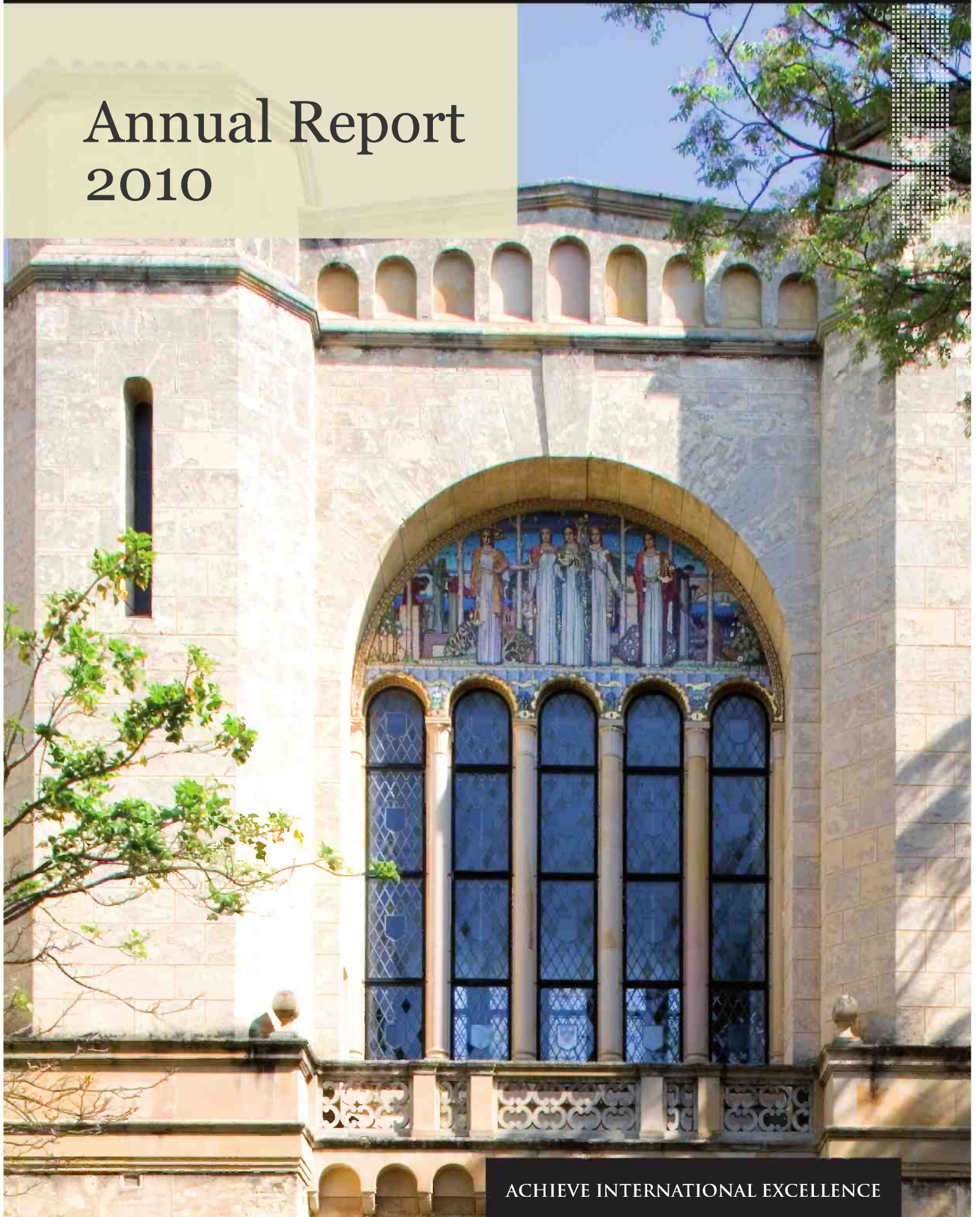




THE UNIVERSITY OF
WESTERN AUSTRALIA
Achieve International Excellence

Annual Report 2010



ACHIEVE INTERNATIONAL EXCELLENCE

Annual Report 2010

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KEN & JULIE MICHAEL BUILDING
7 FAIRWAY



THE UNIVERSITY OF WESTERN AUSTRALIA

CERTIFICATIONS

FOR THE YEAR ENDED 31 DECEMBER 2010

STATEMENT OF COMPLIANCE

Minister for Education

In accordance with Section 61 of the Financial Management Act 2006, we hereby submit for your information and presentation to Parliament, the Annual Report of The University of Western Australia for the financial year ended 31 December 2010.

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



Michael Chaney
Chancellor



Alan Robson
Vice-Chancellor

8 March 2011

Chancellor's Introduction



On behalf of the Senate, I am pleased to present the Annual Report of The University of Western Australia for 2010.

As the University moves towards celebrations of its centenary in 2011–2013, it is appropriate to acknowledge the many years of commitment by thousands of individuals who have contributed towards making this University one of the country's premier higher education institutions.

The University of Western Australia has long been the university of choice for Western Australia's top students and we were delighted that one of our students was again awarded a Rhodes scholarship in 2010.

Maintaining its reputation for research excellence, the University completed another successful year in 2010 with respect to competition for research grants, fellowships and special projects.

The University's vision is to 'achieve international excellence' and in 2010 we further improved our performance and moved closer to our objective of

being ranked in the top 100 universities in the world by 2013.

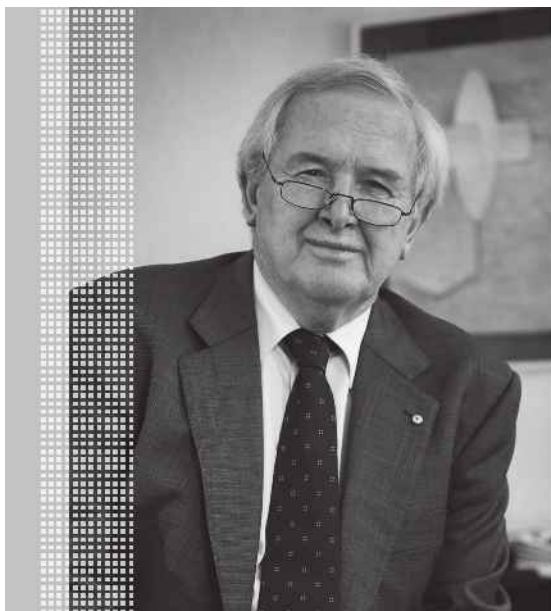
The Vice-Chancellor's Overview which follows, details the success of the University in pursuing its ambitions over the past year.

I would like to extend my thanks to the Vice-Chancellor, Professor Alan Robson, the Executive, staff, students and the community for their commitment to the achievement of our goals. I would also like to thank members of The University of Western Australia Senate for their outstanding contribution and commitment to the University.

A handwritten signature in black ink, reading "Michael Chaney". The signature is written in a cursive, flowing style.

Dr Michael Chaney AO CitWA
Chancellor

Vice-Chancellor's Overview



The year 2010 was very active and successful for The University of Western Australia. While the University builds on its existing impressive efforts in research and education, the student body continues to excel and demonstrate its very high quality.

Students of this University have received the highest accolades across Australia and the world by virtue of the competitions they compete in and win; and the scholarships and prizes they have been awarded. The community can be very proud of this fine group of young people that will surely be the leaders of tomorrow.

The performance of staff has also been exceptional. Their dedication to the University and to its mission cannot be underestimated. As The University of Western Australia moves toward its centenary I am, as ever, thankful for the efforts and support of the staff of the University over the past year.

Education

The University of Western Australia is committed to being a high-quality student-centred teaching university and a high-performing research-intensive university, with an international focus for its activities and standards.

In 2010 the University and its staff were recognised for their commitment to providing a learning and teaching environment that encourages students to achieve international excellence.

Good Universities Guide 2011

Australia's foremost independent non-government rating publication—*The Good Universities Guide*—confirmed the position of The University of Western Australia as the premier university in the State and one of the best Universities in Australia.

The Good Universities Guide 2011 gave The University of Western Australia a top five-star rating for student demand, graduate outcomes, getting a job, graduate starting salary, staff qualifications, staff-student ratios, research grants, research intensity and rigorous entry standards.

The rating is very welcome as it again confirmed the high quality of the staff and students and the University's excellent results from teaching and research. Our lecturers and researchers are of the highest quality, giving the leaders of tomorrow—our students—the best possible education.

Australian Awards for University Teaching

The high standard of teaching at The University of Western Australia was recognised in the 2010 Australian Awards for University Teaching.

The winner for individual Awards for Teaching Excellence in Social Sciences was Assistant Professor Mark Pegrum from the Graduate School of Education. His key research areas are e-learning; electronic language; and cultural artefacts, such as film and music, in education.

The winner for Programs that Enhance Learning was the School of Sport Science, Exercise and Health's Professional Practice Program which is offered in the third year of study of a Bachelor of Science (Exercise and Health).



Australian Learning and Teaching Council awards

In addition to the Australian Awards for University Teaching, six staff members were recognised for their outstanding contributions to student learning in the Australian Learning and Teaching Council (ALTC) awards. The citation recipients came from a pleasing diversity of fields of study across the University.

UWA School of Indigenous Studies celebrates 21 years

The University of Western Australia's School of Indigenous Studies celebrated 21 highly successful years in 2010. The School has helped more than 250 Indigenous students complete undergraduate and postgraduate studies.

Led by Professor Jill Milroy, the School has developed strong and extensive links to effective pathways for Indigenous students from secondary school to university. The School also has a strong publication record, particularly in Indigenous knowledge and oral history.

Initially, most Indigenous students were drawn to arts, social work and

education. However, since the School's initiation of the first Indigenous pre-Law and pre-Medicine/Dentistry courses, more than 64 students are working around Australia in these professions. More recently, there have been more students in all faculties, including a growing number in science, engineering, architecture and commerce.

Research and research training

Throughout 2010 The University of Western Australia has continued to confirm its standing as one of Australia's leading research-intensive universities. It was a very successful year for research at the University, with the institution enjoying an unprecedented level of success in the award of significant grants under various Federal government schemes.

Australian Research Council grants

Researchers at The University of Western Australia secured almost \$19 million in grants from the Australian Research Council (ARC). Another

\$10.4 million was pledged by national and international organisations to support a number of specific research projects. Twelve academics and postdoctoral researchers won individual fellowships to support their work.

In ARC Linkage Grants, the University was the second most successful university in Australia.

Under the ARC Linkage Infrastructure, Equipment and Facilities (LIEF) scheme, The University of Western Australia once again secured more funding than any other Australian university.

The Federal scheme to support infrastructure, equipment and facilities for high quality, large-scale research projects invested \$4.4 million in 10 University projects.

Top research awards – ARC and NHMRC

Both the Australian Research Council (ARC) and the National Health and Medical Research Council (NHMRC) endorsed researchers of this University with funding of more than \$13 million through their respective Fellowship programs.

Continued overleaf

Vice-Chancellor's Overview (cont'd)

From page 5

ARC Future Fellowships were awarded to eight individuals working on a range of projects from a networked robotic telescope array; to the timing and processes of continent formation; and building proactivity at work.

Super Science Fellowships

In 2010 The University of Western Australia was allocated 10 new Super Science Fellowships—the largest funding allocation given to any Australian university or research institute under the scheme.

The Super Science Fellowships aim to attract the best and brightest early-career researchers from within Australia and around the world. Two have been allocated to the International Centre for Radio Astronomy Research (ICRAR) based at the University.

Three Fellows (within the ARC Centre of Excellence in Plant Energy Biology) will research novel biotechnology-based solutions that can be implemented in a variety of cereal crops to reduce the use of phosphate fertiliser in agriculture and unlock the large phosphate pool not used by plants in soil.

Two Fellowships will help to determine how the survival of Ningaloo Reef is linked to the response of Australia's Indian Ocean to climate change. And finally, three Fellows will conduct a fundamental study of electronic transport in advanced semiconductor nanostructures.

Centres of Excellence

The University of Western Australia is leading or collaborating in seven of the nation's 13 new Centres of Excellence, ranking it second in Australia in these research ventures.



The \$24.25 million Centre of Excellence for the History of Emotions based at the University represents the largest ever research grant to the humanities in Australia.

With collaborating institutions and industry partners contributing an additional \$6 million, the seven-year international collaboration will cement Australia's place at the top of research in medieval and early modern studies.

NHMRC Centres for Medical Research

The University of Western Australia was recognised for the outstanding quality of its medical researchers by receiving more than \$9 million in National Health and Medical Research Council funding for three new Centres for Research Excellence, out of 15 awarded in Australia.

Energy and Minerals Institute

In 2010 the Energy and Minerals Institute was launched at the University. This multidisciplinary institute will help position Western Australia as a national and international hub for resources expertise. It is a gateway connecting government, industry and business with academia in the areas of energy; minerals; exploration and mining; environment; policy and business; and community engagement.

Oceans Institute

In 2010 The University of Western Australia launched its Oceans Institute in response to the urgent need to protect the future of the Indian and Southern Ocean regions. The Oceans Institute brings together the strengths of the University's marine research programs in oceanography, ecology, engineering and resource management to allow for larger research projects that will influence future government, industry and community decisions.

Indian Ocean Marine Research Centre

In June 2010 the Federal Government announced funding of \$34 million for the Indian Ocean Marine Research Centre. Additional funding for the Centre will come from the University, the Commonwealth Scientific and Industrial Research Organisation (CSIRO), the State Government and the Australian Institute for Marine Science.

The new centre will be based at the University and will boost marine science research into the most important drivers of innovation in the marine sector—climate change, the sustainable use of marine resources, conserving marine biodiversity, coastal zone management, and security and safety.



Staff and student successes

Western Australian Science Awards

Australian Laureate Fellow Professor Michael Tobar was named WA Scientist of the Year. Professor Tobar is a world-leading scientist, researching the invention, creation and applications of precise time, frequency and phase measurement techniques.

Professor Eric May was named Early Career Scientist of the Year. The Chevron Chair in Gas Process Engineering has developed new techniques to more accurately measure gas properties.

WA Science Hall of Fame

Professor Fiona Stanley—founding Director of the Telethon Institute for Child Health Research and CEO of the Australian Research Alliance for Children and Youth—was inducted into the WA Science Hall of Fame. Professor Stanley is one of Australia's most highly regarded medical researchers, renowned for her work as an epidemiologist involving cerebral palsy and children's health.

Tall Poppy

Dr Kristen Nowak, of The University of Western Australia's affiliate, the WA Institute for Medical Research, won the inaugural Western Australia Young Tall Poppy Science Award in recognition of her research achievements and commitment to communicate science and its significance to the community. Dr Nowak has been instrumental in leading research towards a cure for Floppy Baby Syndrome, a paralysing disorder that affects thousands of infants worldwide.

Fellowship of Royal Society

Coral reef expert, Premier's Fellow and research leader at The University of Western Australia's Oceans Institute, Professor Malcolm McCulloch, was elected as a Fellow of the prestigious Royal Society of the UK and Commonwealth's leading scientists.

Clunies Ross Award

Professor Tim St Pierre, a physicist at The University of Western Australia who has researched the magnetic properties of iron in biology and medicine for 25 years, won a Clunies Ross Award for his 'significant and positive influence on the lives of many Australians'.

Ecological Society of Australia Gold Medal

Australian Laureate Fellow Professor Richard Hobbs was awarded the 2010 Ecological Society of Australia Gold Medal in recognition of his outstanding contribution to the study of ecology in Australia.

Seed of Light Award

Internationally recognised plant scientist Professor Stephen Powles was awarded the 2010 Grains Research and Development Corporation Western Region Seed of Light Award.

Humboldt Research Award

Professor Zdenko (Zed) Rengel, whose work has had a positive impact on agriculture and land rehabilitation in Australia and around the world, was awarded a prestigious Humboldt Research Award.

Literary Prize

Chair of Australian Literature at The University of Western Australia, Professor Philip Mead, won the New South Wales Premier's Literary Prize for Literary Scholarship for his book *Networked Language: Culture and History in Australian Poetry*.

Continued overleaf

Vice-Chancellor's Overview (cont'd)

From page 7

Rhodes Scholarship

The 2011 Rhodes Scholarship for Western Australia was won by Bachelor of Law (Honours) student Jackie McArthur, who aims to use her education to improve the community as a barrister and academic.

Australian University Games champions

The University of Western Australia was overall university champion at the 2010 Australian University Games. An annual event, the Australian University Games saw some 5000 competitors from 38 universities around Australia compete in a total of 30 sports.

As the host of the 2010 Games, the University took to the sporting grounds with a team of 500 student athletes, winning the highly contested competition for the first time since its inception in 1993.

International engagement

Academic Ranking of World Universities—conducted by Shanghai Jiao Tong University

The disciplines of Life and Agricultural Sciences at The University of

Western Australia ranked the highest in Australia and 34 in the world in the prestigious Shanghai Jiao Tong World University Rankings in 2010. In the field of Clinical Medicine and Pharmacology, the University was ranked in the top 51 to 75 universities in the world.

The University is now placed 112 overall in the international rankings, cementing its position as one of Australia's leading universities.

Matariki Network

The University of Western Australia became a founding member of the new international network of high-quality universities across seven nations known as the Matariki Network of Universities.

It is a select group recognised for their international practice in teaching and learning. They are universities which encourage their students to live on and around campus to enrich their experience of student life and learning.

Vice-Chancellor heads worldwide network

In 2010, I was appointed Chair of the Worldwide Universities Network (WUN) board.

The WUN partnership of 16 research-focused universities, based in Europe, North America, China, New Zealand and Australia, aims to be one of the leading international higher education networks, collaborating to accelerate the creation of knowledge.

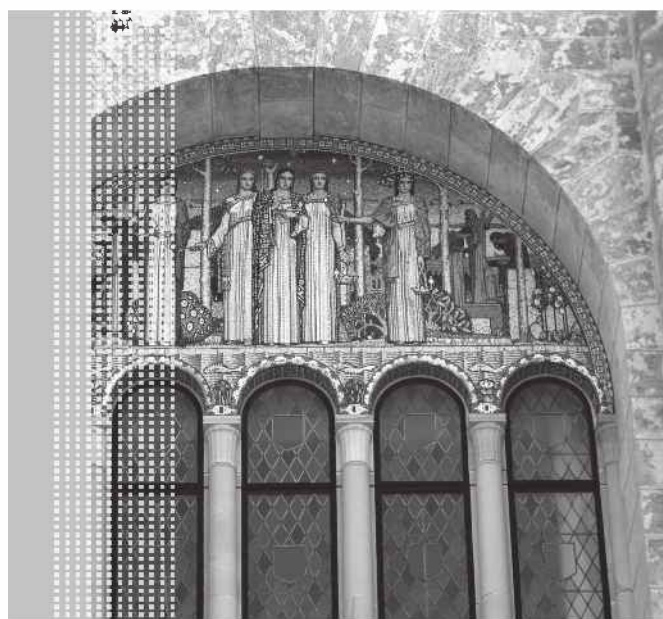
In 2011, the University will celebrate 100 years since the *University of Western Australia Act 1911* was passed through the Western Australian Parliament. The performance of the University across all of its many areas of endeavour throughout 2010 provides a strong foundation upon which it can progress into the second decade of the new century and celebrate its rich history. The successes of 2010, which are themselves the product of sustained excellence over many years throughout the institution, demonstrate the strength of The University of Western Australia and its ability to continue to be a creative and intellectual resource for the communities that it gladly serves.



Alan Robson AM CitWA
Vice-Chancellor



Operational Structure: Governance and Management



The University was established by the *University of Western Australia Act 1911*. The Act provides the legislative machinery for administering the University; it establishes the Governing Body (the Senate) that is empowered to 'have the entire control and management of the affairs of the University'.

The Act gives the Senate powers to act in the interests of the University through the making of statutes, regulations and by-laws and through the management of income and expenditure. It provides powers of delegation for the Governing Body, so that day-to-day management of the University can be delegated to officers employed by the University. Membership of the Governing Body in 2010 (and information on the number of meetings held) is listed in Appendix A of this section.

Other State Acts which deal with aspects of the management of the University are the *University Buildings Act 1952*, the *University Medical School Teaching Hospitals Act 1955* and the *QEII Medical Centre Act 1966*.

The University is responsible to the State Minister for Education for the proper conduct of its business under the legal framework established by State legislation. However, the University receives the majority of its funding from the Commonwealth and it is therefore responsible to the

Commonwealth Minister for Education for the delivery of its teaching and research programs and for the provision of adequate infrastructure to support those programs.

In order to fulfil its responsibilities effectively, the Senate appoints the Vice-Chancellor as its Chief Executive Officer and works in partnership with him to maximise the University's capacity and performance and to ensure its fiscal viability. The Senate delegates operational responsibility to the Vice-Chancellor and monitors, guides and supports the work of the Vice-Chancellor and Executive. It has identified its key activities as the setting of strategic directions, the oversight, audit and review of proper governance processes, the assessment and monitoring of performance against established targets, and the making and amending of University legislation. It has adopted a charter that provides for these roles.

The Vice-Chancellor is appointed by the Senate, following public advertising and standard recruitment

procedures, for a period normally not exceeding seven years. Professor Alan Robson, the University's 17th Vice-Chancellor, commenced his duties in 2004.

The Vice-Chancellor appoints an Executive group to assist him with his responsibilities for the academic, financial, administrative and other business of the University. In 2010 the Executive comprised:

**Senior Deputy Vice-Chancellor—
Professor Bill Loudon**

Responsible for broad line management of the deans of faculties and Dean of the School of Indigenous Studies, for education, staffing policy and cultural activities, and deputising for the Vice-Chancellor in his absence

**Deputy Vice-Chancellor
(Research)—Professor Robyn
Owens**

Responsible for research and research training, industry liaison and commercialisation

Continued overleaf

Operational Structure: Governance and Management (*cont'd*)

From page 9

Executive Director (Academic Services) and Registrar— Mr Peter Curtis

Responsible for all matters relating to the academic administration of the University

Executive Director (Finance and Resources)—Ms Gaye McMath

Responsible for all matters relating to finance and resources, including Facilities Management and Human Resources

A key feature of the University's governance and management system is its strong collegial foundation. The University's peak academic body is the Academic Board, established under Statute 19 and chaired in 2010 by Professor Karen Simmer. The Board is supported by its executive committee, the Academic Council, which has delegated powers for dealing with many items of Board business, and by a range of standing committees which provide policy advice on academic matters. The committee system is replicated at the faculty and school levels.

Statute 8 establishes the faculties, which are responsible for the general administration of the courses under their governance. Each faculty is headed by a dean, who has dual responsibility—to the faculty for providing vision, academic leadership and effective management, and to the Vice-Chancellor for the effective leadership and management of the faculty's human, physical and financial resources located in the schools resourced by the faculty.



In 2010, the faculties and their deans were as follows:

Architecture, Landscape and Visual Arts: Professor Simon Anderson

Arts, Humanities and Social Sciences: Professor Krishna Sen

Business (UWA Business School): Professor Tracey Horton

Education: Professor Helen Wildy

Engineering, Computing and Mathematics: Professor John Dell

Law: Professor Bill Ford

Medicine, Dentistry and Health Sciences: Professor Ian Puddey

Science: Professor Tony O'Donnell

The University's decision-making structures and processes combine a significant level of operational autonomy (both academic and budgetary) in the faculties with a cohesive institution-wide approach to policy in the collegial and executive governance systems.

The Vice-Chancellor may also appoint Pro Vice-Chancellors whose responsibilities extend across the University. In 2010 they were:

Pro Vice-Chancellor (Research): Professor Alistar Robertson

Pro Vice-Chancellor (Education): Professor Jane Long

The Executive, the Deans, and committees at all levels work with, and are supported by, the University's professional staff, both technical and administrative.

Diagrammatic representations of the University's governance system and its executive management structure are set out in Appendix B and Appendix C respectively of this section.

The major publications produced by the University and available on its website at www.publishing.uwa.edu.au are:

Annual Report
Calendar (of acts, statutes and constitutions)
Undergraduate Handbook
Postgraduate Handbook
Research Expertise
Scholarships, Prizes, Endowments
Uniview
Unistats
UWA News

APPENDIX A

Senate Members

The members of the University Senate in 2010 are listed below. The date in brackets at the end of each entry indicates the year a person first becomes a member of the Senate; the second date indicates the year of expiry of the current term of office. An asterisk (*) indicates membership for part of the year only.

Chancellor

Michael Alfred Chaney AO CitWA, BSc MBA Hon.LLD *W.Aust.*, FAIM, FAICD (2005) 2013

Appointed by the Governor

Susan Jennifer Delyse Boyd, BA DipEd Hon.DLitt *W.Aust.*, GAICD (2006) 2014

Lynton Raymond Hayes, BEc *W.Aust.*, MPA PhD *Indiana*, Hon.FAIM (2008) 2012

Anthony John Howarth AO CitWA, Hon.LLD *W.Aust.*, SF Fin, FAIM, FSIA (2003) 2011

Robert John Inverarity CitWA, MBE BA DipEd *W.Aust.*, Hon.D *Murd.* (2006) 2014

Elected by Convocation

John William Biggs, BSc(Agric) *W.Aust.* (2006) 2014

Roderick Quentin Cooper, BA BJuris LLB *W.Aust.*, FAICD, SAFin (2007) 2011

Simon Lee Dawkins, BEc *W.Aust.*, DipEd *Canberra CAE*, MPhil *City(UK)*, FAICD (2010) 2014

Hilary Ann Silbert, BEd MEd *W.Aust.*, DipPE *WAED* (2010) 2014

Elected by academic staff

Stuart Malcolm Bunt, MA DPhil *Oxon.* (2000) 2012

Nigel Laing, BSc PhD *Edin.*, FHGSA (2010) 2014

Allan McKinley, BSc PhD *Cantab.*, MNZIC (2005) 2011

Elected by Academic Board

Karen Norrie Simmer, MB BS *Syd.*, PhD *Lond.*, GradDipHSM *E.Cowan*, GradCertTEd *Flin.*, MRCP(UK), FRACP, FRCPCH (2009) 2012

Elected by general staff

Sato Linda Ann Juniper, BSc PhD *W.Aust.* (2009) 2013

Elected by students

*Tom Antoniazzi (2010) 2011

*Mendal Baba (2010) 2011

Nikolas Stefan Barron (2007) 2010

Emma Greeney (2009) 2012

*Jane Thomson (2009) 2010

Members ex officio

The Vice-Chancellor, Professor Alan David Robson AM CitWA, BAgSc *Melb.*, PhD *W.Aust.*, FTSE, FACE, FACEL, FAIAS, Hackett Professor of Agriculture

Co-opted members

Penelope Ruth Flett, MB BS *Adel.*, DGM, FRACMA, AFCHSE, CHE, FAIM (2007) 2011

John Leslie Langoulant AO, BEc *W.Aust.* (2004) 2014

Lyndon Geoffrey Rowe, BEc *Adel.* (2000) 2012

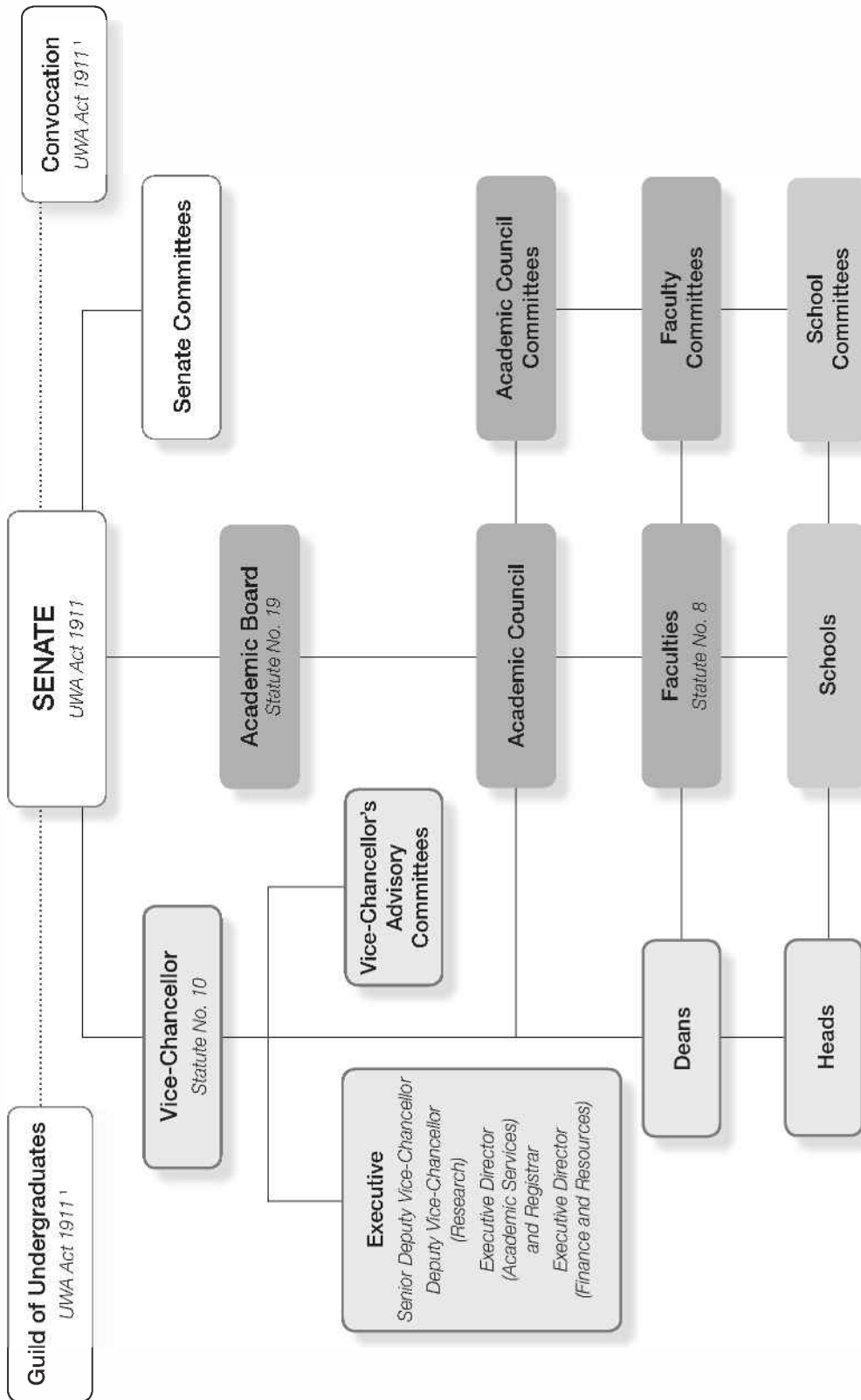
APPENDIX A (cont'd) – MEETINGS OF SENATE MEMBERS

2010 Meetings of Senate Members

	Senator's period of membership in 2010		Meetings of Committees														
			Senate Meetings		Audit and Review		Chancellor's		Development		External Environment		Honorary Degrees		Strategic Resources		
			A	B	A	B	A	B	A	B	A	B	A	B	A	B	
Chancellor (Dr M. Chaney)	6	5			2	2								1	1		
Vice-Chancellor (Professor A. Robson)	6	6			2	2	2	2	2	2	6	5	1	1	1	4	3
Mr J. W. Biggs	6	6								6	4						
Dr S. Boyd	6	6			2	2				6	6						
Professor A. McKinley	6	6														4	4
Professor N. Laing	5	5								4	4						
Dr S. Juniper	6	6								6	4						
Dr L. Hayes	6	5								6	3						
Mr S. Dawkins	5	5														3	3
Mr R. Cooper	6	6		4	2												
Mr N. Barron	6	2								6	3						
Mr L. Rowe	6	6		4	4	2	2									4	3
Mr J. Inverarity	6	5								6	6						
Ms H. Silbert	5	5												1	1		
Professor K. Simmer	6	3												1	1	4	2
Mr J. Langoulant	6	5			2	1								1	1	4	4
Dr P. Flett	6	5			2	2				6	5	1	1				
Mr T. Antoniazzi	1	1															
Ms J. Thomson	6	5								5	3						
Dr T. Howarth	6	5			2	1	2	2								4	1
Professor S. Blunt	6	6								6	6						
Ms E. Greeney	6	5														4	3
Ms M. Baba	1	0								1	0						

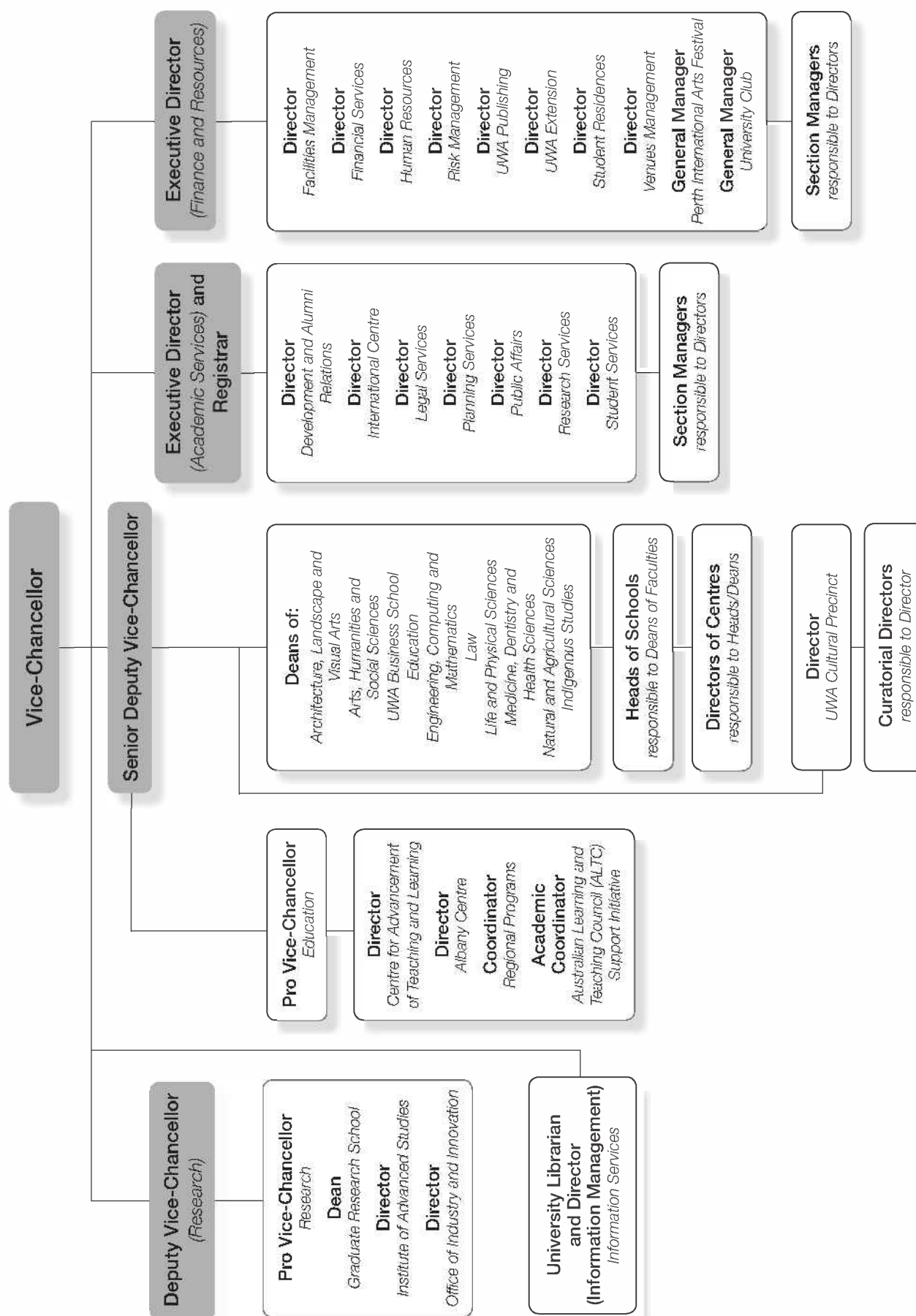
A = Number of meetings held during the year over the period the member held office or was a member of the committee
 B = Number of meetings of the Senate or Senate committee that the member has attended

APPENDIX B—UNIVERSITY GOVERNANCE



¹ As well as establishing the Senate the *University of Western Australia Act 1911* establishes other formal statutory governance elements (Convocation and the Guild of Undergraduates) which sit outside the academic and administrative governance structure portrayed in this diagram.

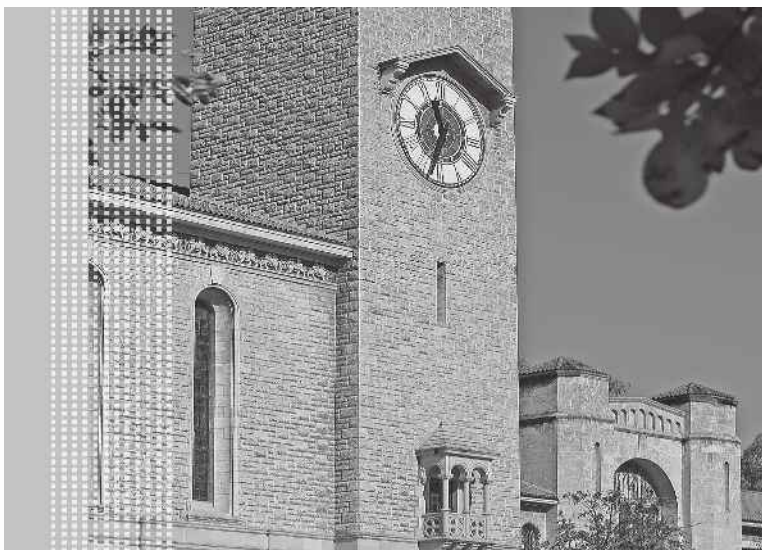
APPENDIX C—MANAGEMENT STRUCTURE



Agency Performance



Mission, Vision and Objectives



The University of Western Australia operates a fully integrated system of strategic and operational planning and systematically monitors performance against goals.

The integrated system is described in the University's Cycle of Planning and Accountability and includes the:

- Strategic Plan
- Operational Priorities Plan
- Institutional Management Plans
- Faculty Strategic and Operational Plans
- Budget

The University's mission, desired outcomes and broad objectives are described in its Strategic Directions document and associated Operational Priorities Plan in the following terms.

Mission

To advance, transmit and sustain knowledge and understanding through the conduct of teaching, research and scholarship at the highest international standards, for the benefit of the Western Australian, Australian and international communities.

Vision

Achieve International Excellence

The University of Western Australia will be recognised internationally for its excellence in teaching and research and as a leading intellectual and creative resource to the communities it serves.

Values

The core values underpinning our activities are a commitment to:

- a high performance culture designed to achieve international excellence
- academic freedom to encourage staff and students to engage in the open exchange of ideas and thought
- continuous improvement through self-examination and external review
- fostering the values of openness, honesty, tolerance, fairness, trust and responsibility in social, moral and academic matters
- transparency in decision making and accountability
- equity and merit as the fundamental principles for the achievement of the full potential of all staff and students

Defining characteristics

The University of Western Australia will be recognised by the following defining characteristics:

- **high quality**, as the pervading criterion for all our activities
- **comprehensive**, with a broad teaching and research profile in the arts, sciences and professions
- **selective**, within a comprehensive base, to develop particular areas of research strength and emphasis
- **research-intensive**, with a strong teaching and research nexus across all our disciplines
- **internationally focused**, for both the content and standards of our activities
- **technologically innovative**, to maximise our flexibility
- **responsive**, to meet the needs of the community, our students and our graduates

Achieving international excellence as a comprehensive teaching and research university calls for fully funded growth to achieve economies of scale. The University has set a growth target of approximately 25,000



students by 2020 with a course-type mix of 60 per cent undergraduate, 28 per cent postgraduate coursework and 12 per cent higher degree by research.

Strategic priorities

The University's Operational Priorities Plan specifies four strategic objectives that are expected to further advance the University's vision for the years 2009 to 2013. These objectives are:

- to improve the quality of the student learning experience
- to improve the quality and impact, and productivity of research and research training
- to improve the University's positioning and reputation, and to develop strategic relationships and community engagement
- to develop our people and resources

The University operates a plan-driven budget, in which these priority objectives will be the primary focus of the University's discretionary funding, as they represent the areas of greatest return on investment in the achievement of international excellence.

Risk Management

The University is committed to best practice in risk management as an integral part of good management.

The Vice-Chancellor provides a Risk Report at every second Senate meeting that highlights major emerging risks and provides updates on risks from the Strategic Risk Register. The risk reports are supported by faculty and support function risk registers. These registers are updated annually and are reviewed for any themes or trends that warrant attention at a whole-of-University level.

The University Risk Management Framework is updated on a cyclical basis and is currently undergoing review following the most recent update. Management will issue an updated framework document in 2011 that reflects both continuous improvement initiatives as well as the content of the recently issued international standard on risk management (ISO 31000).



Research

The University of Western Australia is a comprehensive, research-intensive university with an emphasis on high-quality, high-impact research. The University is seeking to be in the top 100 research universities in the world by 2013 and, by sustained high-quality research performance, to build the foundation to move into the world's top 50 universities by 2050.

To achieve its goals, the University has created key research initiatives that transcend faculty and school borders in a multidisciplinary approach to enhancing research capability; these include the establishment in 2010 of an Energy and Minerals Institute and an Oceans Institute to complement the already existing Institute of Agriculture. The University also encourages the development of research concentrations in areas of particular strength and opportunity. Notably, these areas include plants, animals, agriculture and the environment (including management of natural and agricultural systems); exploration, production and utilisation of minerals, oil and gas; fundamental biomedical and translational approaches to health; indigenous knowledge; bio-engineering and bio-imaging; and neurosciences (including psychology).

The University also has emerging and seed research priorities such as metrology and measurement; educational measurement; organisational behaviour; medieval and early modern studies; Australian literature; radio astronomy; green chemistry; social policy, public policy and international studies; and ocean studies.

In 2010 research at The University of Western Australia was highlighted by the award of \$24.25 million to host an Australian Research Council (ARC) Centre of Excellence for the History of Emotions. The University is also involved in six other centres nationwide. In addition, the University was awarded \$11.4 million of ARC



Linkage Project grant funding, the second highest of any Australian university. It ranked first in Australia for ARC Linkage Infrastructure, Equipment and Facilities (LIEF) grant funding (\$4.4 million) and ARC Super Science Fellowships (10 fellowships worth \$2.8 million). Among the successful ARC LIEF projects is a new detector to remove radio interference from the Parkes radio telescope and new laser technology that will be applied to a diverse range of research areas including the next generation of medical implants.

The outstanding quality of our medical researchers was also rewarded. The University received more than \$9 million to establish three of the nation's 15 NHMRC Centres of Clinical Excellence. These centres will provide valuable research into areas of Aboriginal health and wellbeing, asbestos-related diseases, and cystic fibrosis and other chronic lung diseases.

In recognition of the contribution of this University's researchers there were many individual awards of excellence. Australian Laureate Fellow Professor Michael Tobar was named

2010 WA Scientist of the Year for his work on precise time and phase measurement, and Professor Eric May was named 2010 WA Early Career Scientist of the Year for his work on gas processing technologies. Renowned child health researcher, Professor Fiona Stanley, was also inducted into the WA Science Hall of Fame.

Other awards included the Rank Prize in Nutrition to Professor Robyn Owens and Professor Peter Hartman; the Clunies Ross Award to Professor Tim St Pierre; the Eureka Prize to Professor Ba-Ngu Vo; the 2010 Ecological Society of Australia Gold Medal to Australian Laureate Fellow Professor Richard Hobbs; and a Fellowship of the Royal Society to WA Premier's Research Fellow Professor Malcolm McCulloch.

The University recognises the need to fully cost its research activities, particularly as funding from industry and non-government sources increases, and consequently has developed a detailed pricing policy for research contracts and consultancies which is available at www.research.uwa.edu.au/page/77585.

Education

The University of Western Australia is committed to providing a high-quality student learning experience. In 2010 it continued to address the needs of a diverse student body of domestic and international students, while its efforts towards improving the student experience were focused on further developing its New Courses 2012 initiative and developing new schemes to enhance equity of access and participation.

Since its approval in 2008 and establishment of an Implementation Committee in 2009, development of the New Courses system of degree delivery has rapidly continued. The emphasis of the new system is on appropriate breadth as well as disciplinary depth as hallmarks of an education from The University of Western Australia. The focus is also on embedding high order academic skills in research, communication and cultural literacy. An array of committees and working parties, overseen by the Senior Deputy Vice-Chancellor, has worked conscientiously to devise course structures, content and pedagogical approaches informed throughout by international best practice.

Focus upon entry and admission requirements has also occurred in this context, with particular attention paid to ensuring equity and access to under-represented groups, while simultaneously maintaining high academic standards.

Work in 2011 will turn to finalising undergraduate offerings, and the development of an array of postgraduate coursework offerings which will also be central in the New Courses initiative. The University will continue to communicate actively with all stakeholders, including prospective students, schools, industry, government and parents, concerning implementation.

The University's commitment to a high-quality student experience has been evinced in numerous ways during 2010. After its very successful



Australian Universities Quality Agency audit in 2009, the relatively few recommendations of that agency have already been largely implemented—a review of the University's Learning Management System has been completed; and a major initiative to align assessment and feedback provided to students within the New Courses structure will form part of the development work undertaken in all faculties during 2011.

The quality of our teaching and learning has again been recognised by external bodies. University staff received six individual citations from the Australian Learning and Teaching Council for "sustained and outstanding contributions to student learning". The University was also presented with two national awards for teaching and teaching programs.

The University's ranking in *The Good Universities Guide 2011* as the premier university in Western Australia, and one of the best universities in Australia, is further evidence of The University of Western Australia's educational quality. The results of our participation in the

International Student Barometer survey similarly indicate that the University is placed highly within the Group of Eight universities, and very highly nationally, in respect of international student satisfaction with the learning experience. Such exceptional outcomes in education-related areas constitute an appropriate complement to the University's continuing excellence in international research rankings.

The University's School of Indigenous Studies celebrated 21 years of successful operation in September 2010. Indigenous knowledge is one of the six research priority areas for the University. The School provides Indigenous leadership and an accessible entry point for Indigenous students. Since its establishment, the School has supported more than 250 Indigenous students in the completion of undergraduate and postgraduate studies. A significant number of these students have graduated in the professional areas of Law and Medicine.

Continued overleaf

Community Relations

The University is recognised as an intellectual and creative resource and while this role is primarily reflected by its graduates and its research outcomes, the University made major contributions to the wider community locally, nationally and internationally.

In addition, the Operational Priorities Plan 2009–2013 lists external relations and community engagement as one of four priority areas with the objective of improving the University's reputation, developing strategic relationships and engaging with the community.

Internationally, the University continued to build its reputation, primarily through developing strong global partnerships. In 2010 the University was a founding member of the Matariki Network of Universities—seven high-quality research-intensive universities which pride themselves on delivering a high-quality experience for their students. In addition, the University's place within the Worldwide Universities Network was highlighted with the appointment of

the Vice-Chancellor, Professor Alan Robson, as its chair.

At a more local level, major public contributions included programs initiated and delivered through many key University centres including the Perth International Arts Festival; Institute of Advanced Studies; UWA Extension; Lawrence Wilson Art Gallery; Cullity Gallery and ALVA Studio; UWA Publishing; University Theatres; University Club of Western Australia; Berndt Museum of Anthropology; Edward de Courcy Clarke Earth Science Museum; School of Music; Sport and Recreation Association; and SymbioticA—the University's research centre in biological arts.

The University also extends its activities with a range of community

and business groups such as the Committee for the Economic Development of Australia (CEDA) and the Committee for Perth.

In 2010 community engagement activities included increased outreach programs—academic and general—with schools across the State. In culture and the arts, the University further developed its Cultural Precinct, launching a campus art project for the University's Centenary Celebrations and produced a book documenting '100 Treasures from UWA'.

The Office of Development maintained its support of the University's overall income diversification strategies by facilitating the generous philanthropy of private and public sector groups and individuals who provide significant endowments, bequests and other gifts to further the work of the University.

The University recognises that to build strong community relationships it must continue to demonstrate the value that it brings to society. In that regard, throughout the year many hundreds of academic and professional staff presented comment through various media to support informed debate on important community issues. In addition, the UWA Open Day 2010 saw more than 20,000 people, including prospective students, take advantage of an opportunity to look more closely at the courses and activities of the University.

Education (*cont'd*)

From page 19

Destination of choice for highest achieving students

The University of Western Australia was the destination of choice for a large number of the State's highest achieving students including general and subject exhibition winners and the 2010 Beazley medallist. The University also enjoyed continuing solid results in the Course Experience Questionnaire and high levels of student retention. The University's commitment to maintaining and extending quality was demonstrated by its active participation in the development of the Group of Eight's national Quality Verification System, an external review of third-year student learning achievements. It will participate in this important new quality assurance process during 2011.

Pricing Policy statement

The University's pricing policy for its educational programs is consistent with the Commonwealth Government's policies on Australian domestic undergraduate and postgraduate coursework students and international fee-paying students. Details of the University's prices are available on the University's website at www.studentadmin.uwa.edu.au/page/8587 and the Commonwealth website at www.goingtouni.gov.au.



Statistical Profile

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TABLE 1: TOTAL STUDENT ENROLMENTS BY COURSE TYPE, 2001–2010

Course type	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
HIGHER DEGREE RESEARCH										
Doctorate by research	1,255	1,313	1,306	1,409	1,474	1,650	1,611	1,676	1,761	1,798
Master's research	406	364	381	343	342	331	319	310	298	306
<i>Sub-total Higher Degree Research</i>	<i>1,661</i>	<i>1,677</i>	<i>1,687</i>	<i>1,752</i>	<i>1,816</i>	<i>1,981</i>	<i>1,930</i>	<i>1,986</i>	<i>2,059</i>	<i>2,104</i>
<i>% Higher Degree Research</i>	<i>11.0%</i>	<i>10.8%</i>	<i>10.3%</i>	<i>10.5%</i>	<i>10.6%</i>	<i>11.3%</i>	<i>10.6%</i>	<i>10.2%</i>	<i>9.8%</i>	<i>9.3%</i>
POSTGRADUATE COURSEWORK										
Doctorate by coursework						3	4	16	26	46
Master's coursework	979	1,123	1,429	1,533	1,503	1,364	1,440	1,612	2,043	2,345
Higher degree qualifying	33	46	38	27	29	22	32	20	19	20
Graduate diploma	413	454	546	524	546	505	534	594	564	643
Graduate certificate	201	247	284	268	188	184	187	213	162	156
Postgraduate cross-institutional	12	11	11	25	36	36	40	44	61	57
<i>Sub-total Postgraduate Coursework</i>	<i>1,638</i>	<i>1,881</i>	<i>2,308</i>	<i>2,377</i>	<i>2,302</i>	<i>2,114</i>	<i>2,237</i>	<i>2,499</i>	<i>2,875</i>	<i>3,267</i>
<i>% Postgraduate Coursework</i>	<i>10.8%</i>	<i>12.1%</i>	<i>14.1%</i>	<i>14.3%</i>	<i>13.4%</i>	<i>12.1%</i>	<i>12.3%</i>	<i>12.8%</i>	<i>13.6%</i>	<i>14.5%</i>
UNDERGRADUATE										
Graduate entry bachelor's	342	328	370	364	397	446	508	486	465	495
Bachelor's honours	540	543	584	561	552	421	425	445	439	467
Bachelor's pass	10,614	10,737	11,004	11,279	11,741	12,103	12,659	13,570	14,678	15,651
Diploma	70	70	72	69	62	61	55	66	78	85
Miscellaneous enrolments	301	293	333	257	311	412	438	468	497	521
<i>Sub-total Undergraduate</i>	<i>11,867</i>	<i>11,971</i>	<i>12,363</i>	<i>12,530</i>	<i>13,063</i>	<i>13,443</i>	<i>14,085</i>	<i>15,035</i>	<i>16,157</i>	<i>17,219</i>
<i>% Undergraduate</i>	<i>78.2%</i>	<i>77.1%</i>	<i>75.6%</i>	<i>75.2%</i>	<i>76.0%</i>	<i>76.7%</i>	<i>77.2%</i>	<i>77.0%</i>	<i>76.6%</i>	<i>76.2%</i>
GROSS ENROLMENTS	15,166	15,529	16,358	16,659	17,181	17,538	18,252	19,520	21,091	22,590
Less dual enrolments	131	133	224	210	270	263	302	391	398	431
NET ENROLMENTS	15,035	15,396	16,134	16,449	16,911	17,275	17,950	19,129	20,693	22,159

STUDENT ENROLMENTS BY COURSE TYPE GROUP, 2001–2010

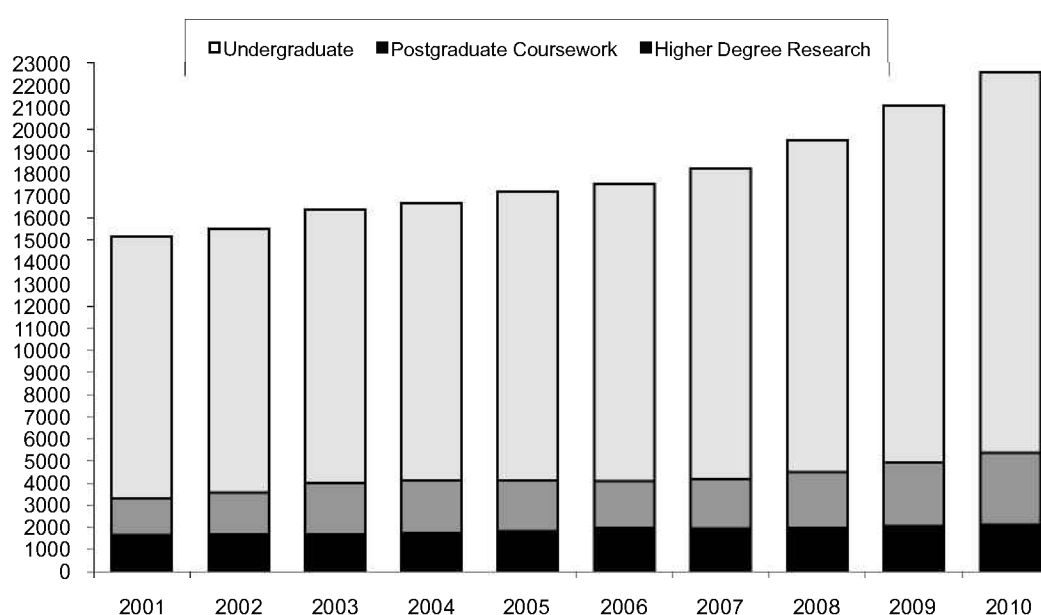


TABLE 2: STUDENT ENROLMENTS BY FUNDING SOURCE AND BROAD COURSE TYPE, 2006–2010

Funding source	2006	2007	2008	2009	2010
COMMONWEALTH-SUPPORTED AND RTS STUDENTS					
Higher degree by research	1,421	1,406	1,344	1,300	1,330
Postgraduate coursework	214	234	411	623	804
Undergraduate	11,175	11,603	12,258	13,163	13,929
<i>Sub-total Commonwealth-supported and RTS</i>	<i>12,810</i>	<i>13,243</i>	<i>14,013</i>	<i>15,086</i>	<i>16,063</i>
DOMESTIC FEE-PAYING STUDENTS					
Higher degree by research	3	2	2	2	2
Postgraduate coursework	1,367	1,378	1,274	1,241	1,304
Undergraduate	44	48	7		1
<i>Sub-total Domestic Fee-paying</i>	<i>1,414</i>	<i>1,428</i>	<i>1,283</i>	<i>1,243</i>	<i>1,307</i>
ONSHORE INTERNATIONAL FEE-PAYING STUDENTS					
Higher degree by research	232	271	357	434	512
Postgraduate coursework	248	313	476	631	793
Undergraduate	1,755	1,818	1,962	2,122	2,374
<i>Sub-total Onshore International Fee-paying</i>	<i>2,235</i>	<i>2,402</i>	<i>2,795</i>	<i>3,187</i>	<i>3,679</i>
OFFSHORE INTERNATIONAL FEE-PAYING STUDENTS					
Higher degree by research	134	88	82	101	73
Postgraduate coursework	285	312	338	380	366
Undergraduate	468	588	808	872	915
<i>Sub-total Offshore International Fee-paying</i>	<i>887</i>	<i>988</i>	<i>1,228</i>	<i>1,353</i>	<i>1,354</i>
TIME-LIMIT AND NON-AWARD STUDENTS					
Higher degree by research	191	163	201	222	187
Non-award	1	28			
<i>Sub-total Time-limit and Non-award</i>	<i>192</i>	<i>191</i>	<i>201</i>	<i>222</i>	<i>187</i>
TOTAL ENROLMENTS	17,538	18,252	19,520	21,091	22,590

TABLE 3: FULL-YEAR STUDENT LOAD (EFTSL) BY FACULTY AND COURSE TYPE GROUP, PRELIMINARY 2010 ^(a)

Faculty	Higher Degree Research	Postgraduate Coursework	Undergraduate	Total ^(b)
Architecture, Landscape and Visual Arts	27.0	194.4	663.3	884.6
Arts, Humanities and Social Sciences	234.1	146.6	2,212.4	2,593.2
Business School	98.6	656.7	2,613.8	3,369.2
Education	105.8	260.2	46.3	412.2
Engineering, Computing and Mathematics	260.8	294.0	2,889.6	3,444.4
Law	19.9	48.7	1,235.6	1,304.2
Life and Physical Sciences	357.4	356.9	3,064.7	3,779.0
Medicine, Dentistry and Health Sciences	259.1	189.8	1,395.6	1,844.5
Natural and Agricultural Sciences	260.6	57.9	790.0	1,108.5
Other	0.3	31.6	200.7	232.6
Total ^(b)	1,623.5	2,236.9	15,111.9	18,972.3

^(a) Data as at 1 December 2010.

^(b) Discrepancies between the sums of component items and totals are due to rounding.

FULL-YEAR STUDENT LOAD BY FACULTY, PRELIMINARY 2010

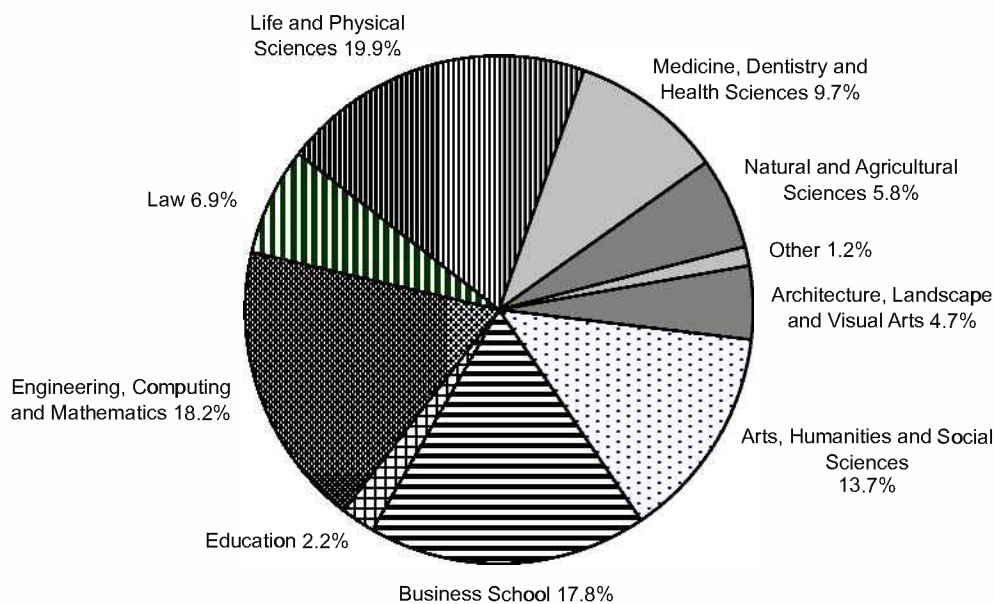


TABLE 4: DEGREES AND AWARDS CONFERRED BY COURSE TYPE, 2001–2010

Course type	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
HIGHER DEGREE RESEARCH										
Higher doctorate	2		4	4		2	1			1
Doctorate by research	160	179	213	226	233	219	252	263	262	235
Master's by research	61	85	52	73	73	56	54	66	53	47
<i>Sub-total Higher Degree Research</i>	<i>223</i>	<i>264</i>	<i>269</i>	<i>303</i>	<i>306</i>	<i>277</i>	<i>307</i>	<i>329</i>	<i>315</i>	<i>283</i>
POSTGRADUATE COURSEWORK										
Doctorate by coursework										5
Master's by coursework	359	387	491	579	507	476	554	563	628	798
Graduate diploma	243	217	241	239	291	290	251	335	329	342
Graduate certificate	89	114	131	134	55	68	82	79	139	137
<i>Sub-total Postgraduate Coursework</i>	<i>691</i>	<i>718</i>	<i>863</i>	<i>952</i>	<i>853</i>	<i>834</i>	<i>887</i>	<i>977</i>	<i>1,096</i>	<i>1,282</i>
UNDERGRADUATE										
Graduate entry bachelor's	88	130	100	128	146	115	101	91	89	90
Bachelor's honours	762	798	755	903	825	827	788	701	790	823
Bachelor's pass	1,555	1,708	1,673	1,781	2,212	2,234	2,236	2,594	2,689	2,833
Diploma	15	16	18	22	19	22	18	14	11	17
<i>Sub-total Undergraduate</i>	<i>2,420</i>	<i>2,652</i>	<i>2,546</i>	<i>2,834</i>	<i>3,202</i>	<i>3,198</i>	<i>3,143</i>	<i>3,400</i>	<i>3,579</i>	<i>3,763</i>
TOTAL	3,334	3,634	3,678	4,089	4,361	4,309	4,337	4,706	4,990	5,328

DEGREES AND AWARDS CONFERRED, 2001–2010

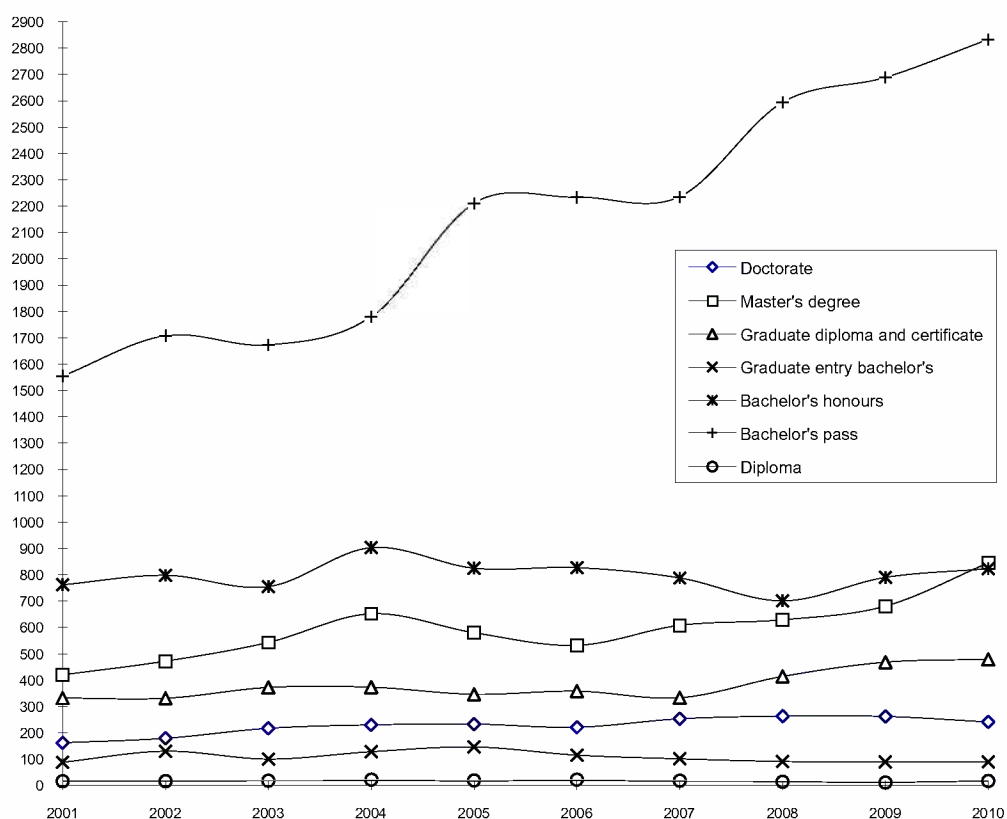


TABLE 5: STAFF FTE ^(a) BY MAJOR ORGANISATIONAL UNIT, 2006–2010

	2006 ^(b)	2007	2008	2009	2010
ACADEMIC ORGANISATIONAL UNITS					
ACADEMIC STAFF					
Teaching and Research					
Total	824.2	821.4	835.6	846.5	860.8
% Female	31.9%	31.5%	34.3%	33.8%	33.3%
Teaching only					
Total		28.9	2.9	15.6	26.4
% Female		39.8%	100.0%	46.3%	55.8%
Research only					
Total	402.2	420.9	475.7	494.0	534.7
% Female	38.7%	40.8%	40.7%	43.0%	41.5%
Total Academic Staff					
Total	1,226.4	1,271.2	1,314.1	1,356.0	1,421.9
% Female	34.1%	34.8%	36.7%	37.3%	36.8%
NON-ACADEMIC STAFF					
Research only					
Total	201.5	199.1	191.7	195.8	224.3
% Female	71.3%	72.0%	73.0%	74.6%	70.7%
Other					
Total	729.2	763.3	771.1	858.22	842.7
% Female	64.9%	66.5%	65.1%	64.7%	65.1%
Total Non-academic Staff					
Total	930.8	962.5	962.8	1054.0	1,067.1
% Female	66.3%	67.6%	66.7%	66.6%	66.3%
Total Academic Organisational Units					
Total	2,157.2	2,233.6	2,277.0	2,410.1	2,489.0
% Female	47.8%	48.9%	49.4%	50.1%	49.5%
NON-ACADEMIC ORGANISATIONAL UNITS					
Total	838.6	856.9	945.1	1005.1	1,037.1
% Female	59.3%	59.0%	60.2%	60.2%	60.5%
TOTAL UNIVERSITY ^(c)					
Total	2,995.8	3,090.6	3,222.0	3,415.1	3,526.0
% Female	51.2%	51.7%	52.6%	53.1%	52.7%

^(a) Full-time equivalence of full-time and fractional full-time staff. Excludes full-time equivalence of casual staff.

^(b) These figures were revised in mid-2007. They replace the figures originally published in early 2007.

^(c) Discrepancies between the sums of component items and totals are due to rounding.

TABLE 6: COMMONWEALTH-SUPPORTED LOAD

Actual 2007–09 and Preliminary 2010 versus Funding Agreement Targets ^(a)

Course type	2007	2008	2009	2010
Total Load (EFTSL)				
Actual	10,464	11,148	12,119	12,817
DEEWR Target	10,421	11,154	11,690	11,970
Difference	43	-7	429	847
Commonwealth Grant Scheme Funds (\$'000)				
Actual/Preliminary	90,139	101,705	113,722	125,473
DEEWR Target	89,430	102,979	110,286	117,427
Difference	709	-1,274	3,436	8,047
% Difference	0.80%	-1.24%	3.12%	6.85%

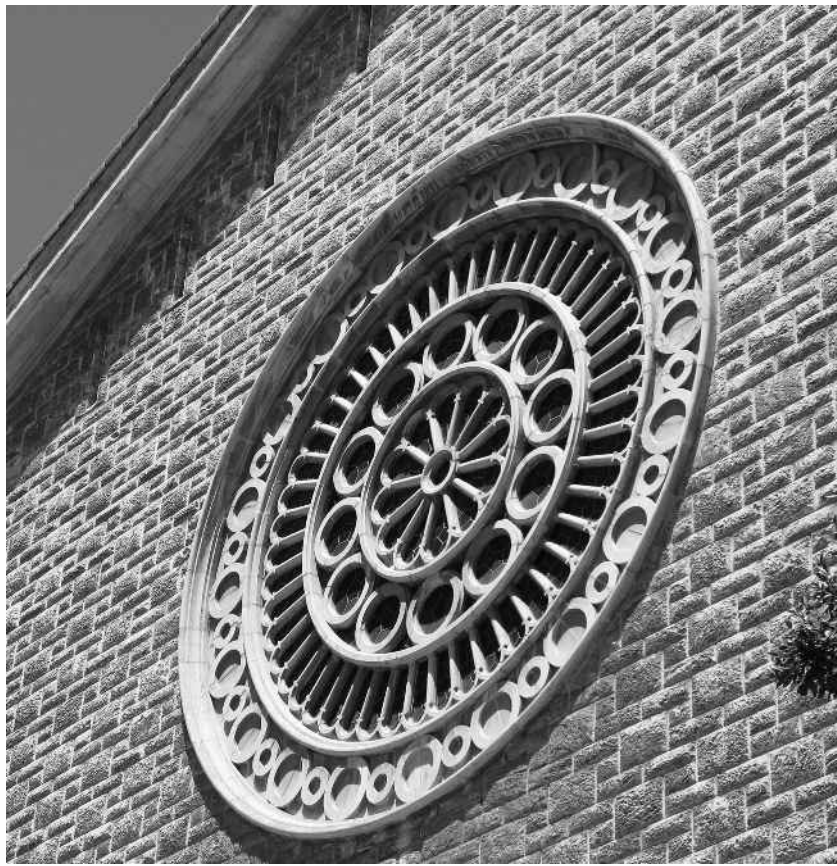
^(a) Discrepancies between the sums of component items and the totals are due to rounding.

**By Discipline Cluster and Total Commonwealth Grant Scheme Funds:
Preliminary ^(a) versus Funding Agreement Targets, 2010**

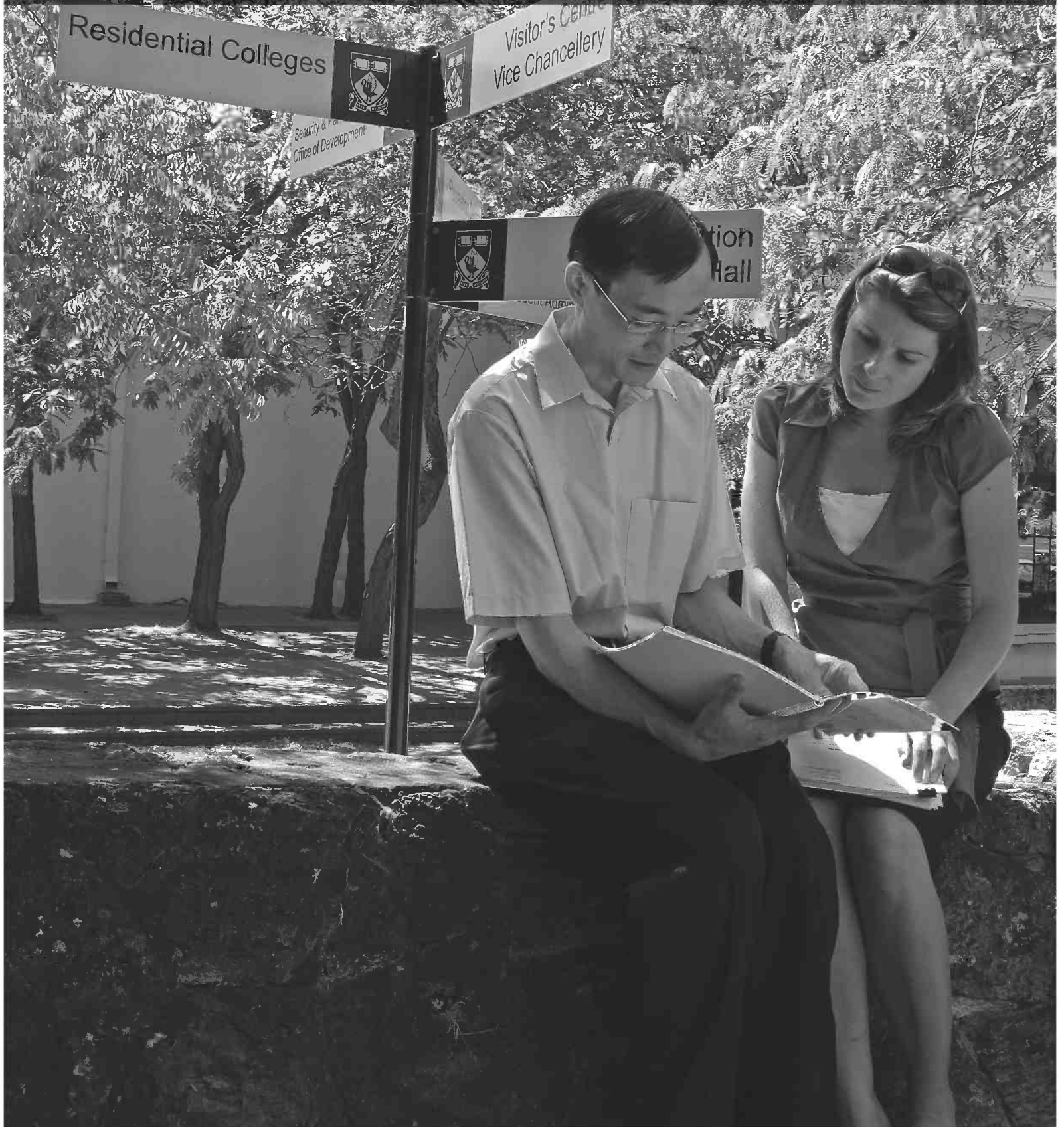
Cluster	Preliminary Full-year Load	Funding Agreement Target	Difference	% Difference
1 Law, accounting, administration, economics, commerce	3,022	2,940	82	2.79%
2 Humanities	762	696	66	9.51%
3 Mathematics, statistics, behavioural science, social studies, computing, built environment, other health (excluding allied health)	3,123	2,699	424	15.71%
4 Education	254	258	-4	-1.54%
5 Clinical psychology, allied health, foreign languages, visual and performing arts	966	847	119	13.99%
6 Nursing	25	63	-38	-59.88%
7 Engineering, science, surveying	3,260	3,091	169	5.47%
8 Dentistry, medicine, veterinary science, agriculture	1,405	1,376	29	2.11%
Total ^(b)	12,817	11,970	847	7.08%
Commonwealth Grant Scheme Funds (\$'000)	125,473	117,427	8,047	6.85%

^(a) Full-year load for 2010 is preliminary only as of 24 December 2010, but the final figure is unlikely to vary from this by more than 10 EFTSL.

^(b) Discrepancies between the sums of component items and the totals are due to rounding.



Significant Issues and Trends



Effects of Economic and Other Factors

The University's achievement of a positive financial operating result for 2010 was not significantly impacted by economic and other factors. Actual investment portfolio earnings were slightly better than the projected returns for the year.

Student demand remains positive with student numbers generally meeting expectations across all sources. The strengthening Australian dollar and other potential risks for the international student market did not significantly impact on the University's onshore international student numbers.

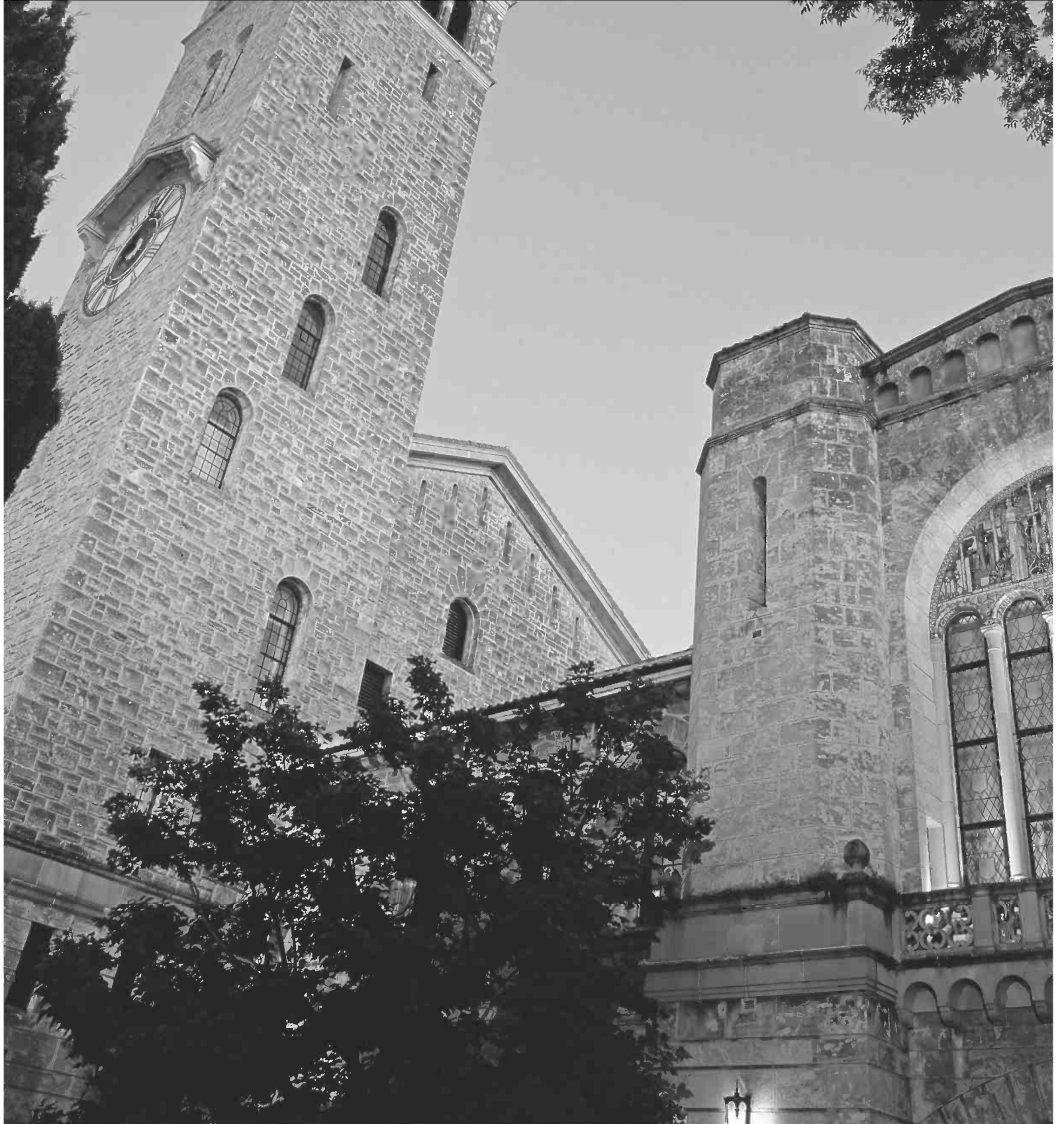
Costs were generally managed in accordance with budgets with efficiency improvements achieved in a number of key expenditure lines across the University.

The impact of legislation

There were no legislative changes in 2010 that had a material effect on the University's operations.



Disclosures and Legal Compliance





Auditor General

INDEPENDENT AUDITOR'S REPORT

To the Parliament of Western Australia

THE UNIVERSITY OF WESTERN AUSTRALIA

Report on the Financial Statements

I have audited the accounts and financial statements of The University of Western Australia and the consolidated entity.

The financial statements comprise the Statement of Financial Position as at 31 December 2010, the Income Statement, Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows of the University and the consolidated entity for the year then ended, and Notes comprising a summary of significant accounting policies and other explanatory information.

University Senate's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In my opinion, the financial statements are based on proper accounts and present fairly, in all material respects, the financial position of The University of Western Australia and the consolidated entity at 31 December 2010 and their financial performance and cash flows for the year then ended. They are in accordance with Australian Accounting Standards and the Treasurer's Instructions.

The University of Western Australia

Report on Controls

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

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

Opinion

In my opinion, the controls exercised by The University of Western Australia are sufficiently adequate to provide reasonable assurance that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions.

Report on the Key Performance Indicators

I have audited the key performance indicators of The University of Western Australia. The University Senate is responsible for the preparation and fair presentation of the key performance indicators in accordance with the Financial Management Act 2006 and the Treasurer's Instructions.

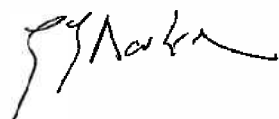
As required by the Auditor General Act 2006, my responsibility is to express an opinion on the key performance indicators based on my audit conducted in accordance with Australian Auditing Standards.

Opinion

In my opinion, the key performance indicators of The University of Western Australia are relevant and appropriate to assist users to assess the University's performance and fairly represent indicated performance for the year ended 31 December 2010.

Independence

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



GLEN CLARKE
ACTING AUDITOR GENERAL
11 March 2011

THE UNIVERSITY OF WESTERN AUSTRALIA

CERTIFICATIONS

FOR THE YEAR ENDED 31 DECEMBER 2010

CERTIFICATION OF FINANCIAL STATEMENTS

The accompanying financial statements of The University of Western Australia have been prepared in compliance with the provisions of the Financial Management Act 2006 from proper accounts and records to present fairly the financial transactions for the financial year ending 31 December 2010 and the financial position as at 31 December 2010.


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



Michael Chaney
Chancellor



Alan Robson
Vice-Chancellor



Gaye McMath
Chief Finance Officer

CERTIFICATION OF FINANCIAL STATEMENTS REQUIRED BY DEEWR

We declare that:

- at the time of this certification there are reasonable grounds to believe that The University of Western Australia will be able to pay its debts as and when they fall due;
- the amount of Australian Government financial assistance expended during the financial year ending 31 December 2010 was for the purpose(s) for which it was intended; and
- the University has complied with applicable legislation, contracts, agreements and programme guidelines in making expenditure.



Michael Chaney
Chancellor



Alan Robson
Vice-Chancellor

8 March 2011



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**THE UNIVERSITY OF WESTERN AUSTRALIA
INCOME STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010**

	Notes	Consolidated		University	
		2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
Income from continuing operations					
Australian Government financial assistance					
Australian Government grants	2	341,948	324,651	341,948	324,651
HECS-HELP Australian Government payments	2	65,715	60,457	65,715	60,457
FEE-HELP	2	5,559	4,133	5,559	4,133
Western Australian and Local Government financial assistance	3	43,661	44,926	43,661	44,926
HECS-HELP student payments		22,384	22,324	22,384	22,324
Other research grants and contracts	4	33,930	32,850	33,930	32,850
Investment revenue and income	5	26,596	24,588	26,568	24,571
Fees and charges	6	112,435	100,599	111,593	99,772
Other contributions and recoveries	7	33,784	32,701	34,065	32,741
Other revenue and income	8	64,278	62,530	59,170	57,600
Total revenue from continuing operations		750,290	709,759	744,593	704,025
Investments accounted for using the equity method		-	491	-	-
Other investment income	5	-	27,656	-	27,656
Total income from continuing operations		750,290	737,906	744,593	731,681
Expenses from continuing operations					
Employee benefits and on-costs	9	441,428	424,439	437,661	420,479
Student expenses	10	40,037	37,815	40,095	37,836
Materials and supplies	11	29,696	30,725	27,754	28,680
Depreciation, amortisation and impairment	12	36,486	36,742	36,441	36,820
Repairs and maintenance	13	11,141	12,576	11,100	12,513
Finance costs		3,470	2,647	3,470	2,647
Grants distributed		14,485	12,805	14,135	12,805
Travel		20,462	19,265	20,462	19,264
Professional fees		17,032	23,913	17,015	23,891
Other expenses	14	80,226	84,610	80,752	84,939
Investment losses	5	754	-	2,911	-
Investments accounted for using the equity method		2,157	-	-	-
Total expenses from continuing operations		697,374	685,537	691,796	679,874
Operating result attributable to members of The University of Western Australia		52,916	52,369	52,797	51,807

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

**THE UNIVERSITY OF WESTERN AUSTRALIA
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2010**

	Consolidated		University	
	2010	2009	2010	2009
Notes	\$'000	\$'000	\$'000	\$'000
Operating result from the period	<u>52,916</u>	<u>52,369</u>	<u>52,797</u>	<u>51,807</u>
Other comprehensive income for the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total comprehensive income	<u><u>52,916</u></u>	<u><u>52,369</u></u>	<u><u>52,797</u></u>	<u><u>51,807</u></u>

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

THE UNIVERSITY OF WESTERN AUSTRALIA
STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2010

	Notes	Consolidated		University	
		2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
ASSETS					
Current assets					
Cash and cash equivalents	17	69,706	78,925	69,290	78,212
Receivables	18	50,301	48,327	50,198	48,001
Inventories	19	652	712	552	613
Assets classified as held for sale	20	1,055	4,735	1,055	4,735
Total current assets		<u>121,714</u>	<u>132,699</u>	<u>121,095</u>	<u>131,561</u>
Non-current assets					
Receivables	18	642	989	642	989
Investment properties	21	15,913	23,460	15,913	23,460
Other financial assets	22	442,202	381,244	442,202	383,495
Investments accounted for using the equity method	23	-	2,473	-	-
Property, plant and equipment	24	1,066,948	1,050,536	1,066,734	1,050,351
Intangible assets	25	2,666	2,747	2,666	2,747
Total non-current assets		<u>1,528,371</u>	<u>1,461,449</u>	<u>1,528,157</u>	<u>1,461,042</u>
Total assets		<u>1,650,085</u>	<u>1,594,148</u>	<u>1,649,252</u>	<u>1,592,603</u>
LIABILITIES					
Current liabilities					
Trade and other payables	27	25,546	20,915	25,083	19,934
Provisions	28	56,291	55,684	56,195	55,574
Other liabilities	29	31,912	34,535	31,708	34,234
Total current liabilities		<u>113,749</u>	<u>111,134</u>	<u>112,986</u>	<u>109,742</u>
Non-current liabilities					
Provisions	28	35,232	34,702	35,165	34,654
Borrowings	30	69,531	69,434	69,531	69,434
Total non-current liabilities		<u>104,763</u>	<u>104,136</u>	<u>104,696</u>	<u>104,088</u>
Total liabilities		<u>218,512</u>	<u>215,270</u>	<u>217,682</u>	<u>213,830</u>
Net assets		<u>1,431,573</u>	<u>1,378,878</u>	<u>1,431,570</u>	<u>1,378,773</u>
EQUITY					
Reserves	31	113,871	66,908	113,871	66,908
Retained earnings	32	<u>1,317,702</u>	<u>1,311,970</u>	<u>1,317,699</u>	<u>1,311,865</u>
Total equity		<u>1,431,573</u>	<u>1,378,878</u>	<u>1,431,570</u>	<u>1,378,773</u>

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

**THE UNIVERSITY OF WESTERN AUSTRALIA
STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2010**

	Notes	Reserves \$'000	Retained Earnings \$'000	Total \$'000
Consolidated				
Balance at 1 January 2009		29,892	1,296,544	1,326,436
Total comprehensive income		-	52,369	52,369
Transfer (to)/from reserves		37,016	(37,016)	-
Share of movement in equity of associates		-	73	73
Balance at 31 December 2009		<u>66,908</u>	<u>1,311,970</u>	<u>1,378,878</u>
Balance at 1 January 2010		66,908	1,311,970	1,378,878
Total comprehensive income		-	52,916	52,916
Transfer (to)/from reserves		46,963	(46,963)	-
Retained profits transferred to the income statement on derecognition of associate due to dilution		-	(221)	(221)
Balance at 31 December 2010		<u>113,871</u>	<u>1,317,702</u>	<u>1,431,573</u>
University				
Balance at 1 January 2009		29,892	1,297,074	1,326,966
Total comprehensive income		-	51,807	51,807
Transfer (to)/from reserves		37,016	(37,016)	-
Balance at 31 December 2009		<u>66,908</u>	<u>1,311,865</u>	<u>1,378,773</u>
Balance at 1 January 2010		66,908	1,311,865	1,378,773
Total comprehensive income		-	52,797	52,797
Transfer (to)/from reserves		46,963	(46,963)	-
Balance at 31 December 2010		<u>113,871</u>	<u>1,317,699</u>	<u>1,431,570</u>

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

**THE UNIVERSITY OF WESTERN AUSTRALIA
STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2010**

	Notes	Consolidated		University	
		2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
Cash flows from operating activities					
Australian Government grants received	2(h)	414,999	394,868	414,999	394,868
Western Australian grants received		44,746	47,878	44,746	47,878
Local Government grants received		17	561	17	561
HECS-HELP – student payments		22,384	22,324	22,384	22,324
Receipts from student fees and other customers		266,528	240,152	259,868	234,342
Dividends received		2,212	2,170	2,212	2,170
Interest received		6,774	4,902	6,746	4,885
Interest paid		(6,590)	(4,380)	(6,590)	(4,380)
Payments to suppliers and employees		(654,260)	(672,841)	(647,355)	(667,091)
Net cash provided by operating activities	40	<u>96,810</u>	<u>35,634</u>	<u>97,027</u>	<u>35,557</u>
Cash flows from investing activities					
Proceeds from sale of property, plant and equipment		7,768	579	7,768	579
Payments for property, plant and equipment		(52,156)	(60,973)	(52,076)	(60,880)
Proceeds from sale of financial assets		37,934	2,819	37,934	2,819
Payments for financial assets		(99,576)	(10,000)	(99,576)	(10,000)
Proceeds from sale of investment properties		-	-	-	-
Payments for investment properties		-	(1,478)	-	(1,478)
Other inflows		-	2,105	-	2,105
Net cash provided by/(used in) investing activities		<u>(106,030)</u>	<u>(66,948)</u>	<u>(105,950)</u>	<u>(66,855)</u>
Cash flows from financing activities					
Proceeds from interest bearing liabilities		6,250	25,000	6,250	25,000
Repayment of interest bearing liabilities		(6,250)	-	(6,250)	-
Net cash provided by/(used in) financing activities		<u>-</u>	<u>25,000</u>	<u>-</u>	<u>25,000</u>
Net increase/(decrease) in cash and cash equivalents		(9,220)	(6,314)	(8,923)	(6,298)
Cash and cash equivalents at beginning of year		78,925	85,469	78,212	84,740
Effects of exchange rate changes on cash and cash equivalents		1	(230)	1	(230)
Cash and cash equivalents at end of year	17	<u>69,706</u>	<u>78,925</u>	<u>69,290</u>	<u>78,212</u>

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

THE UNIVERSITY OF WESTERN AUSTRALIA
NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2010

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THE UNIVERSITY OF WESTERN AUSTRALIA
NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2010

1. Summary of significant accounting policies

The principal accounting policies adopted in the preparation of these financial statements is set out below. These policies have been consistently applied for all years reported unless otherwise stated. The financial statements include separate financial statements for The University of Western Australia as the parent entity and the consolidated entity consisting of the University and its subsidiaries.

The principal address of The University of Western Australia is 35 Stirling Highway, Crawley WA 6009, Australia.

(a) General statement

The financial statements constitute a general purpose financial statement which has been prepared in accordance with Australian Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board as applied by the Treasurer's Instructions, with the exception of the following Treasurer's Instructions from which the University is exempt: TI 954, TI 1101, TI 1102 and TI 1103. Several of the Australian Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board are modified by the Treasurer's Instructions to vary application, disclosure, format and wording.

The *Financial Management Act 2006* and *Auditor General Act 2006* and the Treasurer's Instructions are legislative provisions governing the preparation of financial statements and take precedence over Australian Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board, the requirements of the Department of Education, Employment and Workplace Relations and other State/Australian Government legislative requirements.

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

Modifications or clarifications to accounting standards through the Treasurer's Instructions are to provide certainty and ensure consistency and appropriate reporting across the public sector.

(b) Basis of preparation

The financial statements have been prepared on the accrual basis of accounting using the historical cost convention as modified by the revaluation of most financial assets at fair value through the income statements and investment properties. Comparative information is reclassified where appropriate to enhance comparability.

The financial statements are presented in Australian dollars (\$), which is the University's functional and presentation currency. All values are rounded to the nearest thousand dollars (\$'000) unless otherwise stated.

In preparation of the financial statements, management is required to exercise its judgement when applying the accounting policies. When there is a higher degree of judgement or complexity or areas where assumptions and estimates are significant to the financial statements these are disclosed separately. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed below:

Property, plant and equipment

Property, plant and equipment and intangible assets are depreciated over their useful lives taking into account any residual values where appropriate. The actual lives of the assets and residual values (where appropriate) are assessed annually and may vary depending on a number of factors. In assessing asset lives, factors such as technological innovation, wear and tear and maintenance programs are taken into account. An increase (decrease) in asset lives would result in a lower (higher) future period charge recognised in the Income Statement.

Valuation of investment properties

The University carried its investment properties at fair value with changes in the fair values recognised in profit or loss. It obtains independent valuations at least annually. At the end of the reporting period the University updates its assessment of the fair value of each property, taking into account the most recent valuations.

Classification of funding received

The University receives funding from a number of external sources. In preparing these financial statements the University has had to exercise judgement in determining whether certain sources of funding meet the definition of a contribution, revenue, or a reduction to associated costs. Amounts totalling \$26.2 million received have been designated as contributions and recorded within total income from continuing operations. Changing the classification of these amounts to net them off against associated expenses would not cause a change in the net operating result for the period and would reduce total income and expenses.

Date of authorisation for issue

The financial statements were authorised for issues by the members of The University of Western Australia on 8 March 2011.

THE UNIVERSITY OF WESTERN AUSTRALIA
NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2010

1. **Summary of significant accounting policies (continued)**

(c) Basis of consolidation

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

Subsidiaries are consolidated from the date on which control is transferred to the group and cease to be consolidated from the date on which control is transferred out of the group.

The term 'consolidated' used throughout these financial statements means The University of Western Australia and its subsidiaries.

Investments in associates are accounted for in the parent entity financial statements using the cost method and in the consolidated financial statements using the equity method of accounting, after initially being recognised at cost, in accordance with AASB 128 'Investments in Associates'. A list of associates appears in note 23 to these financial statements.

(d) Revenue

Revenue is recognised at the fair value of the consideration received or receivable. Revenue is recognised net of returns, allowances and taxes paid. Revenue is recognised as follows for major activities:

Sale of goods

Revenue on the sale of goods is recognised by the University when the goods have been despatched and the associated risk of ownership has passed to the customer.

Rendering of services

Revenue is recognised in accordance with the percentage of completion method unless the outcome of the contract cannot be reliably measured. The stage of completion is determined by reference to expenditure incurred to date as a proportion of the total expenditure. If the outcome cannot be reliably measured, where it is probable that the costs will be recovered, revenue is recognised to the extent of costs incurred.

Government grants

The University treats operating grants received from Australian Government entities as income in the year of receipt. Grants from the government are recognised at their fair value where the Group obtains control of the right to receive the grant, it is probable that economic benefits will flow to the Group and it can be reliably measured.

Student fees and charges

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

Non-government grants and contributions

Contributions are non-reciprocal transfers and are recognised as revenue at fair value when the University obtains control of the contributions and it is probable that future economic benefit will flow to the University.

(e) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, bank accounts and deposits and other short-term, highly liquid money market investments that are readily convertible to known amounts of cash, and which are subject to an insignificant risk of changes in value.

(f) Trade and other receivables

Receivables are initially recognised at fair value plus direct and incremental transaction costs and are subsequently recognised at amortised cost, using the effective interest method, less provision for impaired receivables.

Collectability is reviewed on an ongoing basis and those receivables individually determined to be uncollectible are written off. The amount of any impairment is calculated by comparing the present value of the cash flows discounted at the loan's original effective interest rate with the balance sheet carrying value. If impaired, the carrying value is adjusted and the difference charged to the profit or loss.

A collective provision is determined for groups of assets that have similar risk characteristics and a provision is raised using a methodology based on existing risk conditions or events that have a strong correlation with a tendency to default.

THE UNIVERSITY OF WESTERN AUSTRALIA
NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2010

1. **Summary of significant accounting policies (continued)**

(g) Inventories

Inventories are valued at the lower of cost and net realisable value. Cost comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost is assigned on a first-in, first-out basis. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

(h) Non-current assets classified as held for sale

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

(i) Investments and other financial assets

The University has classified its financial assets into the following categories: financial assets at fair value through the profit and loss; and loans and receivables. The classification depends on the purpose for which the assets are acquired.

Financial assets at fair value through the profit and loss

An instrument is classified as a financial asset at fair value through profit and loss—as designated upon initial recognition—if the University manages such investments directly or through professional fund managers and makes decisions based on their fair value, in accordance with the University's documented investment strategy and risk management. Assets within this category are recorded at fair value and changes in fair value recognised in the income statement. Fair value is based on market price where there is an actively traded market. In other instances, fair value is derived from the value of the underlying assets. The University does not hold any financial assets at fair value—held for trading.

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 typically arise when the group provides money, goods or services directly to a debtor with no intention of trading the receivable. Assets within this category that are initially recorded at fair value include direct and incremental transaction costs and are subsequently measured at amortised cost using the effective interest method.

A loan or receivable that is not based upon market terms is initially recognised at fair value less attributable transaction costs. Fair value is estimated as the present value of all future cash receipts discounted using the prevailing market rate(s) of interest for a similar instrument (similar as to currency, term, type of interest rate, and other factors) with a similar credit rating. Any additional amount lent is an expense or a reduction of income unless it qualifies for recognition as some other type of asset.

The University assesses at each balance sheet date whether there is objective evidence that a financial asset or group of financial assets is impaired. The amount of any impairment is calculated in accordance with policy (l).

(j) Investment properties

Initially investment properties are measured at cost including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value determined annually by an external valuer. Any gains or losses arising from changes in the fair values of investment properties are included in the income statements in the year in which they arise.

(k) Property, plant and equipment

Property, plant and equipment is measured at cost less accumulated depreciation less accumulated impairment losses. Where an asset is acquired at no cost or for a nominal cost, the cost recorded is the fair value of the asset at the acquisition date.

Subsequent costs are included in the assets carrying value or recognised as a separate asset, where appropriate, when it is probable that future economic benefit associated with the asset will flow to the University. All other repairs and maintenance are charged to the income statement when incurred.

THE UNIVERSITY OF WESTERN AUSTRALIA
NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2010

1. **Summary of significant accounting policies (continued)**

(k) Property, plant and equipment (continued)

The depreciation rate policy is as follows:

<i>Asset class</i>	<i>Depreciation rate</i>
Leasehold land	Not depreciated
Freehold land	Not depreciated
Buildings	2% reducing balance
Plant and equipment	12.5%–25% straight line
Artworks	Not depreciated
Special collections	Not depreciated
Library books	Depreciated 100% in fourth year after acquisition

Assets' residual values and useful lives are reviewed at each balance sheet date. Profits and losses on disposal are recorded in the income statement for the year.

Impairment testing is performed when an indicator of impairment is identified.

The carrying amount of an asset is derecognised when disposed of or when no future economic benefits are expected from its use or disposal. Where the cost of a replacement part of an item is recognised as part of an asset (or as a separate asset), the University derecognises the carrying amount of the replaced part regardless of whether it had been depreciated separately. Where it is not practicable for the University to determine the carrying amount of the replaced part, the cost of the replacement is used as an indication of what the cost of the replaced part was at the time of acquisition or construction.

(l) Impairment

Assets that have an indefinite useful life are tested annually for impairment. Assets with a finite life are tested for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

An impairment loss is recognised for the amount by which the asset's carrying value exceeds the recoverable amount. The recoverable amount is the higher of its fair value less costs to sell and its value in use. As the University is a not-for-profit entity, if the future economic benefits of the asset are not primarily dependent on its ability to generate net cash flows, unless the asset has been identified as surplus, the value in use is its depreciated replacement cost.

(m) Intangible assets

Intangible assets are capitalised at cost and from a business combination are capitalised at fair value as at the date of acquisition. Following initial recognition, the cost model is applied to the class of intangible assets.

Expenditure on research activities is recognised as an expense in the income statement when incurred. Expenditure on development activities is expensed unless the outcome is technically and commercially feasible, resources are available to complete the development and there is a commitment to complete the project.

Amortisation is calculated on a straight line basis over the estimated useful life of the asset. The useful life of software is currently determined to be five years.

Impairment testing is performed when an indicator of impairment is identified.

(n) Leases

Leases where the lessor has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lower of fair value and the present value of the minimum lease payments and the corresponding obligation is recorded in payables. Each lease payment is allocated between the finance charge and reducing the liability.

Leases are classified as operating leases when the lessor retains substantially all the risks and rewards of ownership. Payments or income received under operating leases are recognised in the income statement on a straight line basis over the lease term. Where the University is the lessor, the asset subject to an operating lease is recognised in the balance sheet according to the nature of the asset.

THE UNIVERSITY OF WESTERN AUSTRALIA
NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2010

1. **Summary of significant accounting policies (continued)**

(o) Trade and other payables

Payables represent liabilities for goods or services incurred on or before reporting date. Trade payables are initially recorded at fair value and subsequently recorded at amortised cost. Due to the short duration and other terms of payment these amounts usually equate to cost.

(p) Provisions

Provisions are recognised where there is a present obligation as a result of a past event, it is probable that an outflow of economic benefit will be required to settle the obligation and a reliable estimate can be made of the amount.

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

(q) Borrowings

Borrowings are recognised initially at fair value plus transaction costs that are directly attributable to its issue. Subsequent to initial recognition, borrowings are stated at amortised cost with any difference between the initial amount and the maturity amount and redemption value being recognised in the income statement over the period of the liabilities on an effective interest basis.

(r) Borrowing costs

Borrowing costs are expensed as incurred unless they relate to the acquisition, construction or production of qualifying assets.

(s) Employee benefits

(i) Wages and salaries

Wages and salaries due to be settled within 12 months after the end of the period are measured at the amount expected to be paid when the liability is settled.

(ii) Annual leave

The liability for annual leave is recognised in current provisions for employee benefits as it is not due to be settled within 12 months after the end of the reporting period. It is measured at the amount expected to be paid when the liability is settled. 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) Long service leave

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

(iv) Superannuation

The University contributes to a number of employee funds that exist to provide benefits for employees and their dependants on retirement, disability or death. Three of these funds are defined benefit pension schemes.

The University meets the benefits of the schemes as they fall due and consequently there are no plan assets within the scheme.

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. 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.

THE UNIVERSITY OF WESTERN AUSTRALIA
NOTES TO THE FINANCIAL STATEMENTS
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1. Summary of significant accounting policies (continued)

(iv) Superannuation (continued)

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur in the Income Statements. Past service costs are recognised immediately in income, unless the changes to the superannuation fund are conditional on the employees remaining in service for a specified period of time (the vesting period). In this case, the past service costs are amortised on a straight-line basis over the vesting period.

The University recognises amounts payable to defined contributions schemes as an expense in the income statement in the period that the service has been rendered by the employee.

(v) Other employee benefits

All other benefits are recognised when the benefit is received by the employee and measured at the rates paid or payable.

(t) Income tax

The University is exempt from income tax in Australia.

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

(u) Foreign currency transactions

The functional currency of the University and its subsidiaries is the Australian dollar.

Foreign currency transactions are initially translated into Australian currency at the rate of exchange at the date of the transaction. At the reporting date, amounts payable and receivable in foreign currencies are translated to Australian currency at rates of exchange at that date. Non-monetary items held at the reporting date are measured using the exchange rate at the date of the initial transaction. Resulting exchange differences are recognised in the income statements.

(v) Disclosure of changes in accounting policy and estimates

(i) Initial application of Australian Accounting Standards

The University has not applied any new or revised Australian Accounting Standards and Australian Accounting Interpretations effective for annual reporting periods beginning on or after 1 January 2010 as they have no financial impact on the University.

(ii) Future impact of Australian Accounting Standards not yet operative

The University cannot early adopt an Australian Accounting Standard or Australian Accounting Interpretation unless specifically permitted by TI 1101 'Application of Australian Accounting Standards and Other Pronouncements'. Consequently, the following Australian Accounting Standards and amendments that have been issued but not yet effective are not applied. Where applicable, these will be applied from the application date:

- AASB 9 Financial Instruments, AASB 2009-11 Amendments to Australian Accounting Standards arising from AASB 9, AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9. AASB 2009-11 and AASB 2010-7 principally make changes to terminology when applying AASB 9 and implementing the standard for the first time. AASB 9 makes changes to the classification and measurement, impairment and hedge accounting rules for financial instruments. AASB 9 is mandatory for periods beginning on or after 1 January 2013. The University has not currently determined the impact of adopting AASB 9 Financial Instruments on the financial statements.
- AASB 1053 Application of Tiers of Australian Accounting Standards. This Standard establishes a differential financial reporting framework consisting of two tiers of reporting requirements for preparing general purpose financial statements. The Standard does not have any financial impact on the University. However it may affect disclosures in the financial statements of the University if the reduced disclosure requirements apply.
- AASB 2010-2 Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements. This Standard makes amendments to many Australian Accounting Standards, including Interpretations, to introduce reduced disclosure requirements into these pronouncements for application by certain types of entities. The Standard is not expected to have any financial impact on the University. However this Standard may reduce some note disclosures in the financial statements of the University.

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NOTES TO THE FINANCIAL STATEMENTS
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	Notes	Consolidated		University	
		2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
2. Australian Government financial assistance including HECS-HELP and FEE-HELP					
(a) Commonwealth Grant Scheme and other grants					
Commonwealth Grant Scheme	42.1	136,942	114,713	136,942	114,713
Indigenous Support Program	42.1	715	638	715	638
Partnership and Participation Program	42.1	759	89	759	89
Disability Support Program	42.1	194	103	194	103
Workplace Reform Program	42.1	-	1,372	-	1,372
Workplace Productivity Program	42.1	1,075	775	1,075	775
Learning and Teaching Performance Fund	42.1	-	3,954	-	3,954
Capital Development Pool	42.1	3,944	1,021	3,944	1,021
Diversity and Structural Adjustment Fund	42.1	-	971	-	971
Improving the Practical Component of Teacher Education Initiative	42.1	-	110	-	110
Transitional Cost Program	42.1	326	906	326	906
Total Commonwealth Grant Scheme and other grants		143,955	124,652	143,955	124,652
(b) Higher Education Loan Programs					
HECS-HELP	42.2	65,715	60,457	65,715	60,457
FEE-HELP	42.2	5,559	4,133	5,559	4,133
Total Higher Education Loan Programs		71,274	64,590	71,274	64,590
(c) Scholarships					
Australian Postgraduate Awards	42.3	8,310	6,218	8,310	6,218
International Postgraduate Research Scholarship	42.3	932	928	932	928
Commonwealth Education Cost Scholarships	42.3	1,055	1,161	1,055	1,161
Commonwealth Accommodation Scholarships	42.3	1,844	2,300	1,844	2,300
Indigenous Access Scholarships	42.3	148	187	148	187
Total Scholarships		12,289	10,794	12,289	10,794
(d) DIISR – research					
Joint Research Engagement Program	42.4	16,803	17,324	16,803	17,324
Research Training Scheme	42.4	32,362	31,860	32,362	31,860
Research Infrastructure Block Grants	42.4	14,195	14,269	14,195	14,269
Commercialisation Training Scheme	42.4	280	271	280	271
Implementation Assistance Program	42.4	97	176	97	176
Australian Scheme for Higher Education Repositories	42.4	-	277	-	277
Sustainable Research Excellence	42.4	4,857	-	4,857	-
Total DIISR – research grants		68,594	64,177	68,594	64,177
(e) Other capital funding					
Teaching and Learning Capital Fund	42.5	-	11,745	-	11,745
Education Investment Fund	42.5	1,500	-	1,500	-
Total other capital funding		1,500	11,745	1,500	11,745
(f) Australian Research Council					
(i) Discovery					
Projects	42.6	13,678	13,612	13,678	13,612
Fellowships	42.6	4,540	2,887	4,540	2,887
Total Discovery		18,218	16,499	18,218	16,499
(ii) Linkages					
Infrastructure	42.6	2,110	2,457	2,110	2,457
International	42.6	19	47	19	47
Projects	42.6	7,459	6,339	7,459	6,339
Total Linkages		9,588	8,843	9,588	8,843
(iii) Networks and centres					
Research networks	42.6	-	370	-	370
Centres	42.6	2,867	2,762	2,867	2,762
Total networks and centres		2,867	3,132	2,867	3,132
(g) Other Australian Government financial assistance					
National Health and Medical Research Council		35,118	36,014	35,118	36,014
Other Commonwealth research grants		25,878	29,393	25,878	29,393
Other Commonwealth grants		23,941	19,402	23,941	19,402
Total other Australian Government financial assistance		84,937	84,809	84,937	84,809
Total Australian Government financial assistance		413,222	389,241	413,222	389,241
Reconciliation					
Australian Government grants		341,948	324,651	341,948	324,651
HECS-HELP payments		65,715	60,457	65,715	60,457
FEE-HELP payments		5,559	4,133	5,559	4,133
Total Australian Government financial assistance		413,222	389,241	413,222	389,241

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NOTES TO THE FINANCIAL STATEMENTS
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	Notes	Consolidated		University	
		2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
2. Australian Government financial assistance including HECS-HELP and FEE-HELP (continued)					
(h) Australian Government grants received – cash basis					
Commonwealth Grants Scheme and Other DEEWR grants	42.1	143,955	124,652	143,955	124,652
Higher Education Loan Programs	42.2	75,445	62,064	75,445	62,064
Scholarships	42.3	12,289	10,917	12,289	10,917
DIISR research	42.4	68,594	64,177	68,594	64,177
Other capital funding	42.5	1,500	11,745	1,500	11,745
ARC grants – Discovery	42.6	18,218	16,499	18,218	16,499
ARC grants – Linkages	42.6	9,587	8,843	9,587	8,843
ARC grants – Networks and centres	42.6	2,867	3,132	2,867	3,132
Other Australian Government grants		82,544	92,839	82,544	92,839
Total Australian Government grants received – cash basis		414,999	394,868	414,999	394,868
OS-HELP (net)	42.7	255	(10)	255	(10)
Total Australian Government funding received – cash basis		415,254	394,858	415,254	394,858
3. Western Australian and Local Government financial assistance					
Western Australian research grants		21,959	23,664	21,959	23,664
Western Australian other grants		21,667	20,795	21,667	20,795
Local Government research grants		35	467	35	467
Total Western Australian and Local Government financial assistance		43,661	44,926	43,661	44,926
4. Other research grants and contracts					
International		7,776	6,742	7,776	6,742
Bequests and donations		622	364	622	364
Industry and others		25,532	25,744	25,532	25,744
Total other research grants and contracts		33,930	32,850	33,930	32,850
5. Investment revenue and income					
Investment revenue					
Dividend income		2,212	2,170	2,212	2,170
Interest income		6,772	4,902	6,744	4,885
Trust distributions		15,630	15,627	15,630	15,627
Imputation credits		1,982	1,889	1,982	1,889
Total investment revenue		26,596	24,588	26,568	24,571
Other investment income/(loss)					
Fair value gain/(loss) on other financial assets		(754)	30,974	(2,911)	30,974
Fair value gain/(loss) on investment properties	21	-	(3,478)	-	(3,478)
Other investment income		-	160	-	160
Total other investment income/(loss)		(754)	27,656	(2,911)	27,656
Net investment revenue and income		25,842	52,244	23,657	52,227
6. Fees and charges					
Course fees and charges					
Fee paying overseas students – onshore courses		75,280	63,771	75,280	63,771
Fee paying overseas students – offshore courses		7,727	8,228	7,727	8,228
Continuing education and short courses		10,241	11,180	10,241	11,180
Fee paying domestic postgraduate students		4,783	4,475	4,783	4,475
Fee paying domestic undergraduate students		-	-	-	-
Total course fees and charges		98,031	87,654	98,031	87,654
Other non-course fees and charges					
Amenities and services fees		1,073	1,113	1,073	1,113
Student accommodation		3,113	2,868	3,113	2,868
Parking fees		2,522	2,411	2,525	2,414
Registration fees		4,418	3,209	4,418	3,209
Rental and hire charges		2,182	1,959	1,337	1,130
Other		1,096	1,385	1,096	1,384
Total non-course fees and charges		14,404	12,945	13,562	12,118
Total fees and charges		112,435	100,599	111,593	99,772
7. Other contributions and recoveries					
Salary contributions from external parties		26,217	25,259	26,426	25,291
Expense recoveries		7,567	7,442	7,639	7,450
Total salaries and other recoveries		33,784	32,701	34,065	32,741

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	Notes	Consolidated		University	
		2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
8. Other revenue and income					
Sales of goods and services		12,227	12,662	8,070	8,299
Donations, bequests and sponsorships		12,642	14,455	12,642	14,705
Scholarships and prizes		599	977	599	977
Rental income		5,251	4,773	5,251	4,773
Other general grants		7,996	6,601	7,996	6,601
Consultancy		7,811	7,402	7,811	7,402
Royalties and licences		757	386	757	386
Performance and production		4,661	4,633	4,661	4,633
Other		9,849	10,641	8,974	9,824
Gain on sale of non-current assets		2,485	-	2,409	-
Total other revenue and income		64,278	62,530	59,170	57,600
9. Employee benefits and on-costs					
Academic					
Salaries		190,183	181,428	190,183	181,428
Contribution to superannuation – funded		28,466	27,369	28,466	27,369
Annual leave expense		2,498	3,170	2,498	3,170
Long service leave expense		918	1,438	918	1,438
Employment on-costs					
Payroll tax		11,428	10,869	11,428	10,869
Worker's compensation		1,772	847	1,772	847
Other		1,655	2,747	1,656	2,747
Total academic		236,920	227,868	236,921	227,868
Non-academic					
Salaries		168,160	159,560	165,289	156,507
Contributions to superannuation – funded		22,936	21,240	22,630	20,937
Annual leave expense		850	827	637	616
Long service leave expense		713	1,667	693	1,627
Employment on-costs					
Payroll tax		10,004	9,573	9,811	9,381
Worker's compensation		1,536	544	1,536	544
Other		309	3,160	144	2,999
Total non-academic		204,508	196,571	200,740	192,611
Total employee benefits and on costs		441,428	424,439	437,661	420,479
10. Student expenses					
Scholarships and studentships		35,500	35,174	35,500	35,174
Grants and prizes		3,410	1,488	3,468	1,509
Amenities and services expenses		1,127	1,153	1,127	1,153
Total student expenses		40,037	37,815	40,095	37,836
11. Materials and supplies					
Laboratory, workshop and medical supplies		15,886	16,611	15,886	16,611
General office expenses		6,738	6,751	6,620	6,629
Other general consumables and supplies		7,072	7,363	5,248	5,440
Total materials and supplies		29,696	30,725	27,754	28,680
12. Depreciation, amortisation and impairment					
Depreciation					
Buildings		13,234	12,094	13,234	12,094
Property, Plant and Equipment		15,783	16,075	15,738	16,039
Library books		6,495	6,257	6,495	6,257
Total depreciation	24	35,512	34,426	35,467	34,390
Amortisation					
Intangible assets	25	974	2,316	974	2,316
Impairment		-	-	-	114
Total depreciation, amortisation and impairment		36,486	36,742	36,441	36,820
Impairment					
There has been no impairment in shares in associates in this financial year (2009: \$113,506).					
13. Repairs and maintenance					
Building repairs and maintenance		5,504	7,589	5,500	7,583
Ground maintenance		2,067	2,094	2,067	2,094
General repairs and maintenance		3,570	2,893	3,533	2,836
Total repairs and maintenance		11,141	12,576	11,100	12,513

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NOTES TO THE FINANCIAL STATEMENTS
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Notes	Consolidated		University	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
14. Other expenses				
Computing costs	10,067	10,625	10,054	10,604
Books and periodicals	1,355	1,511	1,344	1,503
Utilities and rates	9,894	8,265	9,884	8,258
Non-capital equipment purchases	6,811	11,456	6,775	11,436
Loss on disposal of assets	-	164	-	164
Performance and production costs	6,510	7,691	6,510	7,691
Insurance	1,963	2,556	1,965	2,563
Advertising, marketing and promotional expenses	6,128	6,361	6,068	6,257
Conference and course fees	2,859	2,882	2,961	3,018
Rental, hire and leasing fees	3,458	3,180	3,498	3,231
Cleaning and waste disposal	2,579	2,728	2,336	2,495
Bad and doubtful debts and other write-offs	373	247	373	248
Royalties and commissions	7,020	7,018	7,020	7,018
Exhibitions and conference costs	1,402	1,205	1,471	1,191
Vehicle costs	1,759	1,619	1,759	1,619
Other miscellaneous expenses	18,048	17,102	18,734	17,643
Total other expenses	80,226	84,610	80,752	84,939

15. Remuneration of the University's Senate members and senior officers

All Senate members serve in an honorary capacity. Remuneration of Senate members quoted only reflects remuneration (including salaries and other benefits) paid by the University to the Vice-Chancellor and the five elected staff members.

The total of fees, salaries, superannuation and other benefits received or due and receivable by members of the Senate, the Governing Body, for the financial year

1,768	1,530	1,768	1,530
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The total fees, salaries, superannuation and other benefits received or due and receivable by senior officers of the University for the financial year

6,571	6,011	6,571	6,011
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The number of Senate members and executive officers whose total of fees, salaries, superannuation and other benefits (includes leave entitlement payout) received or due and receivable for the financial year, falls within the following bands:

	Senate members		Senior officers of the University	
	2010	2009	2010	2009
\$90,000 – \$99,999	-	-	1	-
\$110,000 – \$119,999	-	-	1	-
\$120,000 – \$129,999	-	3	1	-
\$140,000 – \$149,999	1	-	-	-
\$160,000 – \$169,999	1	1	-	-
\$180,000 – \$189,999	2	-	1	1
\$200,000 – \$209,999	-	-	1	-
\$210,000 – \$219,999	-	-	-	1
\$230,000 – \$239,999	-	-	-	1
\$240,000 – \$249,999	1	-	1	1
\$250,000 – \$259,999	-	-	1	-
\$260,000 – \$269,999	-	-	-	1
\$270,000 – \$279,999	-	-	1	1
\$290,000 – \$299,999	-	-	-	1
\$300,000 – \$309,999	-	1	1	3
\$310,000 – \$319,999	-	-	2	-
\$320,000 – \$329,999	-	-	1	1
\$330,000 – \$339,999	-	-	2	1
\$350,000 – \$359,999	-	-	-	1
\$360,000 – \$369,999	-	-	-	2
\$370,000 – \$379,999	-	-	-	1
\$400,000 – \$409,999	-	-	2	2
\$410,000 – \$419,999	-	-	2	-
\$430,000 – \$439,999	-	-	1	-
\$460,000 – \$469,999	-	-	-	1
\$480,000 – \$489,999	-	-	1	-
\$550,000 – \$559,999	-	-	1	-
\$680,000 – \$689,999	-	1	-	-
\$840,000 – \$849,999	1	-	-	-

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NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2010

Notes	Consolidated		University	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
16. Remuneration of auditors				
(a) Audit services				
Fees payable to the Office of the Auditor General for the audit of financial statements and performance indicators and research grant certifications	282	270	282	270
Fees payable during the year to non-Office of the Auditor General audit firms for assurance services	43	49	43	49
Total remuneration for audit services	325	319	325	319
(b) Non-audit services				
No fees were payable during the year to the Office of the Auditor General or other non-Office of the Auditor General audit firms for non-audit services	-	-	-	-
Total remuneration for non-audit services	-	-	-	-
17. Cash and cash equivalents				
Cash at bank and on hand	20,393	22,672	19,977	21,959
Short-term money deposit	49,313	45,325	49,313	45,325
Short-term bills	-	10,928	-	10,928
Total cash and cash equivalents	69,706	78,925	69,290	78,212

The University has pledged \$166,000 (2009: \$166,000) against cash assets as at 31 December 2010, as collateral against major asset purchases and taxes and charges potentially payable on the international transport of University assets.

18. Receivables				
Current				
Receivables	27,357	26,781	27,106	26,460
Less: Provision for impaired receivables	(255)	(187)	(255)	(187)
	<u>27,102</u>	<u>26,594</u>	<u>26,851</u>	<u>26,273</u>
Accrued income	7,102	5,858	7,102	5,858
Advances and prepayments	16,097	15,875	16,245	15,870
Total current receivables	50,301	48,327	50,198	48,001
Non-current				
Receivables	642	989	642	989
Total non-current receivables	642	989	642	989
Total receivables	50,943	49,316	50,840	48,990

Impaired Receivables

As at 31 December 2010, trade receivable of \$20,640,000 (2009: \$17,265,000) were past due but not impaired.

The ageing of these receivables is as follows:

Not past due	6,718	9,516	6,512	9,262
Past due 0-30 days	12,999	8,630	12,973	8,583
Past due 31-90 days	3,449	3,495	3,441	3,474
Past due 91-120 days	1,099	1,166	1,099	1,166
Past due 121-180 days	1,044	1,357	1,033	1,357
Past due 181 days - 1 year	847	1,212	847	1,212
More than 1 year	1,201	1,405	1,201	1,406
Total	<u>27,357</u>	<u>26,781</u>	<u>27,106</u>	<u>26,460</u>

Receivables classified as past due but not impaired have a low history of credit default and are expected to be realised when due, other than amounts provided for on a collective basis and included in the provision estimates below.

The ageing of these impaired receivables is as follows:

Not past due	9	11	9	11
Past due 0-30 days	24	15	24	15
Past due 31-90 days	6	5	6	5
Past due 91-120 days	2	1	2	1
Past due 121-180 days	1	2	1	2
Past due 181 days - 1 year	6	6	6	6
More than 1 year	207	147	207	147
Total	<u>255</u>	<u>187</u>	<u>255</u>	<u>187</u>

The provisions for impairment included above have been calculated on a collective basis, for groups of asset that share similar risk characteristics, taking into account historical loss rates for similar assets. No receivables have been individually assessed as being impaired as at 31 December 2010 (2009: \$nil).

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	Notes	Consolidated		University	
		2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
18. Receivables (continued)					
<i>Movement in the provision for impairment of receivables are as follows:</i>					
At 1 January		187	726	187	723
Provision for impairment recognised during the year		159	96	159	96
Receivables written off during the year as uncollectible		(91)	(641)	(91)	(640)
Unused amount reversed		-	6	-	8
		<u>255</u>	<u>187</u>	<u>255</u>	<u>187</u>

The creation and release of the provision for impaired receivables has been included in 'other expenses' in the Income Statements (note 14). Amounts charged to the allowance account are generally written off when there is no expectation of recovering additional cash.

19. Inventories

Current

Raw materials and stores – at cost		640	615	540	516
Work in progress – at cost		12	97	12	97
Total current inventories		<u>652</u>	<u>712</u>	<u>652</u>	<u>613</u>

20. Assets classified as held for sale

Land and buildings	24	1,055	4,735	1,055	4,735
Total non-current assets held for sale		<u>1,055</u>	<u>4,735</u>	<u>1,055</u>	<u>4,735</u>

Two properties classified as held for sale in 2009, of which, 328 Stirling Highway, Nedlands, was sold during the year for \$2.925 million gain, while the remaining property at 55 Broadway, Nedlands, no longer meets the criteria of held for sale as defined by AASB 5 (although the University still intends on selling the land at a future date). There is no financial impact of this reclassification, only the reinstatement of its carrying amount of \$460,000 back to Property, Plant and Equipment for 2010.

2010 Property committed for sale is expected to be sold within the first half of 2011. As at 31 December 2010 the net amount transferred to/from assets classified as held for sale is \$594,905.

21. Investment properties

At fair value

Opening balance		23,460	25,460	23,460	25,460
Capitalised subsequent expenditure		453	1,478	453	1,478
Transfer to property, plant and equipment *	24	(8,000)	-	(8,000)	-
Net gain/(loss) from fair value adjustment	5	-	(3,478)	-	(3,478)
Closing balance		<u>15,913</u>	<u>23,460</u>	<u>15,913</u>	<u>23,460</u>

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

Direct operating expenses from property that did not generate rental income		(3)	(3)	(3)	(3)
		<u>(3)</u>	<u>(3)</u>	<u>(3)</u>	<u>(3)</u>

(b) Valuation basis

Investment properties are stated at fair value, being the amounts for which properties could be exchanged between willing parties in an arm's length transaction, based on comparable market transactions. The valuation adjustments are based on independent assessments by a Certified Practising Valuer.

* During the year a portion of the Shenton Park property was reclassified from Investment Property to Property, Plant and Equipment. The portion of the land transferred to Property, Plant and Equipment is used as a research station, and therefore does not meet the criterion to be classified as Investment Property under AASB 140.

22. Other financial assets

Non-current

Fair value through profit or loss		440,906	380,197	440,906	380,197
Share in associates		-	-	-	2,251
Loans and receivables		2,736	2,487	2,736	2,487
Less: Impairment		(1,440)	(1,440)	(1,440)	(1,440)
Total non-current other financial assets		<u>442,202</u>	<u>381,244</u>	<u>442,202</u>	<u>383,495</u>
Total other financial assets		<u>442,202</u>	<u>381,244</u>	<u>442,202</u>	<u>383,495</u>

Impairment

The movement in the allowance for impairment in respect of other financial assets, loans and receivables recorded at amortised cost during the year was as follows:

Balance as at 1 January		1,440	1,440	1,440	1,440
Impairment loss recognised		-	-	-	-
Balance as at 31 December		<u>1,440</u>	<u>1,440</u>	<u>1,440</u>	<u>1,440</u>

The University has fully impaired a loan and receivable asset due to the level of uncertainty surrounding actual future repayment of principal.

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	Consolidated		University	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
23. Investments accounted for using the equity method				
(a) Carrying amounts				
	Equity Holding			
Name of company	2010	2009		
	%	%		
Listed				
Antaria Limited (Production of nanomaterials)	-	20.42	-	2,473
			-	-
Total investments accounted for using the equity method	-	2,473	-	-
Investment in associates				
Investments in associates are accounted for in the consolidated financial statements using the equity method of accounting and are carried at cost by parent entity (refer note 22).				
The University lost significant influence over the associate during 2010 after additional shares issued on 1 November 2010, reduced the University's holdings below 20 per cent and the investment has been transferred to other financial assets. Any fair value adjustment on reclassification has been taken to the income statement.				
(b) Movements in carrying amounts				
Carrying amount at the beginning of the financial year		2,473		1,909
Share of profit/(loss) after income tax		(2,157)		491
Share of movement in equity		-		73
Transfer to other financial assets		(316)		-
Carrying amount at the end of the financial year		-		-
(c) Fair value of listed investments in associates				
Antaria Limited		-		2,251
(d) Share of associates' profit or losses				
Profit/(loss) before income tax		(2,157)		491
Income tax expense		-		-
Loss after income tax		(2,157)		-
(e) Summarised financial information in respect of associates				
Financial position				
Total assets		-		16,658
Total liabilities		-		4,550
Net assets		-		12,108
Share of associates' net assets		-		2,473
Financial performance				
Total revenue		-		4,982
Profit/(loss)		-		2,406
Share of associates' profit/(loss)		-		491
(f) Share of associates' expenditure commitments, other than for the supply of inventories				
Capital commitments		-		24
Lease commitments		-		150
(g) Contingent liabilities of associates				
Share incurred jointly with other investors		-		-
For which the company is severally liable		-		-

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24. Property, plant and equipment

	Notes	Freehold land \$'000	Leasehold land \$'000	Buildings \$'000	Buildings work in progress \$'000	Plant and Equipment \$'000	Artworks \$'000	Library books \$'000	Special collections \$'000	TOTAL \$'000
2010										
Consolidated										
At 1 January 2010										
Cost		180,196	80,000	697,153	10,591	165,409	23,481	24,666	40,547	1,222,043
Accumulated depreciation		-	-	(63,608)	-	(107,846)	-	-	-	(171,454)
Accumulated impairment		-	-	(53)	-	-	-	-	-	(53)
Net book value		180,196	80,000	633,492	10,591	57,563	23,481	24,666	40,547	1,050,536
Year ended 31 December 2010										
Opening net book value		180,196	80,000	633,492	10,591	57,563	23,481	24,666	40,547	1,050,536
Additions		9	-	2,422	19,599	16,904	385	10,961	276	50,556
Disposals		-	-	(4,434)	-	(1,603)	-	-	-	(6,037)
Depreciation	12	-	-	(13,234)	-	(15,783)	-	(6,495)	-	(35,512)
Impairment		-	-	-	-	-	-	-	-	-
Transfer		(1,200)	-	21,397	(20,223)	26	-	-	-	-
Transfer from/(to) investment properties	21	8,000	-	-	-	-	-	-	-	8,000
Transfer from/(to) assets held for sale	20	(615)	-	20	-	-	-	-	-	(595)
Closing net book value		186,390	80,000	639,663	9,967	57,107	23,866	29,132	40,823	1,066,948
At 31 December 2010										
Cost		186,390	80,000	716,478	9,967	178,501	23,866	29,132	40,823	1,265,157
Accumulated depreciation		-	-	(76,762)	-	(121,394)	-	-	-	(198,156)
Accumulated impairment		-	-	(53)	-	-	-	-	-	(53)
Net book value		186,390	80,000	639,663	9,967	57,107	23,866	29,132	40,823	1,066,948

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24. Property, plant and equipment

	Notes	Freehold land \$'000	Leasehold land \$'000	Buildings \$'000	Buildings work in progress \$'000	Plant and Equipment \$'000	Artworks \$'000	Library books \$'000	Special collections \$'000	TOTAL \$'000
2010										
<u>University</u>										
At 1 January 2010										
Cost		180,196	80,000	697,153	10,591	165,160	23,481	24,666	40,547	1,221,794
Accumulated depreciation		-	-	(63,608)	-	(107,782)	-	-	-	(171,390)
Accumulated impairment		-	-	(53)	-	-	-	-	-	(53)
Net book value		180,196	80,000	633,492	10,591	57,378	23,481	24,666	40,547	1,050,351
Year ended 31 December 2010										
Opening net book value		180,196	80,000	633,492	10,591	57,378	23,481	24,666	40,547	1,050,351
Additions		9	-	2,422	19,599	16,830	385	10,961	276	50,482
Disposals		-	-	(4,434)	-	(1,603)	-	-	-	(6,037)
Depreciation	12	-	-	(13,234)	-	(15,738)	-	(6,495)	-	(35,467)
Impairment		-	-	-	-	-	-	-	-	-
Transfer		(1,200)	-	21,397	(20,223)	26	-	-	-	-
Transfer from/(to) investment properties	21	8,000	-	-	-	-	-	-	-	8,000
Transfer from/(to) assets held for sale	20	(615)	-	20	-	-	-	-	-	(595)
Closing net book value		186,390	80,000	639,663	9,967	56,893	23,866	29,132	40,823	1,066,734
At 31 December 2010										
Cost		186,390	80,000	716,478	9,967	178,188	23,866	29,132	40,823	1,264,844
Accumulated depreciation		-	-	(76,762)	-	(121,295)	-	-	-	(198,057)
Accumulated impairment		-	-	(53)	-	-	-	-	-	(53)
Net book value		186,390	80,000	639,663	9,967	56,893	23,866	29,132	40,823	1,066,734

THE UNIVERSITY OF WESTERN AUSTRALIA
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24. Property, plant and equipment

	Notes	Freehold land \$'000	Leasehold land \$'000	Buildings \$'000	Buildings work in progress \$'000	Plant and Equipment \$'000	Artworks \$'000	Library books \$'000	Special collections \$'000	TOTAL \$'000
2009										
Consolidated										
At 1 January 2009										
Cost		176,367	80,000	595,094	84,340	155,856	23,081	22,900	40,447	1,178,085
Accumulated depreciation		-	-	(51,515)	-	(95,403)	-	-	-	(146,918)
Accumulated impairment		-	-	(53)	-	-	-	-	-	(53)
Net book value		176,367	80,000	543,526	84,340	60,453	23,081	22,900	40,447	1,031,114
Year ended 31 December 2009										
Opening net book value		176,367	80,000	543,526	84,340	60,453	23,081	22,900	40,447	1,031,114
Additions		786	-	1,139	30,973	13,527	400	8,023	100	54,948
Disposals		-	-	-	-	(640)	-	-	-	(640)
Depreciation	12	-	-	(12,094)	-	(16,075)	-	(6,257)	-	(34,426)
Impairment		-	-	-	-	-	-	-	-	-
Transfer		3,043	-	101,381	(104,722)	298	-	-	-	-
Transfer from/(to) investment properties	21	-	-	-	-	-	-	-	-	-
Transfer from/(to) assets held for sale	20	-	-	(460)	-	-	-	-	-	(460)
Closing net book value		180,196	80,000	633,492	10,591	57,563	23,481	24,666	40,547	1,050,536
At 31 December 2009										
Cost		180,196	80,000	697,153	10,591	165,409	23,481	24,666	40,547	1,222,043
Accumulated depreciation		-	-	(63,608)	-	(107,846)	-	-	-	(171,454)
Accumulated impairment		-	-	(53)	-	-	-	-	-	(53)
Net book value		180,196	80,000	633,492	10,591	57,563	23,481	24,666	40,547	1,050,536

THE UNIVERSITY OF WESTERN AUSTRALIA
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24. Property, plant and equipment

	Notes	Freehold land \$'000	Leasehold land \$'000	Buildings \$'000	Buildings work in progress \$'000	Plant and Equipment \$'000	Artworks \$'000	Library books \$'000	Special collections \$'000	TOTAL \$'000
2009										
<u>University</u>										
At 1 January 2009										
Cost		176,367	80,000	595,094	84,340	155,700	23,081	22,900	40,447	1,177,929
Accumulated depreciation		-	-	(51,515)	-	(95,373)	-	-	-	(146,888)
Accumulated impairment		-	-	(53)	-	-	-	-	-	(53)
Net book value		176,367	80,000	543,526	84,340	60,327	23,081	22,900	40,447	1,030,988
Year ended 31 December 2009										
Opening net book value		176,367	80,000	543,526	84,340	60,327	23,081	22,900	40,447	1,030,988
Additions		786	-	1,139	30,973	13,432	400	8,023	100	54,853
Disposals		-	-	-	-	(640)	-	-	-	(640)
Depreciation	12	-	-	(12,094)	-	(16,039)	-	(6,257)	-	(34,390)
Impairment		-	-	-	-	-	-	-	-	-
Transfer		3,043	-	101,381	(104,722)	298	-	-	-	-
Transfer from/(to) investment properties	21	-	-	(460)	-	-	-	-	-	(460)
Transfer from/(to) assets held for sale	20	-	-	-	-	-	-	-	-	-
Closing net book value		180,196	80,000	633,492	10,591	57,378	23,481	24,666	40,547	1,050,351
At 31 December 2009										
Cost		180,196	80,000	697,153	10,591	165,160	23,481	24,666	40,547	1,221,794
Accumulated depreciation		-	-	(63,608)	-	(107,782)	-	-	-	(171,390)
Accumulated impairment		-	-	(53)	-	-	-	-	-	(53)
Net book value		180,196	80,000	633,492	10,591	57,378	23,481	24,666	40,547	1,050,351

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	Notes	Consolidated		University	
		2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
25. Intangible assets					
Software		2,666	2,747	2,666	2,747
Total intangible assets		2,666	2,747	2,666	2,747

Consolidated and University

<u>Opening balance</u>					
Cost				12,362	11,231
Accumulated amortisation and impairment				(9,615)	(7,323)
Net book value				2,747	3,908
<u>Additions</u>					
Disposals				-	(103)
Amortisation	12			(974)	(2,316)
				(80)	(1,162)
<u>Closing balance</u>					
Cost				13,255	12,362
Accumulated amortisation and impairment				(10,589)	(9,615)
Net book value				2,666	2,747

26. Restricted assets

Cash and cash equivalents		31,633	49,874	31,633	49,874
Investment properties		15,913	23,460	15,913	23,460
Other financial assets		373,226	355,717	373,226	355,717
Property, plant and equipment		210,927	201,650	210,927	201,650
Total restricted assets		631,700	630,701	631,700	630,701

A proportion of the University's assets is restricted in nature, in that the funds and/or assets are for a specific use or benefit.

27. Trade and other payables

Trade payables		18,027	10,993	18,008	10,460
Other payables		7,519	9,922	7,075	9,474
Total trade and other payables		25,546	20,915	25,083	19,934

28. Provisions

Current

Annual, long service and other leave *		52,001	51,505	51,917	51,408
Employment on-costs provision		2,856	2,663	2,844	2,650
Revenue sharing provision		1,434	1,516	1,434	1,516
Total current provisions		56,291	55,684	56,195	55,574

Non-current

Superannuation		10,245	10,755	10,245	10,755
Long service leave		23,661	22,678	23,604	22,636
Employment on-costs provision		1,326	1,269	1,316	1,263
Total non-current provisions		35,232	34,702	35,165	34,654

Total provisions		91,523	90,386	91,360	90,228
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*** Annual leave (including employment on-costs)**

Annual leave liabilities (including employment on-costs) have been classified as current as there is no unconditional right to defer settlement for at least 12 months after balance sheet date. Actual settlement of the current liabilities is expected to occur as follows:

Within 12 months of balance sheet date		20,452	19,240	20,224	19,163
More than 12 months after balance sheet date		10,176	8,140	10,145	8,107
		30,628	27,380	30,369	27,270

Long service leave (including employment on-costs)

Long service leave liabilities (including employment on-costs) have been classified as current as there is no unconditional right to defer settlement for at least 12 months after balance sheet date. Actual settlement of the current liabilities is expected to occur as follows:

Within 12 months of balance sheet date		4,774	4,661	4,774	4,661
More than 12 months after balance sheet date		18,593	18,406	18,593	18,406
		23,367	23,067	23,367	23,067

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	Consolidated		University	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
28. Provisions (continued)				
(a) Revenue sharing				
This provision relates to amounts set aside for distribution to beneficial owners of certain investments arising from a revenue sharing arrangement.				
(b) Movements in provisions				
Movements in each class of provisions during the financial year, other than employee benefits, are set out below.				
<u>Employment on-costs provision</u>				
Carrying amount at start of year	3,932		3,913	
Additional provision recognised	250		247	
Closing balance	<u>4,182</u>		<u>4,160</u>	
<u>Revenue sharing provision</u>				
Carrying amount at start of year	1,516		1,516	
Additional provisions recognised	(82)		(82)	
Closing balance	<u>1,434</u>		<u>1,434</u>	
(c) Superannuation				
Defined benefit section				
(i) Plan information				
A group of employees are entitled, on retirement, death or disablement, to defined benefits under The University Supplementary Pension Scheme or Supplementary Benefit Scheme. The Schemes provide pension and lump sum benefits respectively. The Schemes are not regulated superannuation plans. The University meets the benefits directly as they fall due.				
(ii) Balance sheet amounts				
The amounts recognised in the balance sheet are determined as follows:				
Present value of defined benefits obligations at end of the year	10,173	10,718	10,173	10,718
Fair value of plan assets at end of year	-	-	-	-
	<u>10,173</u>	<u>10,718</u>	<u>10,173</u>	<u>10,718</u>
Unrecognised actuarial gain/(loss)	-	-	-	-
Unrecognised past service cost	-	-	-	-
Net liability recognise in balance sheet at end of year	<u>10,173</u>	<u>10,718</u>	<u>10,173</u>	<u>10,718</u>
The University has no legal obligation to settle this liability with an immediate contribution or additional one-off contributions. The University intends to continue to meet the cost of the defined benefits as they fall due.				
(iii) Categories of plan assets				
The plan holds no assets. An amount of \$11.1 million is included in investments and as determined by the University's internal funding structure is set aside for the purposes of meeting the defined benefit obligation. As these amounts are not held in a separate legal entity they do not meet the definition of plan assets and are not included net against the liability.				
(iv) Reconciliations				
Reconciliation of the present value of the defined benefit obligation:				
Balance at the beginning of the year	10,718	10,729	10,718	10,729
Current service cost	53	61	53	61
Interest cost	514	490	514	490
Actuarial (gains)/losses	99	349	99	349
Benefit paid	(1,211)	(911)	(1,211)	(911)
Past service cost	-	-	-	-
Acquired in business combinations	-	-	-	-
Curtailments	-	-	-	-
Present value of the defined benefit obligations at end of year	<u>10,173</u>	<u>10,718</u>	<u>10,173</u>	<u>10,718</u>
Reconciliation of the fair value of plan assets:				
Fair value of the plan assets at beginning of the year	-	-	-	-
Expected returns on plan assets	-	-	-	-
Actuarial (gains)/losses	-	-	-	-
Employer contribution	-	-	-	-
Benefits paid	-	-	-	-
Acquired in business combinations	-	-	-	-
Fair value of the plan assets at end of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
(v) Amounts recognised in income statements				
Current service cost	53	61	53	61
Interest cost	514	491	514	491
Expected return on plan assets	-	-	-	-
Actuarial (gains)/losses	99	349	99	349
Past service cost	-	-	-	-
Losses (gains) on curtailments and settlements	-	-	-	-
Total included in employee benefits expenses	<u>666</u>	<u>901</u>	<u>666</u>	<u>901</u>

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	Consolidated		University		
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	
28. Provisions (continued)					
(vi) Amounts recognised in other comprehensive income					
Actuarial (gains)/losses	-	-	-	-	
(vii) Principal actuarial assumptions					
The principal actuarial assumptions used (expressed as weighted averages) were as follows:					
Discount rate	5.24%	5.09%	5.24%	5.09%	
Expected return on plan assets	-	-	-	-	
Future salary increases	4.00%	4.00%	4.00%	4.00%	
Future inflation	3.00%	3.00%	3.00%	3.00%	
Future pension increases	4.00%	4.00%	4.00%	4.00%	
The plan is not a regulated superannuation fund.					
(viii) Employer contribution					
Employer contributions are made to meet the cost of the defined benefits as they fall due.					
(ix) Net financial position of the plan					
The plan is not a regulated superannuation fund.					
(x) Historic summary					
Consolidated and University	2010	2009	2008	2007	2006
Present value of defined benefit obligation	10,173	10,718	10,729	11,239	12,142
Fair value of plan assets	-	-	-	-	-
Deficit in plan	10,173	10,718	10,729	11,239	12,142
Experience adjustment – plan liabilities	96	534	483	(6)	403
Experience adjustment – plan assets	-	-	-	-	-
29. Other liabilities					
Deferred revenue					
Australian Government financial assistance					
Student fees	10,430	7,828	10,430	7,828	7,828
Other	6,282	5,962	6,078	5,661	5,661
Funds held for outside parties	15,200	20,745	15,200	20,745	20,745
Total other liabilities	31,912	34,535	31,708	34,234	34,234
30. Borrowings					
Advances	-	-	-	-	-
Western Australian Treasury Corporation	69,531	69,434	69,531	69,434	69,434
Borrowing costs accrual	-	-	-	-	-
Total non-current borrowings	69,531	69,434	69,531	69,434	69,434

The University has the following loans with the Western Australian Treasury Corporation (WATC) for the purpose of financing the University's Capital Program:

	Maturity date	Principal Outstanding		Average interest rate	
		2010	2009	2010	2009
Western Australian Treasury Corporation Loans					
Liquidity lending	17/01/11	6,250	6,250	4.34%	4.02%
Term floating rate lending	15/04/11	12,500	12,500	4.22%	3.42%
Portfolio lending	15/01/11 – 15/01/21	50,000	50,000	5.51%	5.34%
Total WATC loans		68,750	68,750		

The average interest rates in 2009 were calculated using the closing loan balances at the end of the year. In 2010 the University has considered it more relevant and reliable to calculate these interest rates using the average loan balance throughout the year. The 2009 comparative rates have not been restated.

The borrowings have varying maturity dates up to 10 years and are expected to be refinanced or rolled over under a 10-year rolling facility arrangement.

Financing facilities available

The following facilities had been negotiated and were available as at reporting date:

Facilities used at reporting date:			
WATC Loans		68,750	68,750
Facilities unused at reporting date:			
WATC Loans		6,250	6,250
Total WATC debt facilities		75,000	75,000

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	Consolidated		University	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
30. Borrowings (continued)				
Asset pledged as security				
The University has not pledged any assets as security against the borrowings. A State Treasurer's Guarantee has been provided at a cost of 0.2 per cent per annum of the borrowings.				
Fair value				
The fair value of borrowings have been disclosed in note 41.				
31. Reserves				
Permanent capital reserve	10,273	10,393	10,273	10,393
Strategic capital reserve	51,936	22,681	51,936	22,681
Short-term investment fluctuation reserves	24,726	24,956	24,726	24,956
Debt reserve	12,500	7,500	12,500	7,500
Bequest and donated funds reserves	2,890	-	2,890	-
Other specific reserves	11,546	1,378	11,546	1,378
Total reserves	113,871	66,908	113,871	66,908
(a) Movements				
Permanent capital reserve				
Balance 1 January	10,393	10,393	10,393	10,393
Transfer from/(to) accumulated funds	(120)	-	(120)	-
Balance 31 December	<u>10,273</u>	<u>10,393</u>	<u>10,273</u>	<u>10,393</u>
Strategic capital reserve				
Balance 1 January	22,681	4,130	22,681	4,130
Transfer from/(to) accumulated funds	29,255	18,551	29,255	18,551
Balance 31 December	<u>51,936</u>	<u>22,681</u>	<u>51,936</u>	<u>22,681</u>
Short-term investment fluctuation reserves				
Balance 1 January	24,956	11,616	24,956	11,616
Transfer from/(to) accumulated funds	(230)	13,340	(230)	13,340
Balance 31 December	<u>24,726</u>	<u>24,956</u>	<u>24,726</u>	<u>24,956</u>
Debt reserve				
Balance 1 January	7,500	2,500	7,500	2,500
Transfer from accumulated funds	5,000	5,000	5,000	5,000
Balance 31 December	<u>12,500</u>	<u>7,500</u>	<u>12,500</u>	<u>7,500</u>
Bequest and donated funds reserves				
Balance 1 January	-	-	-	-
Transfer from accumulated funds	2,890	-	2,890	-
Balance 31 December	<u>2,890</u>	<u>-</u>	<u>2,890</u>	<u>-</u>
Other specific reserves				
Balance 1 January	1,378	1,254	1,378	1,254
Transfer from accumulated funds	10,168	124	10,168	124
Balance 31 December	<u>11,546</u>	<u>1,378</u>	<u>11,546</u>	<u>1,378</u>
Total reserves	113,871	66,908	113,871	66,908

(b) Nature and purpose of reserve

The permanent capital reserve is intended for long-term investment providing an unrestricted funding base to support the operations of the University in a manner similar to permanent bequest and donated funds capital.

The strategic capital reserve is intended to support medium- and long-term initiatives of strategic importance and other high priority activities that cannot be met from the recurrent budget.

The short-term investment fluctuation reserves have been created to provide a degree of smoothing in regards to investment income distributions from year to year and provide increased predictability for planning and budgeting purposes. The University policy for the short-term investment pool is to distribute the income at a smoothed rate and to credit any excess or debit any shortfall to the investment fluctuation reserve.

The debt reserve has been created as a requirement under the capital debt management policy with the establishment of an internal debt repayment fund as a risk management strategy. The reserve will be established over several years, with regard to the level of borrowings in place.

Bequest and donated funds reserves reflects net surpluses derived from endowments and bequests which can only be applied to restricted purposes.

Other specific reserves:

Currie Hall reserve has been created to fund programs identified as priority initiatives and other programs which cannot be funded from recurrent sources.

Parking reserve – funds accumulated as a result of levying charges for parking used to meet the cost of supervision and for improvement of parking facilities.

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	Consolidated		University	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
32. Retained earnings				
Retained earnings at 1 January	1,311,970	1,296,544	1,311,865	1,297,074
Net profit from ordinary activities	52,916	52,369	52,797	51,807
Retained profits transferred to the income statement on derecognition of associate due to dilution	(221)	-	-	-
Share of movement in equity of associates	-	73	-	-
Transfer (to)/from reserves	(46,963)	(37,016)	(46,963)	(37,016)
Retained earnings at 31 December	1,317,702	1,311,970	1,317,699	1,311,865
33. Commitments				
(a) Expenditure commitments				
Commitments for general expenditure in existence at the reporting date but not recognised as liabilities payable:				
No later than one year	12,297	10,158	12,297	10,158
Later than one year but no later than five years	-	-	-	-
Later than five years	-	-	-	-
	<u>12,297</u>	<u>10,158</u>	<u>12,297</u>	<u>10,158</u>
(b) Capital commitments				
Capital expenditure contracted for at the reporting date but not recognised as liabilities payable:				
<i>Land and Buildings</i>				
No later than one year	8,552	6,761	8,552	6,761
Later than one year but no later than five years	1,052	113	1,052	113
Later than five years	-	-	-	-
	<u>9,604</u>	<u>6,874</u>	<u>9,604</u>	<u>6,874</u>
<i>Other plant and equipment</i>				
No later than one year	2,537	1,580	2,537	1,556
Later than one year but no later than five years	-	-	-	-
Later than five years	-	-	-	-
	<u>2,537</u>	<u>1,580</u>	<u>2,537</u>	<u>1,556</u>
(c) Lease commitments				
Commitments in relation to non-cancellable operating leases payable:				
No later than one year	1,369	516	1,350	476
Later than one year but no later than five years	1,912	645	1,881	544
Later than five years	1	34	1	34
	<u>3,282</u>	<u>1,195</u>	<u>3,232</u>	<u>1,054</u>

34. Contingencies

(a) Contingent liabilities

As at 31 December 2010 or at the date of this report, there are no known contingent liabilities which are likely to materially affect the University's financial position.

(b) Contingent assets

Contingent assets exist in relation to funds bequeathed to the University through a number of wills that are pending at year end. The timing of any future inflow of economic benefits cannot be reasonably determined.

As at 31 December 2010 or at the date of this report, there are no other known contingent assets which are likely to materially affect the University's financial position.

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	Consolidated		University	
	2010 \$ '000	2009 \$ '000	2010 \$ '000	2009 \$ '000
35. Supplementary financial information				
(a) Write-offs				
Bad debts and other write-offs, written off by the Senate during the financial year:				
Trade and other receivables	326	591	326	591
Assets	2	5	2	5
	328	596	328	596
(b) Losses through theft, default and other causes				
Losses through theft and default			-	-
			-	-

36. Related party transactions

(a) Parent entity

The parent entity within the Group is The University of Western Australia.

(b) Subsidiaries

Interests in subsidiaries are set out in note 37.

(c) Transactions with related parties

The following transaction occurred with related parties:

	Consolidated		University	
	2010 \$ '000	2009 \$ '000	2010 \$ '000	2009 \$ '000
Sales of goods and services				
Subsidiaries	-	-	386	412
Associates	-	49	-	49
Purchase of goods and services				
Subsidiaries	-	-	1,004	964

(d) Outstanding balances

The following balances are outstanding at the reporting date in relation to transactions with related parties:

	Consolidated		University	
	2010 \$ '000	2009 \$ '000	2010 \$ '000	2009 \$ '000
Current receivables (sales of goods and services)				
Subsidiaries	-	-	54	72
Associates	-	-	-	-
Current payables (purchases of goods)				
Subsidiaries	-	-	83	6

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.

(e) Terms and conditions

All transactions were made on normal commercial terms and conditions and at market rates.

Outstanding balances are unsecured and are repayable in cash.

37. Subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiary in accordance with the accounting policy described in note 1(c).

Name of entity	Country of incorporation	Class of shares	Equity holding		Principal activity
			2010 %	2009 %	
The University Club of Western Australia Pty Ltd	Australia	Ordinary	100	100	Events and function centre

The subsidiary was formed in Western Australia.

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38. Events occurring after the balance sheet date

The University has exposure through its investments in other financial assets to a wide range of counterparties. During January 2011 both Queensland and Victoria have experienced widespread flood damage. No estimate of the direct or indirect impact on fair values of investments resulting from these events, if any, can currently be made.

There are no other known events occurring after balance date up until the date of this report which are likely to materially affect the University's financial position.

39. Segment information

The University operates within one industry segment, being education, and revenue is predominantly earned within Australia. Therefore, no segment information has been reported.

	Consolidated		University	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
40. Reconciliation of operating result to net cash inflow from operating activities				
Operating results for the year	52,916	52,369	52,797	51,807
<i>Adjustments: Non-cash items</i>				
Depreciation, amortisation and impairment	36,486	36,742	36,441	36,820
Investment adjustments	2,982	(50,508)	2,979	(50,508)
Unrealised foreign exchange gain	-	302	-	302
Net profit/(loss) on sale of non-current assets	2,412	164	2,412	164
Donation of artworks and equipment	-	(565)	-	(564)
Share of net result of associates	-	(491)	-	-
Others	-	(394)	-	(296)
<i>Changes in assets and liabilities</i>				
Decrease/(increase) in receivables	(2,493)	2,004	(2,497)	1,810
(Increase)/decrease in inventories	63	(15)	62	(8)
(Decrease)/increase in payables	652	(8,465)	1,048	(8,411)
(Decrease)/increase in grants and fees in advance	2,765	(504)	2,753	(504)
Increase in provisions	1,027	4,995	1,032	4,945
Net cash inflow from operating activities	96,810	35,634	97,027	35,557

41. Financial instruments

(a) Financial risk management—overview

The University's Governing Body, the Senate, has overall responsibility for risk management. To assist in fulfilling this aspect of its role, the Senate has established two standing committees—the Strategic Resources Committee and the Audit and Review Committee, both of which report directly to the Senate. The Strategic Resources Committee has, as part of its role, responsibility for monitoring the financial welfare of the University, and, within the limits of agreed delegations, making decisions, or recommendations to Senate, on investments, debt and the capital structure within a framework of strategy approved by Senate. The Audit and Review Committee has, as part of its role, responsibility to satisfy that the University has sound policies and arrangements in place for corporate governance and for controlling the institution's exposure to risk. The Audit and Review Committee also oversees how the University's management monitors compliance with the risk management policies and reviews the adequacy of the risk management framework in relation to the financial risks faced by the University.

The University has developed a Corporate Risk Management Framework which is fully integrated into the University's Operational Priority Plan. The framework identifies the strategic risks, stakeholders and accountabilities for risk management across the University, part of which relates specifically to financial resources.

A major component of the University's governance framework is the annual Cycle of Planning and Accountability. This cycle involves two key processes, being the preparation of budgets and the review of actual performance against budget or other relevant benchmarks. Where necessary, the quarterly reporting process highlights significant financial issues and risks. The monitoring and review process is fulfilled by the University Management and Executive, Strategic Resources Committee and Senate.

The group has exposure to credit, market and liquidity risk.

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41. Financial instruments (continued)

(b) Credit risk

Credit risk arises principally from the University's investment securities, and to a limited extent from its loans and receivables. The carrying amount of the financial assets represents the maximum credit exposure at the reporting date.

As required by the University Investment Policy, the University manages its exposure to credit risk by diversifying investments in relation to fund manager and style of management, asset class, individual stock selection, geography and, where appropriate, term to maturity.

The Investment Policy Statement, which is reviewed by the Strategic Resources Committee and approved by Senate, 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 regularly and routinely reviewed internally and at least every four years, an independent consultant is engaged to assess both the investment policy and the internal reviews thereof.

The majority of the University's exposure to credit risk from loans and receivables is denominated in Australian dollars. The University's credit control policy is designed to ensure that credit facilities are provided to customers with an appropriate credit history. Thereafter, the University has an active credit management policy.

The University's cash and equivalent transactions are invested only through pre-approved authorised deposit-taking institutions and in accordance with the University Investment Policy, where maximum exposure limits are set for each institution according to their risk profile.

(c) Market risk

The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The University's investment policy provides strategies for minimising the impact from market risk.

(i) Foreign exchange risk

Foreign exchange risk arises principally from overseas sources of income and expenditure in relation to the University's international offshore teaching programs, foreign donors, foreign customers and foreign sourced supplies. For the purposes of maintaining a natural foreign exchange hedge on some regular activities, the University holds both a US and Singapore dollar bank account. At year end, the University has a minimal degree of foreign exchange risk exposure on these bank accounts as disclosed in the market sensitivity analysis.

Foreign exchange contracts

Where possible, the University requires that transactions be contracted in Australian dollars and, if this is not possible, that forward currency contracts be considered to manage the currency exposure. The University will only enter into a forward contract when there is an underlying actual exposure.

The University entered into forward exchange contracts in 2010 which are economic hedges that do not satisfy the requirements for hedge accounting. Details of the forward exchange contracts outstanding at the end of the reporting period are given below (2009: \$nil):

2010 Instrument	Notional amount	Rate	Expiry
Forward foreign exchange contract (buy)	USD \$0.75 million	0.96	29/09/11
	USD \$0.75 million	0.96	28/10/11
	USD \$0.75 million	0.96	29/11/11
	USD \$0.75 million	0.96	21/12/11
	EUR \$0.1 million	0.70	25/03/11

The University's portfolio of investment assets includes underlying international assets in unit trust investments. This risk is actively managed under the investment policy statement, which sets parameters for the level of exposure which requires the risk to be hedged. In addition, the residual risk is passively managed by the University through diversification of managers and class of investment. Currently, the University only invests in unit trusts priced in Australian dollars, consequently resulting in no direct foreign currency risk. The risk is reflected in other price risk through changes in Australian dollar quoted unit prices.

The Capital Debt Management Policy restricts borrowings so that all borrowings are in Australian currency only. Specific Senate approval is required for foreign currency borrowings.

Given these risk management procedures, the level of foreign exchange risk exposure is not considered significant.

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NOTES TO THE FINANCIAL STATEMENTS
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41. Financial instruments (continued)

(ii) Interest rate risk

Interest rate risk arises from holding interest-bearing financial assets. Fixed interest rate investments expose the University to changes in fair value through profit and loss, while variable interest rate investments expose the University to fluctuations in interest income and cash flow. However, fixed and floating rate interest securities are critical to a well diversified investment strategy, forming the defensive component of the overall investment strategy.

The University has interest bearing liabilities by way of a long-term borrowing facility for financing the University's capital program. Interest rate risk arises on the borrowing portfolio and is managed by using a portfolio of debt diversified across a range of debt maturities and interest rate term exposures and diversification of fixed and floating rate debt.

The Capital Debt Management Policy Statement, which is reviewed by the Strategic Resources Committee and approved by Senate, sets out the debt policy requirements for the administration and management of the portfolio and includes interest rate and short versus long benchmarks, borrowing restrictions and reporting and monitoring obligations. The Capital Debt Management Policy Statement is regularly and routinely reviewed.

(iii) Price risk

The University's investment pools are exposed to fluctuations in the prices of equity securities and property units and assets. The University's investment policy provides strategies for the minimisation of price risk with the diversification of that risk across a number of investment managers and classes of investment. The investment policy explicitly restricts the level of investment in any particular security. Ongoing monitoring takes place to ensure there is no concentration of risk exposure in any one area. The University has a long-term strategic approach to its investment policy, which decreases its exposure to price risk over the long term.

(iv) Summarised sensitivity analysis

Consolidated 31 December 2010	Carrying amount (\$'000)	Interest rate risk			
		-1.0%		1.0%	
		Profit \$'000	Equity \$'000	Profit \$'000	Equity \$'000
Financial assets					
Cash and cash equivalents	69,706	(696)	-	696	-
Accounts receivable	33,615	-	-	-	-
Other financial assets	442,202	4,112	-	(4,112)	-
Loans and other receivables	642	-	-	-	-
Financial liabilities					
Trade and other payables	(25,546)	-	-	-	-
Borrowings	(69,531)	221	-	(221)	-
Other financial liabilities	(15,254)	-	-	-	-
Total increase/(decrease)		3,637	-	(3,637)	-

Consolidated 31 December 2010	Carrying amount (\$'000)	Foreign exchange rate risk			
		-20.0%		+20%	
		Profit \$'000	Equity \$'000	Profit \$'000	Equity \$'000
Financial assets					
Cash and cash equivalents	69,706	5	-	(5)	-
Accounts receivable	33,615	66	-	(66)	-
Other financial assets	442,202	-	-	-	-
Loans and other receivables	642	-	-	-	-
Financial liabilities					
Trade and other payables	(25,546)	(4)	-	4	-
Borrowings	(69,531)	-	-	-	-
Other financial liabilities	(15,254)	-	-	-	-
Total increase/(decrease)		67	-	(67)	-

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41. Financial instruments (continued)

(iv) Summarised sensitivity analysis (continued)

Consolidated 31 December 2010	Carrying amount (\$'000)	Other price risk			
		-20.0%		+20%	
		Profit \$'000	Equity \$'000	Profit \$'000	Equity \$'000
Financial assets					
Cash and cash equivalents	69,706	-	-	-	-
Accounts receivable	33,615	-	-	-	-
Other financial assets	442,202	(49,233)	-	49,233	-
Loans and other receivables	642	-	-	-	-
Financial liabilities					
Trade and other payables	(25,546)	-	-	-	-
Borrowings	(69,531)	-	-	-	-
Other financial liabilities	(15,254)	3,051	-	(3,051)	-
Total increase/(decrease)		(46,182)	-	46,182	-

Consolidated 31 December 2009	Carrying amount (\$'000)	Interest rate risk			
		-1.5%		+1.5%	
		Profit \$'000	Equity \$'000	Profit \$'000	Equity \$'000
Financial assets					
Cash and cash equivalents	78,925	(1,184)	-	1,184	-
Accounts receivable	30,499	-	-	-	-
Other financial assets	381,244	3,744	-	(3,744)	-
Loans and other receivables	989	-	-	-	-
Financial liabilities					
Trade and other payables	(20,761)	-	-	-	-
Borrowings	(69,434)	331	-	(331)	-
Other financial liabilities	(20,745)	-	-	-	-
Total increase/(decrease)		2,891	-	(2,891)	-

Consolidated 31 December 2009	Carrying amount (\$'000)	Foreign exchange rate risk			
		-10.0%		+10%	
		Profit \$'000	Equity \$'000	Profit \$'000	Equity \$'000
Financial assets					
Cash and cash equivalents	78,925	3	-	(3)	-
Accounts receivable	30,499	66	-	(66)	-
Other financial assets	381,244	-	-	-	-
Loans and other receivables	989	-	-	-	-
Financial liabilities					
Trade and other payables	(20,761)	(4)	-	4	-
Borrowings	(69,434)	-	-	-	-
Other financial liabilities	(20,745)	-	-	-	-
Total increase/(decrease)		65	-	(65)	-

THE UNIVERSITY OF WESTERN AUSTRALIA
NOTES TO THE FINANCIAL STATEMENTS
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41. Financial instruments (*continued*)

(iv) Summarised sensitivity analysis (*continued*)

Consolidated 31 December 2009	Carrying amount (\$'000)	Other price risk			
		-20.0%		+20%	
		Profit \$'000	Equity \$'000	Profit \$'000	Equity \$'000
Financial assets					
Cash and cash equivalents	78,925	-	-	-	-
Accounts receivable	30,499	-	-	-	-
Other financial assets	381,244	(47,398)	-	47,398	-
Loans and other receivables	989	-	-	-	-
Financial liabilities					
Trade and other payables	(20,761)	-	-	-	-
Borrowings	(69,434)	-	-	-	-
Other financial liabilities	(20,745)	4,149	-	(4,149)	-
Total increase/(decrease)		(43,249)	-	43,249	-

(v) Fair value measurements

The fair value of financial assets and financial liabilities have been estimated for recognition, measurement and disclosure purposes.

The University discloses the fair value measurement by the following fair value measurement hierarchy based on:

- Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2: Inputs that are observable for the asset or liability, either directly or indirectly; and
- Level 3: Inputs for the asset or liability that are not based on observable market data, that is, unobservable inputs.

The valuation level has been determined on the basis of the lowest level input. The level classification for financial assets at fair value through the profit or loss have been determined by type of investments:

- Managed investments—classified based on valuation of the investments, being either unit trusts or direct holdings. Unit trusts are priced based on the latest net asset price per unit. The managed investments are classified as Level 1 fair value assets and consist either of publicly quoted unit trusts or assets with quoted pricing readily available, all in active markets;
- Direct investments—holdings have been classified based on specific valuation of each holding and have been classified as Level 1 or 3 fair value assets.

The fair value financial assets disclosed as Level 3 fair value assets have been based on:

- Unlisted credit securities held for investment purposes—fair value based on an independent brokers quotation where due to the level of market activity and valuation methodology, the valuation is considered a Level 3 valuation;
- Unlisted shares held by the University for operational or research commercialisation purposes—fair value is based on either last issue price or fund raising value, net tangible asset value or where immaterial at cost and market is generally limited.

The carrying value of cash and cash equivalents, net accounts receivable and trade and other liabilities are considered a reasonable approximation of fair value due to the relatively short-term nature of the instruments. The provision for impairment brings the face value of account receivables to fair value. The fair value of borrowings for disclosure purposes is determined after consideration of the premium or discount that would be required under a hypothetical settlement at the reporting date. Other financial liabilities consists of funds held for affiliates effectively at call and the carrying value represents the amount the University is required to pay to settle the liabilities.

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41. Financial instruments (continued)

(v) Fair value measurements (continued)

The following table presents the carrying value and fair value of financial assets and liabilities at the reporting period:

Consolidated 31 December 2010/2009	Carrying Amount		Fair Value	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
Financial assets				
Cash and cash equivalents	69,706	78,925	69,706	78,925
Accounts receivable	33,615	30,499	33,615	30,499
Other financial assets	442,202	381,243	442,202	381,243
Loans and other receivables	642	989	642	989
Total financial assets	546,165	491,656	546,165	491,656
Financial liabilities				
Trade and other payables	(25,547)	(20,761)	(25,547)	(20,761)
Borrowings	(69,531)	(69,434)	(69,389)	(68,854)
Other financial liabilities	(15,254)	(20,745)	(15,254)	(20,745)
Total financial liabilities	(110,332)	(110,940)	(110,190)	(110,360)

The following table presents the financial assets and liabilities recognised at fair value in the balance sheet at the reporting date:

Consolidated 31 December 2010	Fair Value			
	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial assets				
Other financial assets	442,202	439,216	1,296	1,690
Total financial assets	442,202	439,216	1,296	1,690

The following table presents the changes in Level 3 instruments during the reporting period:

Consolidated 31 December 2010	Fair Value Through the Profit or Loss	
		Level 3 \$'000
Opening balance		2,286
Gains/(losses) recognised in profit or loss		-
Acquisitions and disposals		-
Transfers into Level 3		-
Transfers out of Level 3		(596)
Closing balance		1,690
Total gains/losses for the period included in profit or loss for assets held at the end of the reporting period		-

THE UNIVERSITY OF WESTERN AUSTRALIA
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41. Financial instruments (continued)

(d) Liquidity risk

Liquidity risk is the risk that the University will not be able to meet its financial obligations as they fall due. The University's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or other related costs. Under normal conditions, the University aims to achieve the optimum level of cash holding, so that it minimises liquidity risk to an acceptable level, while at the same time maximising return from investment, rather than holding excess cash.

To manage these conflicting objectives, and achieve a workable solution, the University prepares daily rolling liquidity forecasts, so that proactive, informed decisions may be made in relation to liquidity management. In addition, the University has the flexibility to liquidate a portion of its pool investments in a short time frame, if required.

The University has a lending agreement with the Western Australian Treasury Corporation. The maximum amount eligible for draw down is \$75,000,000 (2009: \$75,000,000). As at balance date the outstanding balance owing by the group, including accrued interest and guarantee levy fees is \$69,531,000 (2009: \$69,434,000). The borrowings provide liquidity to support the University's capital program.

The following table presents the contractual maturities of the financial liabilities at the reporting date:

	Carrying Amount	1 year or less	1–2 years	2–5 years	More than 5 years
Consolidated 31 December 2010					
Trade payables	18,027	18,027	-	-	-
Other payables	7,520	7,524	-	-	-
Funds held for outside parties	15,254	15,254	-	-	-
Interest bearing borrowings	69,531	28,325	7,177	19,862	27,546
Total	110,331	69,129	7,177	19,862	27,546
Consolidated 31 December 2009					
Trade payables	10,993	10,993	-	-	-
Other payables	9,768	9,768	-	-	-
Funds held for outside parties	20,745	20,745	-	-	-
Interest bearing borrowings	69,434	15,966	19,692	19,642	27,437
Total	110,940	57,473	19,692	19,642	27,437
University 31 December 2010					
Trade payables	18,008	18,008	-	-	-
Other payables	7,073	7,072	-	-	-
Funds held for outside parties	15,254	15,254	-	-	-
Interest bearing borrowings	69,531	28,325	7,177	19,862	27,546
Total	109,866	68,660	7,177	19,862	27,546
University 31 December 2009					
Trade payables	10,460	10,460	-	-	-
Other payables	9,474	9,474	-	-	-
Funds held for outside parties	20,745	20,745	-	-	-
Interest bearing borrowings	69,434	15,966	19,692	19,642	27,437
Total	110,113	56,645	19,692	19,642	27,437

(e) Capital management

The University is funded principally by equity capital which is comprised of reserves and retained profits as outlined in notes 31 and 32. The University also employs debt funding to specifically support the University's capital program as outlined in note 30. Senate's policy is to maintain a strong capital base to ensure that the University is able to continue to provide the services to the community for which it was originally established.

The University is not subject to externally imposed capital requirements, but does have responsibilities, in relation to maintaining the level of restricted funds derived from funds that have been endowed upon the University. The University continuously monitors its level of reserves, profitability and level of restricted and unrestricted funds within an established risk management framework.

**THE UNIVERSITY OF WESTERN AUSTRALIA
NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2010**

42. Acquittal of Australian Government financial assistance

42.1 DEEWR – Commonwealth Grant Scheme and other grants

	University											
	Commonwealth Grant Scheme		Indigenous Support Program		Partnership and Participation Program		Disability Support Program		Workplace Reform Program		Workplace Productivity Program	
Note	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programs)	136,942	114,713	715	638	759	89	194	103	-	1,372	1,075	775
Net accrual adjustments	136,942	114,713	715	638	759	89	194	103	-	1,372	1,075	775
Revenue for the period	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(deficit) from the previous year	-	201	-	-	-	-	-	-	-	-	(410)	(67)
Total revenue including accrued revenue	136,942	114,914	715	638	759	89	194	103	-	1,372	665	708
Less expenses including accrued expenses	(136,942)	(114,914)	(715)	(638)	(399)	(89)	(194)	(103)	-	(1,372)	(1,085)	(1,118)
Surplus/(deficit) for the reporting period	-	-	-	-	360	-	-	-	-	-	(420)	(410)

Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programs)

Net accrual adjustments
Revenue for the period
Surplus/(deficit) from the previous year
Total revenue including accrued revenue
Less expenses including accrued expenses
Surplus/(deficit) for the reporting period

DEEWR – Commonwealth Grant Scheme and other grants (continued)

	University										Total	
	Learning and Teaching Performance Fund		Capital Development Pool		Diversity and Structural Adjustment Fund		Improving the Practical Component of Teacher Education Initiative		Transitional Cost Program			Total
Note	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programs)	-	3,964	3,944	1,021	-	971	-	110	906	326	143,955	124,652
Net accrual adjustments	-	3,964	3,944	1,021	-	971	-	110	906	326	143,955	124,652
Revenue for the period	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(deficit) from the previous year	5,646	6,596	2,363	2,601	1,237	596	(2)	-	-	-	8,834	9,927
Total revenue including accrued revenue	5,646	10,560	6,307	3,622	1,237	1,567	(2)	110	906	326	152,789	134,579
Less expenses including accrued expenses	(2,893)	(4,904)	(4,152)	(1,289)	(628)	(330)	(11)	(112)	(906)	(326)	(147,345)	(125,745)
Surplus/(deficit) for the reporting period	2,753	5,646	2,155	2,363	609	1,237	(13)	(2)	-	-	5,444	8,834

Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programs)

Net accrual adjustments
Revenue for the period
Surplus/(deficit) from the previous year
Total revenue including accrued revenue
Less expenses including accrued expenses
Surplus/(deficit) for the reporting period

**THE UNIVERSITY OF WESTERN AUSTRALIA
NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2010**

42. Acquittal of Australian Government financial assistance (continued)

42.2 Higher Education Loan Programs

	University					
	HECS-HELP (Commonwealth payments)		FEE-HELP		Total	
Note	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programs)	69,886	57,931	5,559	4,133	75,445	62,064
Net accrual adjustments	(4,171)	2,526	-	-	(4,171)	2,526
Revenue for the period	65,715	60,457	5,559	4,133	71,274	64,590
Surplus/(deficit) from the previous year	-	-	(485)	(82)	(485)	(82)
Total revenue including accrued revenue	65,715	60,457	5,074	4,051	70,789	64,508
Less expenses including accrued expenses	(65,714)	(60,457)	(5,555)	(4,536)	(71,269)	(64,993)
Surplus/(deficit) for the reporting period	1	-	(481)	(485)	(480)	(485)

Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programs)
Net accrual adjustments
Revenue for the period
Surplus/(deficit) from the previous year
Total revenue including accrued revenue
Less expenses including accrued expenses
Surplus/(deficit) for the reporting period

42.3 Scholarships

	University																
	Australian Postgraduate Awards			Postgraduate Research Scholarship			Commonwealth Education Cost Scholarships			Commonwealth Accommodation Scholarships			Indigenous Access Scholarships			Total	
Note	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programs)	8,310	6,218	932	1,051	1,055	1,161	1,844	2,300	148	187	12,289	10,917	-	-	12,289	10,917	
Net accrual adjustments	-	-	-	(123)	-	-	-	-	-	-	(123)	-	-	-	-	(123)	-
Revenue for the period	8,310	6,218	932	928	1,055	1,161	1,844	2,300	148	187	12,289	10,917	-	-	12,289	10,917	
Surplus/(deficit) from the previous year	566	855	(123)	(247)	780	663	805	637	57	22	2,085	1,930	-	-	2,085	1,930	
Total revenue including accrued revenue	8,876	7,073	809	681	1,835	1,824	2,649	2,937	205	209	14,374	12,724	-	-	14,374	12,724	
Less expenses including accrued expenses	(8,577)	(6,507)	(809)	(804)	(887)	(1,044)	(1,934)	(2,132)	(140)	(152)	(12,347)	(10,639)	-	-	(12,347)	(10,639)	
Surplus/(deficit) for the reporting period	299	566	-	(123)	948	780	715	805	65	57	2,027	2,085	-	-	2,027	2,085	

Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programs)
Net accrual adjustments
Revenue for the period
Surplus/(deficit) from the previous year
Total revenue including accrued revenue
Less expenses including accrued expenses
Surplus/(deficit) for the reporting period

THE UNIVERSITY OF WESTERN AUSTRALIA
NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2010

42. Acquittal of Australian Government financial assistance (continued)

	2010 \$'000	2009 \$'000	University							
			Research Training Scheme	Research Infrastructure Block Grants	Commercialisation Training Scheme	Implementation Assistance Program	2010 \$'000	2009 \$'000		
42.4 DIISR research										
Joint Research Engagement Program	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
	16,803	17,324	32,362	31,860	14,195	14,269	280	271	97	176
2(d)	16,803	17,324	32,362	31,860	14,195	14,269	280	271	97	176
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programs)	-	-	-	-	-	-	659	497	146	145
Net accrual adjustments	16,803	17,324	32,362	31,860	14,195	14,269	939	768	243	321
Revenue for the period	(16,803)	(17,324)	(32,362)	(31,860)	(14,195)	(14,269)	(743)	(109)	(243)	(175)
Surplus/(deficit) from the previous year	-	-	-	-	-	-	196	659	-	146
Total revenue including accrued revenue	-	-	-	-	-	-	-	-	-	-
Less expenses including accrued expenses	-	-	-	-	-	-	-	-	-	-
Surplus/(deficit) for the reporting period	-	-	-	-	-	-	-	-	-	-

DIISR research (continued)

	University				Total	
	Australian Scheme for Higher Education Repositorities	Sustainable Research Excellence	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
Note	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
	-	277	4,857	-	68,594	64,177
2(d)	-	277	4,857	-	68,594	64,177
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programs)	547	380	-	-	1,352	990
Net accrual adjustments	547	657	4,857	-	69,946	65,167
Revenue for the period	(547)	(110)	(3,977)	-	(68,870)	(63,815)
Surplus/(deficit) from the previous year	-	547	880	-	1,076	1,352
Total revenue including accrued revenue	-	-	-	-	-	-
Less expenses including accrued expenses	-	-	-	-	-	-
Surplus/(deficit) for the reporting period	-	-	-	-	-	-

THE UNIVERSITY OF WESTERN AUSTRALIA
NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2010

42. Acquittal of Australian Government financial assistance (continued)

	Teaching and Learning Capital Fund		University Education Investment Fund		Total	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
42.5 Other capital funding						
Note						
	-	11,745	1,500	-	1,500	11,745
2(e)	-	11,745	1,500	-	1,500	11,745
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programs)						
Net accrual adjustments						
Revenue for the period	8,391	-	-	-	8,391	-
Surplus/(deficit) from the previous year	8,391	11,745	1,500	-	9,891	11,745
Total revenue including accrued revenue	(6,491)	(3,354)	-	-	(6,491)	(3,354)
Less expenses including accrued expenses	1,900	8,391	1,500	-	3,400	8,391
Surplus/(deficit) for the reporting period						

42.6 Australian Research Council grants
(i) Discovery

	Projects		University Fellowships		Total	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
Note						
	13,678	13,612	4,540	2,887	18,218	16,499
2(f)	13,678	13,612	4,540	2,887	18,218	16,499
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programs)						
Net accrual adjustments						
Revenue for the period	5,584	4,470	1,247	314	6,831	4,784
Surplus/(deficit) from the previous year	19,262	18,082	5,787	3,201	25,049	21,283
Total revenue including accrued revenue	(14,271)	(12,498)	(4,045)	(1,954)	(18,316)	(14,452)
Less expenses including accrued expenses	4,991	5,584	1,742	1,247	6,733	6,831
Surplus/(deficit) for the reporting period						

THE UNIVERSITY OF WESTERN AUSTRALIA
NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2010

42. Acquittal of Australian Government financial assistance (continued)

42.6 Australian Research Council grants (continued)

	Note	University						Total	
		Infrastructure		International		Projects			
		2010	2009	2010	2009	2010	2009	2010	2009
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programs)		2,110	2,457	18	47	7,459	6,339	9,587	8,843
Net accrual adjustments		-	-	-	-	-	-	-	-
Revenue for the period	2(f)	2,110	2,457	18	47	7,459	6,339	9,587	8,843
Surplus/(deficit) from the previous year		2,153	345	80	154	3,189	3,296	5,422	3,795
Total revenue including accrued revenue		4,263	2,802	98	201	10,648	9,635	15,009	12,638
Less expenses including accrued expenses		(3,547)	(649)	(63)	(121)	(6,234)	(6,446)	(9,844)	(7,216)
Surplus/(deficit) for the reporting period		716	2,153	35	80	4,414	3,189	5,165	5,422

(iii) Networks and centres

	Note	University Centres						Total	
		Research networks							
		2010	2009	2010	2009	2010	2009	2010	2009
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programs)		-	370	2,867	2,762	2,867	3,132	-	-
Net accrual adjustments		-	-	-	-	-	-	-	-
Revenue for the period	2(f)	-	370	2,867	2,762	2,867	3,132	-	-
Surplus/(deficit) from the previous year		(27)	(98)	177	293	150	195	-	-
Total revenue including accrued revenue		(27)	272	3,044	3,055	3,017	3,327	-	-
Less expenses including accrued expenses		27	(299)	(2,633)	(2,878)	(2,606)	(3,177)	-	-
Surplus/(deficit) for the reporting period		-	(27)	411	177	411	150	-	-

THE UNIVERSITY OF WESTERN AUSTRALIA
 NOTES TO THE FINANCIAL STATEMENTS
 31 DECEMBER 2010

42. Acquittal of Australian Government financial assistance (continued)

	University OS-HELP	
	2010 \$'000	2009 \$'000
42.7 OS-HELP		
Cash received during the reporting period	873	305
Cash spent during the reporting period	(618)	(315)
Net cash received	255	(10)
Cash surplus/(deficit) from previous period	(23)	(13)
Cash surplus/(deficit) for reporting period	232	(23)



Key Performance Indicators

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Summary of Key Performance Indicators

Indicator	2008	2009	2010
1. Education			
1.1 Proportions of Top WA School Leavers Applying for Admission to UWA (by enrolment year)			
(i) Proportion of the top five per cent of WA school leavers who applied for admission to UWA	84.4%	89.6%	83.1%
(ii) Proportion of the top 10 per cent of WA school leavers who applied for admission to UWA	81.2%	84.7%	78.7%
(iii) UWA enrolments as a proportion of the top five per cent of WA school leavers who enrolled in WA universities	73.3%	80.9%	73.8%
(iv) UWA enrolments as a proportion of the top 10 per cent of WA school leavers who enrolled in WA universities	70.6%	76.9%	69.8%
Proportions of Top School Leavers Applying for Admission to UWA for similar courses offered in two or more universities including UWA (by enrolment year)			
(v) Proportion of the top five per cent of WA school leavers who applied for admission to UWA	85.6%	92.6%	83.4%
(vi) Proportion of the top 10 per cent of WA school leavers who applied for admission to UWA	83.2%	87.2%	82.3%
(vii) UWA enrolments as a proportion of the top five per cent of WA school leavers who enrolled in WA universities	76.5%	84.5%	78.3%
(viii) UWA enrolments as a proportion of the top 10 per cent of WA school leavers who enrolled in WA universities	77.2%	82.3%	78.1%
1.2 Proportion of Student Load Passed (excluding Higher Degree by Research)	91.6%	92.2%	n/a
1.3 Overall Course Satisfaction (percentage of graduates' agreement with the overall course satisfaction item on the CEQ and PREQ)	78.5%	78.8%	84.3%
1.4 Graduate Destinations (of local students who completed bachelor's degrees in the previous year)			
(i) Proportion of graduates available for full-time employment who were employed full-time	88.6%	83.3%	75.7%
State figure	85.9%	78.8%	n/a
National figure	85.2%	79.2%	76.2%
(ii) Proportion of graduates in full-time study	37.3%	31.4%	35.9%
State figure	18.8%	15.7%	n/a
National figure	19.6%	18.3%	19.0%
1.5 Expenditure Ratios (indexed to 2010 dollar values)			
(i) Expenditure/EFTSL	\$40,495	\$33,206	\$30,549
(ii) Expenditure/Weighted Student Unit	\$35,825	\$29,353	\$26,984
(iii) Expenditure/Course Completion	\$120,843	\$121,471	n/a
(iv) Expenditure/Weighted Completion	\$100,446	\$101,549	n/a
2. Research and Research Training			
2.1 Higher Degree by Research (HDR) International and Interstate Enrolments			
(i) International commencing HDR enrolments	183	205	212
(ii) Interstate commencing HDR enrolments	42	43	58
2.2 Higher Degree by Research Completions per 10 Academic Staff FTE	3.21	2.95	n/a
National Rank	5th	7th	n/a
2.3 Weighted Publications per FTE Academic Staff (lecturer level B and above)	1.76	1.81	n/a
National Average	1.64	1.66	n/a
National Rank	8th	8th	n/a
2.4 Research Grants			
(i) Australian Competitive Grant Funds per FTE Academic Staff (lecturer level B and above)	\$69,416	\$65,692	n/a
National Average	\$30,459	\$38,593	n/a
National Rank	5th	6th	n/a
(ii) Total Research Funds per FTE Academic Staff (lecturer level B and above)	\$150,339	\$144,107	n/a
National Average	\$92,248	\$87,456	n/a
National Rank	5th	6th	n/a

THE UNIVERSITY OF WESTERN AUSTRALIA

CERTIFICATIONS

FOR THE YEAR ENDED 31 DECEMBER 2010

CERTIFICATION OF PERFORMANCE INDICATORS

We hereby certify that the performance indicators are based on proper records, are relevant and appropriate for assisting users to assess the performance of The University of Western Australia, and fairly represent the performance of The University of Western Australia for the year ended 31 December 2010.



Michael Chaney
Chancellor



Alan Robson
Vice-Chancellor

8 March 2011

Key Performance Indicators

The preamble to the *University of Western Australia Act 1911* clearly states that the University was established to provide 'further instruction in those practical arts and liberal studies which are needed to advance the prosperity and welfare of the people'. These purposes are reflected in the current mission statement, which is 'to advance, transmit and sustain knowledge and understanding through the conduct of teaching, research and scholarship at the highest international standards, for the benefit of the Western Australian, Australian and international communities'. This is reflected in the University's vision of being 'recognised internationally as an excellent, research-intensive university and a leading intellectual and creative resource to the communities it serves'.

The key performance indicators that are presented in this section provide a means to assess performance in relation to the University's services and resultant outcomes. In particular they measure the University's performance in relation to its mission and its vision to achieve international excellence with respect to the primary goals articulated in the University's Strategic Plan and selected strategic and operational objectives from the University's Operational Priorities Plan 2009–2013. The Planning section of this Annual Report provides details of these key planning documents.

Consistent with its pursuit of international excellence, the University aims for consistent improvement in its performance across all of its activities with particular emphasis on improvement in its principal services, Education and Research and Research Training, as measured by the performance indicators presented in this section.

1. Education

Objectives

The University's primary goal in Education is 'to provide courses of study and a learning environment at the highest possible quality to meet individual, local (state) and national needs and internationally recognised standards; and to foster the relationship between teaching and the conduct of research across the range of its disciplines in a way that sustains the quality of the institution's teaching and learning activities and distinguishes it from other institutions in the State and many others in the sector'. [UWA Strategic Plan updated December 2008]

This goal is, in turn, reflected in the University Operational Priorities Plan (OPP) 2009–2013 that has as its strategic objective for Education 'to improve the quality of the student learning experience'. The OPP proceeds to list the following operational objectives for Education:

- ED1: To recruit and graduate a diverse student cohort of the highest quality
- ED2: To improve the University's courses
- ED3: To extend high-quality teaching approaches and improve learning outcomes
- ED4: To further develop the links between teaching, learning and research
- ED5: To improve student engagement in a high-quality campus community

Indicator 1.1 Proportions of Top School Leavers Applying for Admission

Operationally, the OPP identifies recruiting and graduating a diverse student cohort of the highest quality as the first of its operational objectives for Education. The University sees this objective as a key driver in achieving international excellence.

The principal performance indicator that relates to attracting the highest quality students is the proportion of the State's high-achieving school leavers who apply for admission to the University's undergraduate courses. The performance indicators presented in the following table are based on the first preferences of the top five per cent and top 10 per cent of students who applied for admission and who were admitted through the Tertiary Institutions Service Centre (TISC) to undergraduate courses at Western Australian public universities. The Tertiary Entrance Ranks of applicants have been used to determine the top five per cent and 10 per cent of applicants, while students without a Tertiary Entrance Rank or aggregate have been excluded. Moreover, the preferences of students applying to enter bridging/enabling courses have also been excluded. Where students have identical Tertiary Entrance Ranks and where such a Tertiary Entrance Rank coincides with the cut-off for the top five per cent or 10 per cent, the numbers of preferences for the cut-off group have been reduced proportionately so that the total numbers of preferences used in the calculations equal exactly five percent or 10 per cent respectively of the overall population. The scope of this indicator has been changed from that used in previous Annual Reports to include the preferences of all school leavers who applied for admission through TISC, not just those receiving offers, and the UWA Tertiary Entrance Score (TES) has been used rather than the Curtin Tertiary Entrance Aggregate to rank the applicants.

As can be seen, a significant majority of the highest ranking Western Australian school leavers who were seeking admission to WA universities applied for admission to this University, and a significant majority of those who subsequently enrolled in WA universities enrolled at this University. However the University's share of top school leavers decreased in 2010 and did not reach the admission targets set for the year.

Proportions of Top School Leavers^(a) Applying for Admission to UWA, 2006 to 2010^(b)

	2006	2007	2008	2009	2010	2010 Target
Proportion of the top 5% of WA school leavers who applied for admission to UWA ^(c)	85.7%	84.9%	84.4%	89.6%	83.1%	85.5%
Proportion of the top 10% of WA school leavers who applied for admission to UWA ^(c)	82.6%	81.4%	81.2%	84.7%	78.7%	81.7%
UWA enrolments as a proportion of all enrolments of the top 5% of WA school leavers ^(d)	75.7%	77.4%	73.3%	80.9%	73.8%	76.2%
UWA enrolments as a proportion of all enrolments of the top 10% of WA school leavers ^(d)	74.2%	73.2%	70.6%	76.9%	69.8%	72.9%

^(a) School leavers are those matriculating with a Tertiary Entrance Rank in the previous two years.

^(b) Data are reported 'by enrolment year' rather than 'by application year'; e.g. 2010 refers to those who applied in 2009 to be admitted in 2010.

^(c) Based on the first preferences of applicants with Tertiary Entrance Ranks who applied for admission through TISC.

^(d) Based on offers accepted through TISC by applicants with Tertiary Entrance Ranks.

Source: TISC dataset, AP027, Tertiary Institutions Service Centre, viewed 24 March 2010, <https://eservices.tisc.edu.au/>

The strong preference of high-achieving students for the University's courses is more apparent after removing the preferences of applicants for courses in fields of education that are either unique to UWA (e.g. Medicine) or not offered at UWA (e.g. Physiotherapy) as shown in the following table. As can be seen, in 2010 the University's share of top school leavers across courses that are considered to be in similar fields of education decreased compared to 2009 and did not reach the associated targets for the year.

Proportions of Top School Leavers ^(a) Applying for Admission to UWA for Similar Courses Offered in Two or More Universities including UWA, 2006 to 2010 ^(b)

	2006	2007	2008	2009	2010	2010 Target
Proportion of the top 5% of WA school leavers who applied for admission to UWA ^(c)	89.6%	89.1%	85.6%	92.6%	83.4%	88.0%
Proportion of the top 10% of WA school leavers who applied for admission to UWA ^(c)	85.0%	84.2%	83.2%	87.2%	82.3%	84.3%
UWA enrolments as a proportion of all enrolments of the top 5% of WA school leavers ^(d)	81.0%	81.7%	76.5%	84.5%	78.3%	80.4%
UWA enrolments as a proportion of all enrolments of the top 10% of WA school leavers ^(d)	80.7%	79.5%	77.2%	82.3%	78.1%	79.6%

^(a) School leavers are those matriculating with a Tertiary Entrance Rank in the previous two years.

^(b) Data are reported 'by enrolment year' rather than 'by application year'; e.g. 2010 refers to those who applied in 2009 to be admitted in 2010. The population is a subset of that used in the previous table, including only those applicants for similar courses offered by UWA and at least one other university.

^(c) Based on the first preferences of applicants with Tertiary Entrance Ranks who applied for admission through TISC.

^(d) Based on offers accepted through TISC by applicants with Tertiary Entrance Ranks.

Source: TISC dataset, AP027, Tertiary Institutions Service Centre, viewed 24 March 2010, <https://eservices.tisc.edu.au/>

Indicator 1.2 Proportion of Student Load Passed

The proportion of student load passed provides a measure of the quality of the student learning experience.

The following table shows that the pass rate increased slightly from 91.6 per cent in 2008 to 92.2 per cent in 2009. The 2009 pass rate is slightly higher than the ongoing target of 92.0 per cent. Consistent with its strategic objective to enhance the quality of the student learning experience, the University will continue to monitor pass rates and make appropriate interventions if required to ensure a high-quality student experience.

Student Load Pass Rate ^(a) by Broad Field of Education, 2004 to 2009 (excluding Higher Degrees by Research)

Broad Field of Education	2005	2006	2007	2008	2009
01 Natural and Physical Sciences	89.3%	88.1%	88.1%	87.2%	88.3%
02 Information Technology	87.8%	85.8%	86.1%	84.3%	83.0%
03 Engineering and Related Technologies	90.1%	91.4%	91.9%	90.6%	91.2%
04 Architecture and Building	92.1%	92.1%	91.4%	90.8%	91.0%
05 Agriculture, Environmental Studies	96.0%	96.3%	95.8%	95.7%	96.4%
06 Health	97.9%	97.5%	97.7%	98.0%	98.1%
07 Education	96.1%	97.3%	96.6%	97.8%	97.2%
08 Management and Commerce	93.5%	93.0%	93.6%	92.5%	93.8%
09 Society and Culture	91.8%	91.7%	91.8%	91.8%	92.3%
10 Creative Arts	92.9%	91.2%	92.8%	93.2%	92.8%
Total	92.1%	91.8%	92.1%	91.6%	92.2%

^(a) The student load pass rate has been calculated as a proportion of the total enrolled load excluding units with incomplete results. Incomplete results may be recorded when a student has neither withdrawn nor failed, but when units marks have not yet been recorded.

Source: Higher Education Student Data Collection, 2009, *Student Load/Liability (LL)* and *Revised Student Load/Liability (RL)* and *Unit of Study Completions (CU)* files, Department of Education, Employment and Workplace Relations

Indicator 1.3 Course Experience and Postgraduate Research Experience Questionnaires

The quality of the University's courses can be judged in part from graduates' responses to the annual Australian Graduate Survey conducted four months after students complete their courses. Graduates of coursework degrees are asked to complete the Course Experience Questionnaire (CEQ) while higher degree by research graduates are invited to complete the Postgraduate Research Experience Questionnaire (PREQ). All graduates complete the Graduate Destinations Survey component of this national survey.

Respondents to the CEQ and PREQ are asked to record their responses to statements about various aspects of their courses. A five-point scale ranging from 1 labelled 'strongly disagree' to 5 labelled 'strongly agree' is used for this purpose. A common overall satisfaction item asks respondents to record the extent to which they agree with the statement 'Overall, I was satisfied with the quality of the course'.

The following table shows an increase in the proportion of graduates with a positive response (responses 4 and 5 on the response scale) from 78.8 per cent of respondents in 2009 to 84.3 per cent in 2010. This figure is higher than the targeted level of 79.0 per cent set for 2010. However some of this apparent improvement may be due to the labelling of all of the points on the CEQ Scale so that the figures for 2010 are not strictly comparable with those for previous years. The overall response rate is calculated by counting the number of responses per student whereas the percentage agreement concerning overall satisfaction counts the number of responses per major. The University will continue to analyse the CEQ and PREQ results and devise and implement appropriate strategies in the light of these analyses and other internal surveys to further enhance the quality of the student learning experience.

Student Responses on the Course Experience Questionnaire and Postgraduate Research Experience Questionnaire to the Overall Satisfaction Item: 'Overall, I was satisfied with the quality of the course.'

Course Type	Course Completions	Number of Respondents	Response Rate ^{(b), (c)}	Percentage Agreement
2010 Responses				
Doctorate by Research	261	155	59.4%	86.5%
Master's Research	43	26	60.5%	92.3%
Master's Coursework	707	318	45.0%	81.2%
Other Postgraduate ^(a)	481	245	50.9%	85.3%
Bachelor's Graduate Entry	70	38	54.3%	84.6%
Bachelor's Honours	707	388	54.9%	85.5%
Bachelor's Pass	2,399	1,168	48.7%	84.1%
Undergraduate Diploma	20	14	70.0%	92.9%
2010 Total	4,688	2,352	50.2%	84.3%
2010 Target			50.0%	79.0%
2009 Total	4,431	2,138	48.3%	78.8%
2008 Total	4,207	2,191	52.1%	78.5%
2007 Total	4,163	2,002	48.1%	80.9%
2006 Total	4,424	2,362	53.4%	72.5%

^(a) Comprises graduate diplomas, graduate certificates and postgraduate qualifying/preliminary courses.

^(b) Higher Education Student Data Collection, 2009, *Unit of Study Completions (CU)* file, Department of Education, Employment and Workplace Relations.

^(c) In previous Annual Reports, response rate was calculated by counting the number of responses per major.

Source: Australian Graduate Survey, 2010, *Course Experience Questionnaire and Postgraduate Research Experience Questionnaire*, Graduate Careers Australia

Indicator 1.4 Graduate Destinations

Graduate destinations in the first year following completion of their course gives an indication of the quality of the University's courses and how well they meet individual, local (state) and national needs.

Figures in the following tables are based on the responses of more than 50 per cent of the domestic graduates who responded to the Australian Graduate Surveys conducted in 2007 to 2010 by the University in conjunction with Graduate Careers Australia. They show that 78.6 per cent of bachelor's degree graduates from this University who were seeking employment had obtained their preferred mode of employment, be that full-time or part-time, as compared to the national average of 78.8 per cent. In other words, relative to the corresponding national employment rates, the University's graduate outcomes are 1.00 times the national rate in 2010 as compared with the University's target of 1.03 this year.

Destinations of Domestic Bachelor's Degree Graduates^(a), UWA 2007 to 2010 and Australia 2010

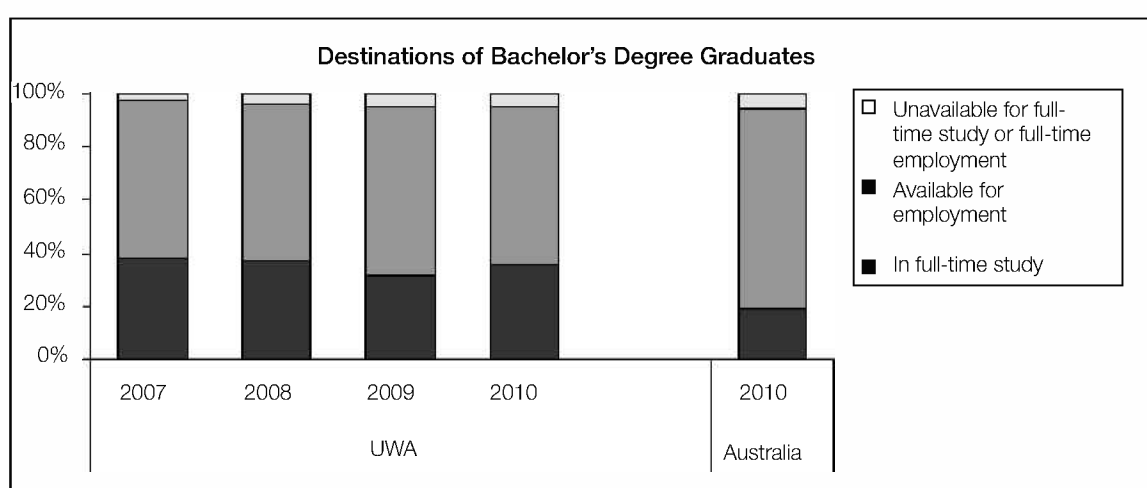
	The University of Western Australia				Australia
	2007	2008	2009	2010	2010
In full-time study	38.4%	37.3%	31.4%	35.9%	19.0%
Available for employment	59.2%	58.5%	63.8%	59.3%	75.4%
Unavailable for full-time study or full-time employment	2.4%	4.2%	4.8%	4.8%	5.6%
Total percentage^(b)	100.0%	100.0%	100.0%	100.0%	100.0%
Total respondents	1,241	1,333	1,231	1,353	65,045
Response rate^(c)	54%	58%	52%	53.5%	61.5%

^(a) Destinations (as of 30 April) of students who completed bachelor's degrees (including bachelor's graduate entry degrees) in the previous year excluding overseas residents.

^(b) Discrepancies between the sums of component items and the totals are due to rounding.

^(c) Number of respondents as a percentage of those surveyed.

Source: Graduate Destination Survey, 2010, *Grad Stats 2010* and *Grad Files 2010*, Graduate Careers Australia, viewed 10 January 2011, <http://www.graduatecareers.com.au/ResearchandStatistics/ResearchReports/index.htm>



Percentage of Bachelor's Degree Graduates in Desired Mode of Employment^(a), UWA versus National Averages, 2006 to 2010

	2006	2007	2008	2009	2010	Proposed Target
The University of Western Australia	88.0%	91.8%	89.2%	85.0%	78.6%	–
Australia	83.7%	85.6%	86.3%	81.2%	78.8%	–
Ratio	1.05	1.07	1.03	1.05	1.00	1.03

^(a) Destinations (as of 30 April) of students who completed bachelor's degrees (including bachelor's graduate entry degrees) in the previous year excluding overseas residents who were seeking employment.

Source: Graduate Destination Survey, 2010, *Grad Stats 2010* and *Grad Files 2010*, Graduate Careers Australia, viewed 10 January 2011, <http://www.graduatecareers.com.au/content/view/full/24>

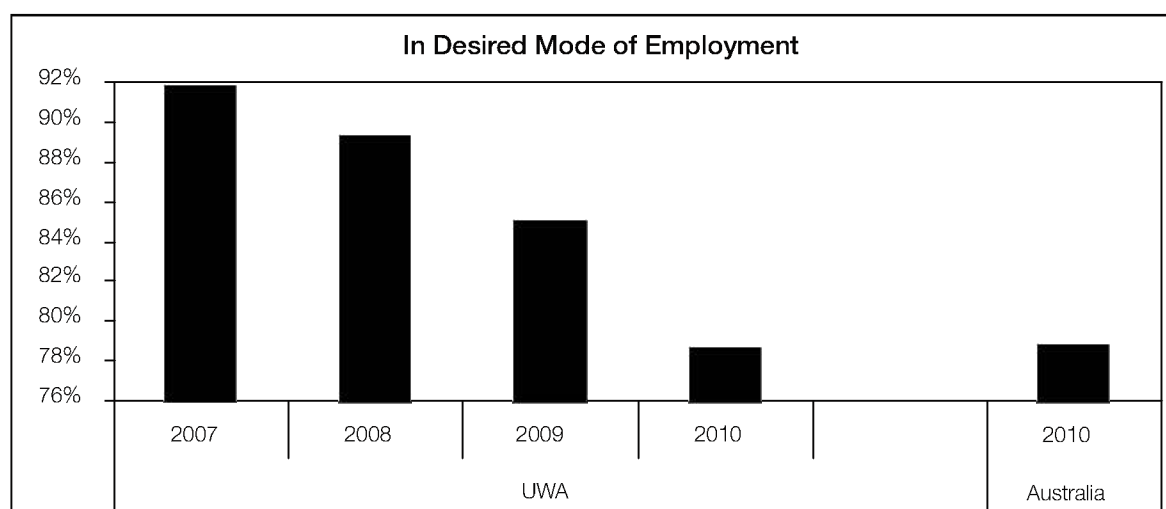
Destinations of Domestic Bachelor's Degree Graduates who were Seeking Employment^(a), UWA 2006 to 2010 and Australia 2010

	The University of Western Australia					Australia
	2006	2007	2008	2009	2010	2010
In desired mode of employment	88.0%	91.8%	89.2%	85.0%	78.6%	78.8%
In full-time employment	80.2%	83.4%	77.8%	68.7%	64.5%	65.4%
In part-time or casual employment, not seeking full-time employment	7.8%	8.4%	11.4%	16.3%	14.1%	13.4%
Working part-time or casual, seeking full-time employment	7.9%	4.4%	6.2%	7.8%	12.5%	13.0%
Not working, seeking full-time employment	3.7%	3.4%	3.8%	6.0%	8.2%	7.4%
Not working, seeking part-time or casual employment only	0.4%	0.4%	0.8%	1.3%	0.7%	0.8%
Total percentage^(b)	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Total respondents	923	735	780	785	802	49,043

^(a) Destinations (as of 30 April) of students who completed bachelor's degrees (including bachelor's graduate entry degrees) in the previous year excluding overseas residents who were seeking employment.

^(b) Discrepancies between the sums of component items and the totals are due to rounding.

Source: Graduate Destination Survey, 2010, *Grad Stats 2010* and *Grad Files 2010*, Graduate Careers Australia, viewed 10 January 2011, <http://www.graduatecareers.com.au/content/view/full/24>



Indicator 1.5 Expenditure Ratios

Efficiency indicators are intended to show the relationship between the resources used and the services provided. In the higher education sector, one measure of the resources is the expenditure attributed to teaching, while the services provided may be defined in terms of the number of graduates or equivalent full-time students.

The major source of funds used for teaching is the Commonwealth Grants Scheme in which the size of the grant is primarily determined on the basis of a negotiated student load mix. Essentially the same rate of funding applies to each course type and discipline category in the load target negotiated by each institution in the Unified National System. As a consequence, figures on expenditure per equivalent full-time student load (EFTSL) reflect the student load mix.

The fees for overseas students are set in a competitive environment and therefore reflect the perception of the University's courses; a premium is earned for courses with high demand and is usually used for teaching purposes. Thus high expenditure figures may reflect the perceived quality of courses.

The following table presents ratios of the total expenditure (excluding research only expenditure) to the equivalent full-time loads and weighted student units of all students at the University. Growth in fee-paying students and growth in Commonwealth-supported student enrolments in Engineering and Science resulted in increased expenditure per EFTSL from 2006 to 2008. However, budgetary constraints arising from the global financial crisis saw a decline in the expenditure per EFTSL figures from 2008. The expenditure per course completion increased by 22.0 per cent from 2006 to 2009 while the expenditure per weighted course completion increased by 22.9 per cent over the same period. The impacts of the budgetary constraints exercised after 2008 are not so apparent in the expenditure per completion figures because this indicator uses average expenditures over three years.

Expenditure Ratios, 2006 to 2010

	2006	2007	2008	2009	2010 Actual	2010 Target
Expenditure ^(a) / EFTSL	\$32,303	\$35,035	\$40,495	\$33,206	\$30,549	\$34,000
Expenditure ^(a) / Weighted Student Units ^(b)	\$28,513	\$30,986	\$35,825	\$29,353	\$26,984	\$30,000
Expenditure ^(c) / Course Completion	\$99,584	\$109,623	\$120,843	\$121,471	– ^(e)	
Expenditure ^(c) / Weighted Completion ^(d)	\$82,628	\$90,521	\$100,446	\$101,549	– ^(e)	

^(a) Total expenditure, excluding research-only expenditure and Perth International Arts Festival expenditure, indexed to 2010 dollar values.

^(b) Weighted student units are calculated by multiplying student load in higher degree research by 2.0, other postgraduate and honours load by 1.3 and bachelor's (including graduate entry) load by 1.0.

^(c) Total expenditure (in 2010 dollar values) excluding research-only expenditure averaged over past three years.

^(d) Weighted by multiplying the number of completions in higher degree research by 2.0, other postgraduate and honours completions by 1.3 and bachelor's (including graduate entry) completions by 1.0.

^(e) The number of completions for 2010 is not available until May 2011.

Source: Expenditure figures and Higher Education Indexation Factor are from Financial Services, The University of Western Australia used in the preparation of the Financial Statements of the Annual Report.

2. Research and Research Training

Objectives

The primary goal in Research and Research Training is to enhance the University's 'standing as one of Australia's leading research universities and the premier research institution in Western Australia. There are two dimensions to this goal: firstly, the University is committed to the achievement of high-quality research and research training, by international standards, across the whole spectrum of its disciplines; and additionally, to the development of special research concentrations, in selected areas of particular strength, importance and opportunity'. [UWA Strategic Plan updated December 2008]

This goal is, in turn, reflected in the OPP 2009–2013 which has as its strategic objective for Research and Research Training 'to improve the quality and impact, and productivity of research and research training'. The OPP lists the following operational objectives for Research and Research Training:

RRT1: To enhance the University's research capacity

RRT2: To improve the impact of research outcomes

RRT3: To improve the quality of higher degree by research programs and theses

Indicator 2.1 Higher Degree by Research International and Interstate Enrolments

The University's success in attracting higher degree by research students is a reflection of its reputation for excellence in research, particularly in attracting higher degree research students whose undergraduate qualification is from an overseas or an interstate institution. The following table shows substantial growth in commencing higher degree research enrolments from 2006 to 2010, especially in international and interstate students. In 2010, 66 per cent of the University's commencing research students came from outside UWA with 41 per cent students coming from overseas institutions and 11 per cent from interstate.

From 2006 to 2010, the University attracted 671 international doctoral students from all regions of the world: Europe, Africa, Asia and the Middle East, the Americas and the Pacific Region.

The growth in international enrolments has allowed the University to reach its target of 510 commencing higher degree by research students in 2010. The University intends to undertake a series of actions to further enhance the number, quality and diversity of students admitted to its higher degree by research programs.

Commencing Higher Degree by Research Enrolments by Undergraduate Institution Location, 2006 to 2010

	International	Interstate	Other WA	None ^(a)	Non-UWA Subtotal ^(b)	UWA	Total
2010	212	58	65	7	342	176	518
2009	205	43	66	60	374	168	542
2008	183	42	72	57	354	137	491
2007	147	40	71	41	299	175	474
2006	121	41	75	74	311	184	495

^(a) No undergraduate studies undertaken or prior institution not recorded.

Source: Callista Student Management System, 2010, *Internal UWA enrolment dataset en2010f and adm_crs_appl_instance_v*, The University of Western Australia

Indicator 2.2 Higher Degree by Research Completions per Staff FTE

The number of higher degrees by research completed per 10 full-time equivalent (FTE) academic staff is a measure of the teaching-and-research and research-only staff productivity in research and research training. It should be noted that the University uses external examiners with international reputation to ensure that the degrees conferred are of the highest international standard.

The number of weighted higher degree by research completions per 10 FTE teaching-and-research and research-only staff members at lecturer level B or above status (excluding casual staff appointments) has decreased from 5.87 in 2008 to 5.48 in 2009 and is marginally below the target set for 2009. This drop in completions is primarily due to fluctuations in the numbers of students commencing higher degrees by research and strong growth in research-only academic staff appointments, especially for the master's by research course type. The employment of more academic staff also caused the 22 per cent decrease in the master's by research ratio. The University is undertaking a range of strategies to ensure that higher degree by research students successfully complete their studies within appropriate timeframes.

Weighted ^(a) Higher Degree by Research Completions ^(b) per 10 Academic Staff FTE ^(c), 2005 to 2009

	2005	2006	2007	2008	2009 Actual	2009 Target
Doctorate by Research	3.07	2.59	2.82	2.67	2.53	2.70
Master's by Research	0.91	0.55	0.71	0.54	0.42	0.50
Total	3.98	3.14	3.53	3.21	2.95	3.20
Weighted Total	7.05	5.73	6.35	5.87	5.48	5.90

^(a) Doctorates are weighted as 2 and master's degrees by research as 1.

^(b) Excludes higher doctorate completions.

^(c) Average of past three years' staff FTE for academic staff in academic organisational units with a teaching-and-research or research-only appointment at level B or above (excluding casual staff FTE).

Source of completions: Higher Education Student Data Collection, 2009, *Unit of Study Completions (CU)* file, Department of Education, Employment and Workplace Relations

Source of staff FTE: Higher Education Staff Collection, 2009, *Dataset 2009*, Department of Education, Employment and Workplace Relations, viewed 16 November 2010,
<http://www.deewr.gov.au/HigherEducation/Publications/HEStatistics/Pages/HEStatisticsCollection.aspx>

The University recorded 2.95 higher degree by research completions per 10 academic staff FTE in 2009 (as shown in the following table), significantly higher than the national average of 2.48. Nonetheless this performance places the University seventh nationally in 2009, compared with a target ranking of at least fifth.

**Higher Degree by Research Completions ^(a) per 10 Academic Staff FTE ^(b),
Selected Universities ^(c), 2007 to 2009 ^(d)**

Institution	2007			2008			2009		
	Total	Total/ 10 FTE	Rank	Total	Total/ 10 FTE	Rank	Total	Total/ 10 FTE	Rank
Southern Cross	58	3.01	9	55	2.87	10	82	3.99	1
Melbourne	732	3.85	1	720	3.70	2	775	3.89	2
Sydney	625	3.46	4	675	3.64	3	700	3.61	3
Queensland	516	3.26	7	598	3.75	1	552	3.38	4
Macquarie	189	2.98	10	208	3.20	6	215	3.23	5
New South Wales	646	3.80	2	553	3.15	7	563	3.06	6
Western Australia	334	3.53	3	315	3.21	5	303	2.95	7
Adelaide	270	3.30	6	298	3.51	4	257	2.89	8
Wollongong	161	2.68	14	173	2.74	11	195	2.84	9
Tasmania	132	2.22	19	140	2.19	19	192	2.84	10
Australian National	302	2.74	12	341	3.07	8	321	2.83	11
Technology, Sydney	161	2.19	20	186	2.52	15	194	2.57	12
Murdoch	87	2.25	18	48	1.23	31	96	2.45	14
Curtin	238	3.10	8	177	2.23	17	191	2.31	17
Edith Cowan	81	1.85	29	92	2.17	21	64	1.52	31
Notre Dame	6	1.17	35	7	0.87	37	5	0.41	38
AUSTRALIA	7,131	2.65		7,163	2.59		7,085	2.48	

^(a) Excluding higher doctorate completions.

^(b) Average of past three years' staff FTE for academic staff in academic organisational units with a teaching-and-research or research-only appointment at level B or above (excluding casual staff FTE).

^(c) The 12 highest ranked universities in 2008 plus WA institutions.

^(d) The Australian Defence Force Academy has been added to the University of New South Wales and the Australian Maritime College to the University of Tasmania for the years 2007 to 2009. Some colleges have also been excluded from the rankings. As a result some rankings for prior years have altered.

Source of completions: Higher Education Student Collections, 2009, *Courses completed in 2008*, Department of Education, Employment and Workplace Relations, viewed 16 November 2010, <http://www.deewr.gov.au/HigherEducation/Publications/HEStatistics/Pages/HEStatisticsCollection.aspx>

Source of staff FTE: Higher Education Staff Collection, 2009, *Dataset 2009*, Department of Education, Employment and Workplace Relations, viewed 16 November 2010, <http://www.deewr.gov.au/HigherEducation/Publications/HEStatistics/Pages/HEStatisticsCollection.aspx>

Indicator 2.3 Publication Rates

The numbers of refereed publications in reputable journals and other publications are considered to be a reflection of the research output of a university and the numbers of weighted publications per academic staff FTE give an indication of research productivity.

The following table shows that the average number of weighted publications per staff FTE at this University was relatively stable around 1.7 from 2005 to 2008 but increased to 1.805 in 2009. This increase is mainly due to the increased numbers of books (increasing from total of 20.36 in 2008 to 27.93 in 2009) and in book chapters (up from 157.94 in 2008 to 178.00 in 2009). The weighted publications per FTE rate exceeds the target of 1.76 set for 2009 and compares favourably with the

national average of 1.655. It should be noted that the figures relate to the publications reported on the 2005 to 2009 DEEWR Higher Education Research Data Collections and do not purport to cover the complete range of publications produced by the University's staff during that period.

Consistent with its operational objective to improve the impact of research outcomes, the University will continue to enhance its publications record with emphasis on further improving the number of publications in high-quality journals.

Selected Research Publications^(a) by Type of Publication per Academic Staff FTE^(b), UWA, 2005 to 2009

Type of Publication	2005	2006	2007	2008	2009
Books—Authored Research	0.020	0.024	0.018	0.019	0.025
Book Chapters	0.150	0.143	0.164	0.150	0.161
Article in Scholarly Refereed Journal	1.160	1.245	1.171	1.288	1.299
Full Written Paper—Refereed Proceedings	0.298	0.265	0.236	0.226	0.219
UWA Weighted Total^(c)	1.707	1.772	1.659	1.761	1.805
National Weighted Total^(c)	1.580	1.626	1.607	1.639	1.655

^(a) Research publications as reported on the 2005 to 2009 DEEWR Higher Education Research Data Collections.

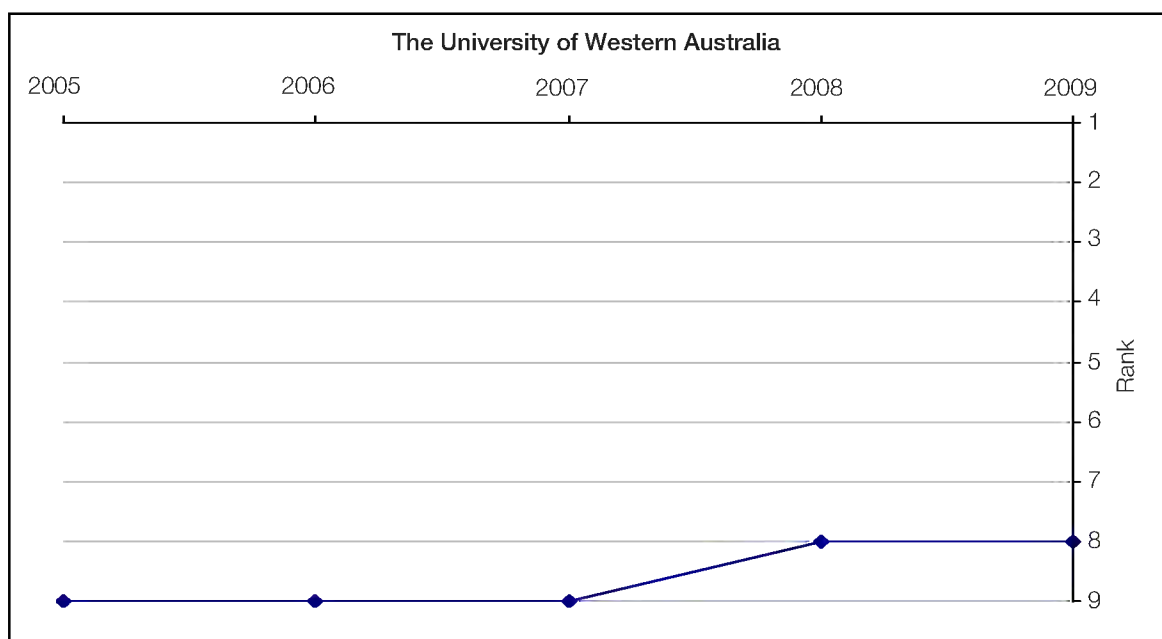
^(b) Full-time equivalence of academic staff at lecturer level B or above, excluding casual appointments.

^(c) Applying the weights used by DEEWR to allocate the 2009 Research Infrastructure Block Grants, Research Training Scheme and Institutional Grant Scheme.

Source of staff FTE: Higher Education Staff Collection, 2009, *Staff 2009: Selected Higher Education Statistics Tables: Full-Time Equivalence Table 1.7*, Department of Education, Employment and Workplace Relations, viewed 16 November 2010, <http://www.deewr.gov.au/HigherEducation/Publications/HEStatistics/Publications/Pages/Staff.aspx>

Source of publications: Higher Education Research Data Collection, 2009, *2009 Research Income and Publications Data by Sub Category*, Department of Innovation, Industry, Science and Research, viewed 20 December 2010, <http://www.innovation.gov.au/Research/ResearchBlockGrants/Pages/RBGFundingFormulaeData.aspx>

Ranking of Publications per Academic Staff FTE against National Publications, 2005 to 2009



Indicator 2.4 Research Grants

The research funds allocated to an institution are an indication of its relative success in research. The Australian Competitive Grant funds are particularly significant indicators of research performance because they are allocated on the basis of competitive bids under specified schemes by bodies that include the Australian Research Council, the National Health and Medical Research Council, Primary Industry R&D Corporations, other Commonwealth departments and other organisations such as the Australian Kidney Foundation.

The following table shows the University has achieved substantial growth in research income from 2005 to 2009 but has missed its target ranking of fifth for research income in 2009. The University will seek further increases in its research income to grow its research capacity consistent with its vision to achieve international excellence and its operational objective of enhancing its research capacity.

Research Income Awarded to The University of Western Australia, 2005 to 2009^(a)

	2005	2006	2007	2008	2009
Total research income (\$M)	115.498	137.166	147.332	158.608	159.671
Australian Competitive Grant income (\$M)	60.573	63.959	71.165	73.234	72.786
International research income (\$M)	8.292	6.677	7.114	9.403	13.046
Research contract income (\$M)	14.042	17.049	23.417	26.382	22.385

^(a) Research Income as reported on the 2005 to 2009 DEEWR Higher Education Research Data Collections.

Overall, the University received 5.7 per cent of all research funding reported on the 2009 DEEWR Research Income and Publications Data Collection. This represents the sixth highest allocation of research funds overall. The University obtained 5.9 per cent of the Australian Competitive Grant (ACG) funds allocated to Australian higher education institutions in 2009. This allocation was the nation's sixth highest on a 'per staff FTE' basis compared with a target ranking of at least fifth, and was eighth overall. Details of total research income and ACG income for selected universities from 2007 to 2009 are provided on the following two tables. The figures per full-time equivalent academic staff relate to academic staff at lecturer level B and above, excluding casual staff.

**Total Research Income ^(a) per Academic Staff FTE ^(b) Allocated to Selected Universities ^(c),
2007 to 2009 ^(d)**

Institution	2007			2008			2009		
	Funds (\$)	\$/FTE	Rank	Funds (\$)	\$/FTE	Rank	Funds (\$)	\$/FTE	Rank
Queensland	243,787,088	145,458	3	283,029,649	167,870	3	303,429,637	167,179	1
Charles Darwin	24,680,171	127,217	6	26,356,803	134,473	7	31,840,195	163,283	2
Melbourne	308,968,969	154,099	2	382,546,727	189,380	1	336,973,307	162,553	3
Adelaide	115,770,735	131,857	5	145,062,629	162,081	4	145,880,145	152,914	4
New South Wales	232,773,234	123,160	7	273,355,248	140,977	6	301,446,503	149,157	5
Western Australia	147,331,633	144,160	4	158,607,650	150,339	5	159,670,802	144,107	6
Sydney	310,660,056	158,987	1	353,524,300	175,446	2	278,955,610	131,397	7
Australian National	135,820,117	120,301	8	146,208,016	128,253	8	127,909,940	110,267	8
Murdoch	34,223,592	78,675	13	36,975,431	86,190	12	46,144,608	100,973	9
Monash	232,637,706	111,577	9	219,086,734	102,906	9	221,041,395	99,122	10
Newcastle	70,620,418	95,304	10	78,102,015	99,747	10	76,286,008	93,488	11
Tasmania	64,472,758	91,973	11	70,609,233	94,524	11	67,848,090	84,493	12
Curtin	58,062,106	61,966	15	64,538,248	63,211	15	64,702,041	59,414	17
Edith Cowan	9,583,843	22,819	33	12,389,790	28,614	30	12,809,317	26,466	30
Notre Dame	477,905	3,229	40	672,014	3,884	40	526,492	2,619	40
AUSTRALIA	2,494,704,080	83,988		2,809,794,408	92,248		2,780,051,230	87,456	

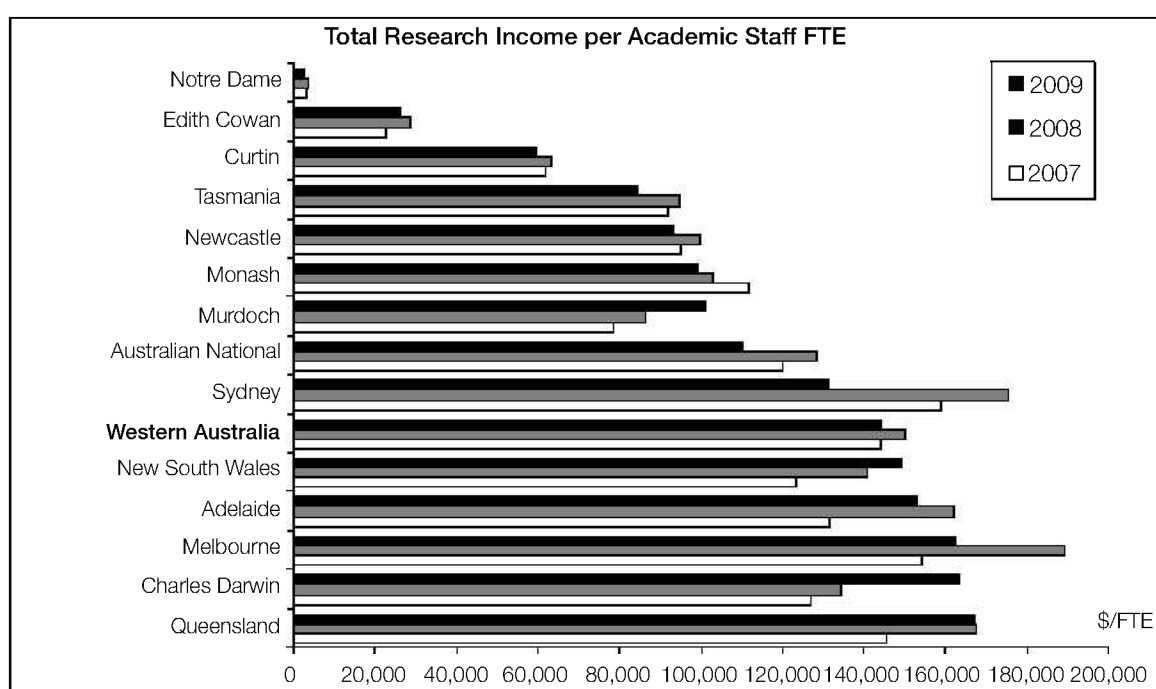
^(a) Includes income of Cooperative Research Centres and controlled entities.

^(b) Full-time equivalence of academic staff at lecturer level B and above, excluding casual appointments.

^(c) The 12 highest ranked universities in 2009 plus WA institutions.

^(d) The Australian Defence Force Academy has been added to the University of New South Wales and the Australian Maritime College to the University of Tasmania for the years 2007 to 2009. Some colleges have also been excluded from the rankings. Consequently, \$/FTE and the ranking of some universities might have changed.

Source: Higher Education Research Data Collection, 2009, *2009 Research Income and Publications Data by Sub Category*, Department of Innovation, Industry, Science and Research, viewed 20 December 2010, <http://www.innovation.gov.au/Research/ResearchBlockGrants/Pages/RBGFundingFormulaeData.aspx>



Australian Competitive Grant Funds ^(a) per Academic Staff FTE ^(b) Allocated to Selected Universities ^(c), 2007 to 2009 ^(d)

Institution	2007			2008			2009		
	Funds (\$)	\$/FTE	Rank	Funds (\$)	\$/FTE	Rank	Funds (\$)	\$/FTE	Rank
Melbourne	146,980,890	73,307	1	161,562,459	79,981	1	166,183,827	80,166	1
Adelaide	60,698,650	69,133	4	69,889,932	78,089	2	72,936,113	76,453	2
Sydney	125,825,424	64,394	6	147,251,514	73,078	4	156,617,221	73,772	3
Queensland	118,516,683	70,714	2	126,261,354	74,888	3	129,288,193	71,233	4
Australian National	77,226,284	68,402	5	76,115,061	66,768	6	76,524,307	65,969	5
Western Australia	71,164,875	69,633	3	73,234,132	69,416	5	72,786,228	65,692	6
New South Wales	89,964,550	47,600	7	103,122,447	53,183	8	128,419,260	63,542	7
Charles Darwin	8,914,766	45,952	8	11,957,048	61,005	7	11,417,366	58,551	8
Monash	95,467,969	45,788	9	104,754,534	49,204	9	109,660,715	49,175	9
Newcastle	23,831,865	32,162	11	27,204,663	34,744	11	31,967,895	39,176	10
Tasmania	29,048,639	41,439	10	33,549,701	44,913	10	26,400,322	32,877	11
Flinders	14,888,033	26,491	12	16,220,229	26,855	12	18,593,120	29,797	12
Murdoch	10,247,166	23,557	13	9,690,087	22,588	15	8,502,331	18,605	19
Curtin	12,968,390	13,840	25	13,283,782	13,011	24	15,404,887	14,146	23
Edith Cowan	1,618,899	3,855	36	2,154,015	4,975	34	2,906,807	6,006	31
Notre Dame	429,141	2,900	37	359,157	2,076	38	273,443	1,360	38
AUSTRALIA	1,054,405,672	35,498		1,151,085,273	37,791		1,226,783,717	38,593	

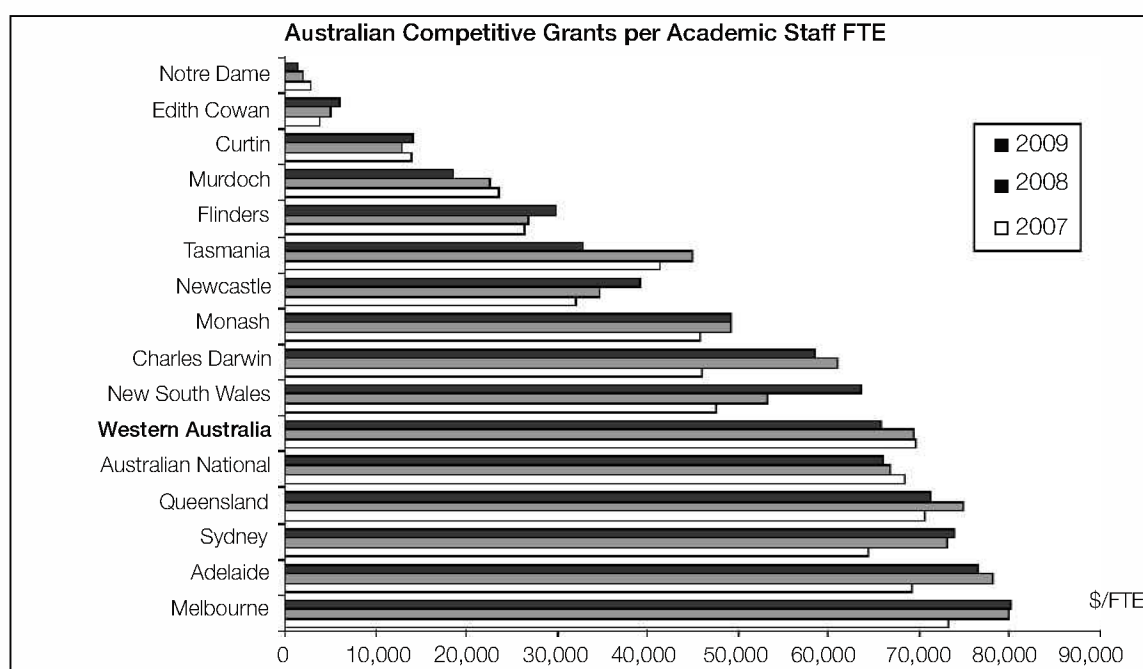
(a) Includes income of Cooperative Research Centres and controlled entities.

(b) Full-time equivalence of academic staff at lecturer level B and above, excluding casual appointments.

(c) The 12 highest ranked universities in 2009 plus WA institutions.

(d) The Australian Defence Force Academy has been added to the University of New South Wales and the Australian Maritime College to the University of Tasmania for the years 2007 to 2009. Some colleges have also been excluded from the rankings. Consequently, \$/FTE and the ranking of some universities might have changed.

Source: Higher Education Research Data Collection, 2009, *2009 Research Income and Publications Data by Sub Category*, Department of Innovation, Industry, Science and Research, viewed 20 December 2010, <http://www.innovation.gov.au/Research/ResearchBlockGrants/Pages/RBGfundingFormulaeData.aspx>



OTHER FINANCIAL DISCLOSURES

Major capital projects

The University defines major capital projects as those costing in excess of \$5 million.

During 2010, in line with the University's Capital Asset Management Plan, the University spent \$21.75 million on capital works and infrastructure projects.

While there were no major projects completed during 2010, the University committed to two new major projects.

New child care centre

The 100-place child care facility will be located on the University's campus and boasts an environmentally sustainable design including use of passive solar heating and recycled rainwater for toilets.

Indian Ocean Marine Research Centre

The Indian Ocean Marine Research Centre will foster intensive research into marine climate change, resource

sustainability and conservation. It will draw together more than 240 world-class researchers from the University's Oceans Institute, Commonwealth Scientific and Industrial Research Organisation (CSIRO) and the Australian Institute of Marine Science (AIMS). Located on two sites, it will include a purpose-built five-star energy rated building on the Crawley campus and a refurbished building located at Waterman (along Perth's northern coastline).

Major projects in progress at 31 December 2010

Project	Estimated total cost (\$m)	Estimated cost to complete (\$m)	Expected year of completion
WAIMR QEII Medical Centre	25.00	25.00	2013
WAIMR Fiona Stanley Hospital	25.00	24.98	2014
New Child Care Centre	7.37	4.75	2012
Joondalup Health Campus	8.00	8.00	2011
Albany Sciences Building	6.00	5.73	2012
Indian Ocean Marine Research Centre	63.00	63.00	2012

Staffing

Staffing and related matters

During 2010 the University's staffing focus remained on attracting, developing and retaining the highest quality staff. Initiatives included leadership and development programs, performance management systems and workforce planning, as well as ongoing policy development and review, and the negotiation of new collective staff agreements.

Equity and diversity

The University's reputation as a leader in equity and diversity continued to flourish in 2010. It achieved its ninth Employer of Choice for Women citation and participated in Australia's Group of Eight universities' (Go8) Staff Equity collaboration on the consideration of merit/performance relative to opportunity. These principles are to be implemented across the Go8 in 2011.

The University also continued to enhance its reputation for innovative workshops aimed at deepening participants' understanding of equity and diversity, with translation into amended practice. More than 50 seminars and workshops were presented on campus to 909 staff and 1807 students. In addition, 17 workshops delivered at nine universities nationally were attended by 374 staff and 85 students. The University has now entered into a national collaboration with eight other Australian universities to further develop the *Courageous Conversations About Race* resource.

The University's Indigenous Employment focus was reinvigorated in 2010 following the recruitment of an Indigenous Employment Officer in

late 2009. A pilot cultural awareness program, Indigenous Dialogues, was also developed. Funded by Universities Australia, the program was based on the Courageous Conversations model, and will be promoted nationally.

A Campus Map was developed which identified access, mobility and way-finding features and will also include an interactive online version.

Policy, staff development and organisational development

The University completed the first full year of the new online annual Professional Development Review (PDR) process. PDRs support employees in their careers and strengthen the link between the University's Operational Priorities Plan and the work of each faculty, school and individual. A Performance Appraisal Report system will be introduced in 2011.

Human Resources continued to experience a high demand for their consultancy services. These services include workshop facilitation and guidance with strategic planning, organisational change and workforce planning.

Leadership development continued to be a major focus in 2010. Programs such as the sixteenth Leadership Development for Women, On Track (for early career academics) and Senior Leadership Day were successfully held. In addition, the fourth Heads Up program and the new Leading Transitions program (designed to support the implementation of New Courses 2012) commenced.

Employee relations

Following lengthy negotiations, the University, the National Tertiary Education Industry Union (NTEU) and Community and Public Sector Union (CPSU) finalised both the Academic Staff and the Professional and General Staff Agreements 2010. The Agreements were ratified by Fair Work Australia and became effective 1 December 2010. Negotiated matters included increases to loadings for casual staff, improved leave management provisions and the simplification of parental leave.

Negotiations for a new English Language Intensive Courses for Overseas Students (ELICOS) collective agreement between the University and the NTEU commenced in late 2010.

Workers' compensation

In 2010 there were 48 workers' compensation claims accepted, a decrease of 25 from the previous year. The total lost time days (205) were also down, from 221 in 2009.

Employee Assistance Program

A total of 219 staff and family members sought assistance through the Employee Assistance Program in 2010, almost the same number as in 2009 (220). Of these, 96 attended the external Employee Assistance Program provider (PPC Worldwide), while 123 attended the internal provider (Student Services Counselling and Psychological Service).

GOVERNANCE DISCLOSURES

Details of shares in any subsidiary body of the agency held as a nominee or held beneficially by a senior officer of the agency

There is nothing to report under this heading.

Particulars of any interest in any existing or proposed contract which a senior officer, or a firm of which a senior officer is a member, or any entity in which a senior officer has a substantial financial interest has made with the University

There is nothing to report under this heading.

The amount of any insurance premium paid to indemnify any director

In 2010 the University paid a premium of \$42,348 for Directors' and Officers' Liability Insurance.



OTHER LEGAL REQUIREMENTS

Public Interest Disclosure Act

The University complies with the *Public Interest Disclosure Act 2003* and has appointed a Public Interest Disclosure Officer. No matters have been reported under the Act in 2010.

Environmental legislation

The University has not been found in breach of any State or Federal environmental legislation or regulations in 2010.

Statement of compliance with the Record Keeping Plan

The University is committed to records management practices which comply with the relevant legislation and are in line with good professional practice. It has a current approved Record Keeping Plan (RKP) and Records Disposal Authority (RDA) in place. The University continues to implement a formal record-keeping and technical training program which is readily available to all staff. The program comprises group presentations, ad hoc workshops, online training and supporting documentation. Significant achievements include a revision of the University's Vital Records Register and Plan, the commencement of a major disposal project and the continued implementation of TRIM* for the management of electronic documents.

Key Performance Indicators	2007	2008	2009	2010
Number of non-academic staff with active TRIM* accounts (percentage)	871 (48%)	977 (51%)	1095 (59%)	1186 (58%)
Number of non-academic staff who underwent records management training (percentage)	521 (30%)	822 (43%)	660 (36%)	504 (25%)

* TRIM is the official electronic document and records management system of the University.

Media and advertising expenditure

In compliance with section 175ZE of the *Electoral Act 1907*, the University is required to report on expenditure incurred during the financial year in relation to advertising agencies, market research organisations, polling organisations, direct mail organisations and media advertising organisations.

Expenditure with advertising agencies	\$2,063,604
Adcorp Australia Ltd	Media Monitors Australia Pty Ltd
Bowtell Clarke & Yole	Optimum Media Decisions (WA) Ltd
Brendon Cant and Associates	Stormbox
Cooch Creative Pty Ltd	Xtreme Information Services Pty Ltd
Media Decisions WA	303 Group Pty Ltd
Expenditure with market research organisations	\$68,490
Catalyse Pty Ltd	
CarringtonCrisp Ltd	
Synovate Pty Ltd	
Expenditure with polling organisations	\$0
Expenditure with direct mail organisations	\$10,997
Poster Girls	
Expenditure with media advertising organisations	\$1,232,761
Albany & Great Southern Weekender	New Hobsons Press Pty Ltd
Albany Advertiser Pty Ltd	Post Newspapers Pty Ltd
Business News	Radio West Broadcasters Pty Ltd
Community Newspaper Group	Roxby Media Ltd Australia
Enta Australiasia Pty Ltd	Spice Publishing Pty Ltd
Good Reading Magazine Pty Ltd	Sunday Times
Hobsons Australia Pty Ltd	The Hub—Marketing Communication
Hybrid News Ltd	WA Business News
Medical Forum Magazine	West Australian Newspapers Limited
Mix 94.5	Wren Design
Nationwide News Pty Ltd	X-Press Magazine
TOTAL EXPENDITURE	\$3,375,853

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