149,616	1,022	616	2,868	3,485	224	115	40	75
Total revenue including accrued revenue		145,598	149,616	1,022	616	2,868	3,485	224	115	40	75
Less expenses including accrued expenses		(145,598)	(149,616)	(1,022)	(616)	(2,868)	(3,485)	(224)	(115)	(40)	(75)
Surplus/(deficit) for reporting period		-	-	-	-	-	-	-	-	-	-

		Indigenous Student Success Program ^{#3}		Academic Centres of Cyber Security Excellence		Total	
		2017	2016	2017	2016	2017	2016
	Note	\$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 Australian Government for the program)	2(f)	42	203	231	-	150,965	153,060
Net accrual adjustments		-	(3)	-	-	(940)	1,047
Revenue for the period	2(a)	42	200	231	-	150,025	154,107
Total revenue including accrued revenue		42	200	231	-	150,025	154,107
Less expenses including accrued expenses		(42)	(200)	-	-	(149,794)	(154,107)
Surplus/(deficit) for reporting period		-	-	231	-	231	-

#1 Includes the basic CGS grant amount, CGS – Regional Loading, CGS – Enabling Loading, Allocated Places, and Non-Designated Course

#2 Includes National Priorities

#3 Indigenous Student Success Program has replaced the Indigenous Commonwealth Scholarships Program and the Indigenous Support Program as of 1 January 2017.

45 Acquittal of Australian Government financial assistance continued

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

	Note	HECS-HELP (Australian Government payments only)		FEE-HELP		VET FEE-HELP		SA-HELP		Total	
		2017 \$000's	2016 \$000's	2017 \$000's	2016 \$000's	2017 \$000's	2016 \$000's	2017 \$000's	2016 \$000's	2017 \$000's	2016 \$000's
Cash Payable/(Receivable) at the beginning of the year		1,177	(325)	170	82	10	(165)	(1)	(24)	1,356	(432)
Financial assistance received in Cash during the reporting period	2(f)	82,696	81,454	10,661	10,236	1,025	1,439	2,893	2,813	97,275	95,942
Cash available for period		83,873	81,129	10,831	10,318	1,035	1,274	2,892	2,789	98,631	95,510
Revenue earned	2(b)	83,534	79,952	10,967	10,148	1,039	1,264	2,892	2,790	98,432	94,154
Cash Payable/(Receivable) at end of year	2(b)	339	1,177	(136)	170	(4)	10	-	(1)	199	1,356

45 Acquittal of Australian Government financial assistance continued**(c) Department of Education and Training Research**

	Note	Research Training Program^{#4}		Research Support Program^{#5}		Total	
		2017	2016	2017	2016	2017	2016
		\$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 Australian Government for the program)	2(f)	7,303	7,239	4,331	4,239	11,634	11,478
Net accrual adjustments		575	(39)	-	(26)	575	(65)
Revenue for the period	2(c)	7,878	7,200	4,331	4,213	12,209	11,413
Total revenue including accrued revenue		7,878	7,200	4,331	4,213	12,209	11,413
Less expenses including accrued expenses		(7,878)	(7,200)	(4,331)	(4,213)	(12,209)	(11,413)
Surplus/(deficit) for reporting period		-	-	-	-	-	-

#4 Includes Australian Postgraduate Awards, International Postgraduate Research Scholarships and Research Training Scheme

#5 Includes Joint Research Engagement, JRE Engineering Cadetships, Research Block Grants and Sustainable Research Excellence in Universities

Total Higher Education Provider Research Training Program Expenditure

	Total domestic students	Total overseas students
	\$000's	\$000's
Research Training Program Fees offsets	5,497	-
Research Training Program Stipends	1,636	170
Total for all types of support	7,133	170

45 Acquittal of Australian Government financial assistance continued**(d) Australian Research Council Grants**

Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the program)

Revenue for the period

Surplus/(deficit) from the previous year

Total revenue including accrued revenue

Less expenses including accrued expenses

Surplus/(deficit) for reporting period

Note	Discovery		Linkages		Total	
	2017	2016	2017	2016	2017	2016
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
2(f)						
	287	283	308	205	595	488
	287	283	308	205	595	488
	80	126	37	33	117	159
	367	409	345	238	712	647
	(287)	(331)	(345)	(201)	(632)	(532)
	80	78	-	37	80	115

45 Acquittal of Australian Government financial assistance continued**(e) Other Australian Government Financial Assistance**

	Note	2017 \$000's	2016 \$000's
Cash Received during the reporting period	2(f)	7,189	5,377
Cash Spent during the reporting period		(7,196)	(5,370)
Net Cash received		(7)	7
Cash Surplus/ (deficit) from the previous period		7	-
Cash Surplus / (Deficit) for reporting period		-	7

(f) OS-HELP

	Note	2017 \$000's	2016 \$000's
Cash received during the reporting period		2,222	1,734
Cash spent during the reporting period		(1,900)	(1,445)
Net cash received	2(f)	322	289
Cash surplus/(deficit) from the previous period		911	622
Cash surplus/(deficit) for reporting period	25	1,233	911

(g) Superannuation Supplementation

	Note	2017 \$000's	2016 \$000's
Cash received during the reporting period	2(f)	2,522	2,510
University contribution in respect of current employees		153	179
Cash available		2,675	2,689
Cash surplus / (deficit) from the previous period		(31)	144
Cash available for current period		2,644	2,833
Contributions to specified defined benefit funds		(2,501)	(2,864)
Cash surplus/(deficit) this period		143	(31)

(h) Student Services and Amenities Fee

	Note	2017 \$000's	2016 \$000's
Unspent/(overspent) revenue from previous period		-	-
SA-HELP revenue earned	2(b)	2,892	2,790
Student services and amenities fees direct from students	4	1,038	1,043
Total revenue expendable in period		3,930	3,833
Student services expenses during period		(3,930)	(3,833)
Unspent/(overspent) student services revenue		-	-