

Independent Auditor's Report (continued)

An audit involves performing procedures to obtain audit evidence about the key performance indicators. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the key performance indicators. In making these risk assessments the auditor considers internal control relevant to the University Council's preparation and fair presentation of the key performance indicators in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the relevance and appropriateness of the key performance indicators for measuring the extent of outcome achievement and service provision.

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

Opinion

In my opinion, the key performance indicators of the Curtin University of Technology are relevant and appropriate to assist users to assess the University's performance and fairly represent indicated performance for the year ended 31 December 2013.

Independence

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

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

This auditor's report relates to the financial statements and key performance indicators of the Curtin University of Technology for the year ended 31 December 2013 included on the University's website. The University's management is responsible for the integrity of the University's website. This audit does not provide assurance on the integrity of the University's website. The auditor's report refers only to the financial statements and key performance indicators described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these financial statements or key performance indicators. If users of the financial statements and key performance indicators are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial statements and key performance indicators to confirm the information contained in this website version of the financial statements and key performance indicators.



COLIN MURPHY
AUDITOR GENERAL
FOR WESTERN AUSTRALIA
Perth, Western Australia
20 March 2014

FINANCIAL REPORT 2013

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CERTIFICATIONS

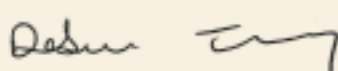
CERTIFICATION OF THE FINANCIAL STATEMENTS

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

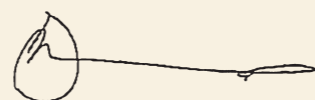
At the date of signing, we are not aware of any circumstances which would render any particulars included in the financial statements misleading or inaccurate.



Colin Beckett
Chancellor



Deborah Terry
Vice-Chancellor



David Menarry
Chief Finance Officer

Dated this 19th day of March 2014

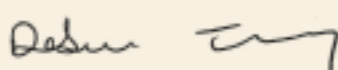
CERTIFICATION OF THE FINANCIAL STATEMENTS REQUIRED BY THE DEPARTMENT OF EDUCATION

We declare that the amount of Australian Government financial assistance expended during the financial year ended 31 December 2013 was for the purpose(s) for which it was provided and that Curtin University of Technology has complied with applicable legislation, contracts, agreements and program guidelines in making expenditure.

Curtin University of Technology charged Student Services and Amenities Fees strictly in accordance with the *Higher Education Support Act 2003* and the Administration Guidelines made under the Act. Revenue from the fee was spent strictly in accordance with the Act and only on services and amenities specified in subsection 19-38(4) of the Act.



Colin Beckett
Chancellor



Deborah Terry
Vice-Chancellor

Dated this 19th day of March 2014

STATEMENT OF COMPREHENSIVE INCOME

for the year ended 31 December 2013

	Note	2013 \$'000	2012 \$'000
Revenue from Continuing Operations			
Australian Government financial assistance:			
Australian Government grants	4	306,054	287,974
HELP - Australian Government payments	4	143,967	116,922
State and local government financial assistance	5	13,590	9,249
HECS-HELP - student payments		26,868	25,628
Fees and charges	6	225,942	238,013
Investment revenue	7	27,965	25,122
Royalties, trademarks and licences	8	26,222	22,883
Consultancy and contracts	9	32,766	27,093
Other revenue	10	45,915	39,554
Total Revenue from Continuing Operations		849,289	792,438
Net gain on disposal of non-current assets	16	1,501	235
Total Income from Continuing Operations		850,790	792,673
Expenses from Continuing Operations			
Employee related expenses	11	486,315	434,885
Depreciation and amortisation	12	39,752	34,324
Repairs and maintenance	13	14,213	16,270
Borrowing costs	14	4,105	4,280
Impairment of assets	15	(123)	(2,335)
Deferred superannuation expense	11	505	362
Other expenses	17	243,624	224,511
Total Expenses from Continuing Operations		788,391	712,297
Net Operating Result for the Year		62,399	80,376
Other Comprehensive Income			
Items that may be reclassified to profit or loss:			
Net investment revaluation gain/(loss)	30(a)	32,635	23,308
Total Comprehensive Income		95,034	103,684

The Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

Financial Report 2013 (continued)

STATEMENT OF FINANCIAL POSITION

as at 31 December 2013

	Note	2013 \$'000	2012 \$'000
ASSETS			
Current Assets			
Cash and cash equivalents:			
Unrestricted	19(a)	49,005	77,862
Restricted	19(b)	1,822	1,757
Trade and other receivables	20	22,730	25,031
Inventories	21	1,655	2,081
Other financial assets:			
Unrestricted	22	1,088	891
Restricted	23	89,268	77,223
Other non-financial assets	24	29,898	30,178
Total Current Assets		195,466	215,023
Non-Current Assets			
Trade and other receivables	20	60,788	69,667
Other financial assets – unrestricted	22	412,602	324,904
Property, plant and equipment	25	759,069	722,763
Total Non-Current Assets		1,232,459	1,117,334
Total Assets		1,427,925	1,332,357
LIABILITIES			
Current Liabilities			
Trade and other payables	26	13,864	11,187
Borrowings	27	2,292	2,314
Provisions	28	84,110	69,454
Other liabilities	29	62,789	75,722
Total Current Liabilities		163,055	158,677
Non-Current Liabilities			
Borrowings	27	58,116	60,401
Provisions	28	93,379	94,938
Total Non-Current Liabilities		151,495	155,339
Total Liabilities		314,550	314,016
Net Assets		1,113,375	1,018,341
EQUITY			
Reserves	30	100,802	57,851
Retained earnings	30	1,012,573	960,490
Total Equity		1,113,375	1,018,341

The Statement of Financial Position should be read in conjunction with the accompanying notes.

STATEMENT OF CHANGES IN EQUITY

for the year ended 31 December 2013

	Note	Reserves \$'000	Retained Earnings \$'000	Total Equity \$'000
Balance at 1 January 2012		28,775	885,882	914,657
Operating result for the year		-	80,376	80,376
Other comprehensive income for the year		23,308	-	23,308
Transfers from retained earnings	30(c)	24,686	(24,686)	-
Transfers to retained earnings	30(c)	(18,918)	18,918	-
Balance at 31 December 2012	30	57,851	960,490	1,018,341
Operating result for the year		-	62,399	62,399
Other comprehensive income for the year		32,635	-	32,635
Transfers from retained earnings	30(c)	28,033	(28,033)	-
Transfers to retained earnings	30(c)	(17,717)	17,717	-
Balance at 31 December 2013	30	100,802	1,012,573	1,113,375

The Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Financial Report 2013 (continued)

STATEMENT OF CASH FLOWS

for the year ended 31 December 2013

	Note	2013 \$'000	2012 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Australian Government grants received	4(h)	455,131	402,134
State and local government financial assistance		13,590	9,249
HECS-HELP – student payments		26,440	25,189
Fees and charges		223,290	239,468
Royalties, trademarks and licences		29,819	26,299
Consultancy and contract research		34,331	28,754
Interest received		4,682	6,379
Dividends received		1,320	1,320
Distributions received		17,731	17,482
Other		49,071	53,123
GST refunds received		11,346	10,107
Payments			
Payments for employee benefits		(481,927)	(439,692)
Payments to suppliers		(269,375)	(257,738)
Interest and other costs of finance paid		(4,125)	(4,287)
Net Cash Provided by Operating Activities	40(b)	111,324	117,787
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for property, plant and equipment		(77,313)	(59,530)
Proceeds on sale of property, plant and equipment		3,468	808
Payments for investments		(107,605)	(53,002)
Proceeds on redemption of investments		43,642	8,207
Net Cash Used in Investing Activities		(137,808)	(103,517)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings		(2,308)	(4,908)
Proceeds from borrowings		-	-
Cash (Used in)/Provided by Financing Activities		(2,308)	(4,908)
Net increase/(decrease) in cash and cash equivalents		(28,792)	9,362
Cash and cash equivalents at the beginning of the year		79,619	70,257
Cash and Cash Equivalents at the End of the Year	40(a)	50,827	79,619

The Statement of Cash Flows should be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2013

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Financial Report 2013 (continued)

Notes to the Financial Statements (continued)

for the year ended 31 December 2013

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

This general purpose financial report has been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board (AASB), the requirements of the Department of Education, applicable sections of the *Financial Management Act 2006* and applicable Western Australian Government Treasurer's Instructions.

The financial statements and notes thereto comply with Australian Accounting Standards, some of which contain requirements specific to not-for-profit entities that are inconsistent with International Financial Reporting Standards requirements.

Date of authorisation for issue

The financial statements were authorised for issue by the members of the University Council on 19 March 2014.

Historical cost convention

The financial statements have been prepared under the historical cost convention except for certain financial assets which are reported at fair value (refer Note 33).

Accrual basis of accounting

The financial statements, except for cash flow information, are prepared using the accrual basis of accounting.

Critical accounting estimates

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the University's accounting policies. The estimates and underlying assumptions are reviewed on an ongoing basis. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 2.

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

(b) Not-for-profit status

For the purpose of the application of Australian Accounting Standards and Interpretations, the University is considered to be a not-for-profit entity.

(c) Principles of consolidation

Consolidated financial statements are prepared by combining the financial statements of all entities that comprise the consolidated entity, being the University (the parent entity) and any controlled entities, in accordance with AASB 127 'Consolidated and Separate Financial Statements' and modified by the Treasurer's Instruction 1105 'Consolidated Financial Statements'.

Consolidated financial statements are not required as there are no material controlled entities.

(d) Revenue recognition

Revenue from the sale of goods and disposal of other assets and the rendering of services is recognised when the University has passed control and the significant risks and rewards of ownership have passed to the buyer of the goods or other assets, or when a service has been provided to a customer.

Notes to the Financial Statements (continued)

for the year ended 31 December 2013

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Student fees

Student fees are recognised when the University has provided the service(s) to the student.

Commonwealth-supported student income

Income for Commonwealth-supported students is recognised when the University has provided the service(s) to the student.

Research income

Research grants from governments are recognised as revenue when the University obtains control over the asset comprising the contributions. When the University does not have control of the contribution, does not have the right to receive the contribution or, in the case of reciprocal grants, has not fulfilled grant conditions, the grant contribution is treated as deferred income as a liability in the Statement of Financial Position.

Reciprocal research income from other entities is recognised as revenue when the University has provided the service to the customer. Non-reciprocal research income from other entities is recognised as revenue when the University obtains control over the asset comprising the contributions.

Unspent non-reciprocal research grant funds at the end of each financial year are recognised by way of a research grants reserve (refer Note 30(b)). This reserve is released as expenditure is incurred.

Other government grants

Other grants from government are recognised as revenue when the University obtains control over the asset comprising the contributions. When the University does not have control over the contribution, does not have the right to receive the contribution or, in the case of reciprocal grants, has not fulfilled grant conditions, the grant contribution is treated as deferred income as a liability in the Statement of Financial Position.

Consultancy fees

Consultancy fees are recognised as revenue when the University has provided the service(s) to the customer.

Royalties

Revenue from royalties is recognised when the University has provided the service(s) to the customer through their use of the University's intellectual property.

Other contributions revenue

Donations, gifts and other non-reciprocal contributions are recognised as revenue when the University obtains control over the assets comprising the contributions.

Contributions of assets are recognised at their fair value. Contributions of services are only recognised when a fair value can be reliably determined and the services would be purchased if not donated.

(e) Property, plant and equipment

All property, plant and equipment with a cost of greater than \$5,000 (excluding GST) is recorded as a non-current asset at cost, less subsequent depreciation and impairment.

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of that asset.

Assets acquired at no cost or for nominal consideration are initially recognised at their fair value at the date of acquisition.

Gains and losses on disposals are determined by comparing the disposal proceeds with the carrying amount and are included in the Statement of Comprehensive Income.

Financial Report 2013 (continued)

Notes to the Financial Statements (continued)

for the year ended 31 December 2013

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) Depreciation of non-current assets

All non-current assets having a limited useful life are depreciated or amortised over their estimated useful lives, in a manner which reflects the consumption of their future economic benefits.

Depreciation is calculated on a straight-line basis from the time the asset becomes available for use. Estimated useful lives are as follows:

- land not depreciated
- buildings lower of 50 years or remaining useful life
- leasehold land and improvements lower of 50 years or remaining lease period
- computing equipment 3 years
- other equipment and furniture 8 years
- motor vehicles 5 years
- works of art not depreciated.

Land and works of art controlled by the University are classified as non-current assets. They are anticipated to have indeterminate useful lives since their service potential is not, in any material sense, consumed. As such, no amount for depreciation is recognised.

Assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

Library collection

The total cost of the last three years' acquisition of library books and journals is considered to represent an acceptable carrying value of the library collection. In each year, that year's cost of acquisition is added onto the carrying value and the earliest year's cost of acquisition within the carrying value is written-off as an acceptable estimate of the depreciation of the library collection for the current year.

(g) Impairment of property, plant and equipment

Where the recoverable amount of an asset is less than its carrying amount, the carrying amount is reduced to the recoverable amount. That reduction is an impairment loss, which is recognised as an expense to the Statement of Comprehensive Income. In most cases recoverable amount is based on 'value in use' and is determined as the depreciated replacement cost of the asset.

(h) Intangible assets

An intangible asset shall be recognised if, and only if:

- (i) it is probable that expected future economic benefits are attributable to the asset and will flow to the University
- (ii) the cost of the asset can be measured reliably.

(i) Leases

In accordance with AASB 117 'Leases', leased assets classified as 'finance leases' are recognised as assets. The amount initially brought to account as an asset is the present value of minimum lease payments. An equivalent finance lease liability is brought to account at the same time.

Finance leased assets are amortised on a straight-line basis over the estimated useful life of the asset.

Finance lease payments are allocated between interest expense and reduction of lease liability over the term of the lease. The interest expense is determined by applying the interest rate implicit in the lease to the outstanding lease liability at the beginning of each lease payment period.

Notes to the Financial Statements (continued)

for the year ended 31 December 2013

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Operating lease payments are recognised as an expense in the Statement of Comprehensive Income on a basis which reflects the pattern in which economic benefits from the leased asset are consumed.

(j) Inventories

Inventories are valued at the lower of cost and net realisable value. Costs are assigned by the method most appropriate to each particular class of inventory, with the majority being measured on a weighted average cost basis.

(k) Receivables

Current accounts receivable are recognised at nominal amounts receivable, as they are due for settlement no more than 30 days from the date of recognition. Non-current accounts receivable are recognised at fair value.

Collectability of receivables is reviewed on an ongoing basis. Debts which are known to be uncollectable are written-off as bad debts. A provision for impaired receivables is raised when there is objective evidence that the University may not be able to collect the debt.

(l) Investments

In accordance with AASB 139 'Financial Instruments' investments, other than unlisted shares, are classified as available-for-sale and gain and losses arising from changes in fair value are recognised directly in other comprehensive income until the security is disposed of or is determined to be impaired, at which time the cumulative gain or loss previously recognised in equity is transferred to the Operating Result for the period.

Any decline in the fair value of previously impaired available-for-sale investments is to be recognised in the Operating Result for the period. Any increase in the fair value of previously impaired available-for-sale debt investments is to be recognised in the Operating Result for the period to extent of the initial impairment and thereafter taken to the investments revaluation reserve. Any increase in the fair value of previously impaired available-for-sale equity investments is to be recognised in the investment revaluation reserve in Equity.

Included within the unlisted shares are investments in a number of unlisted companies which were established to commercialise intellectual property. Unlisted shares are stated at historical cost unless there has been a permanent diminution in value, in which event a recoverable amount write-down is made. The University's associates (refer Note 43(a)) have not been equity accounted for in the University's financial statements because they are not considered material.

Interest revenue and other investment income is recognised when earned.

(m) Loans receivable

Loans receivable are initially recognised at fair value, net of transaction costs incurred. Loans are subsequently measured at amortised cost.

Loans receivable are classified as current assets unless the counterparty has an unconditional right to defer settlement of the asset for at least 12 months after the reporting date, in which case they are classified as non-current.

(n) Joint research activities

The University participates in a number of joint research activities, such as the Cooperative Research Centres (refer notes 43(b) and (c)). The University recognises within its financial statements: the assets that it controls, the liabilities that it incurs, the expenses that it incurs and its share of the income that it earns from the joint research activities.

Financial Report 2013 (continued)

Notes to the Financial Statements (continued)

for the year ended 31 December 2013

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(o) Payables

Payables, including accruals (expenses incurred but not yet billed), are recognised when the University becomes obliged to make future payments as a result of a purchase of assets or services received. Payables are generally settled within a 30-day term.

(p) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost.

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

Borrowings are classified as current liabilities unless the University has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date, in which case they are classified as non-current.

(q) Employee benefits

Annual leave

This benefit is recognised at the reporting date in respect of employees' service up to that date and is measured at the amounts expected to be paid when the liabilities are settled, including anniversary increments and anticipated salary increases.

Long service leave

Unconditional long service leave provisions are classified as current liabilities as the University does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

The liability for conditional long service leave expected to be settled more than 12 months from the reporting date is recognised in the provision for employee benefits as a non-current liability and is measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date.

Superannuation

The University contributes to a number of superannuation schemes including both defined contribution and defined benefit schemes.

Payments to defined contribution schemes are charged as an expense as they fall due. The University's obligation is limited to these contributions.

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

The cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out on an annual basis. Actuarial gains and losses are recognised in other comprehensive income. Where appropriate the University has adopted the multi employer provisions of AASB 119 'Employee Benefits'. This is currently relevant to the UniSuper Defined Benefit scheme.

Notes to the Financial Statements (continued)

for the year ended 31 December 2013

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Unfunded superannuation

An arrangement exists between the Commonwealth Government and the Western Australian Government to meet the unfunded liability for the University's beneficiaries of the State Superannuation Schemes on an emerging cost basis. The unfunded liabilities have been recognised in the Statement of Financial Position under Provisions, with a corresponding asset recognised under Receivables. The recognition of both the asset and the liability concurrently does not affect the year end net asset position of the University. The liability and equivalent receivable are measured actuarially on an annual basis.

Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts an offer of benefits in exchange for the termination of employment. The University recognises termination benefits either when it can no longer withdraw the offer of those benefits or when it has recognised costs for restructuring within the scope of AASB 137 when it is demonstrably committed to terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal.

Accrued or prepaid salaries

Accrued salaries represent the amount due to staff but unpaid at the end of the financial period, as the end of the last pay period for that financial year does not always coincide with the end of the financial period. The University considers that the nominal carrying amount approximates net fair value.

If the payroll is paid on a date prior to the end of the financial year, the amount prepaid which overlaps the year end is treated as a current asset.

(r) Foreign currency

Transactions denominated in a foreign currency are translated at the rates in existence at the dates of the transactions. Foreign currency monetary items, which include cash, receivables and payables, are translated at exchange rates current at the reporting date. Exchange gains and losses are brought to account in the Operating Result.

The University enters into foreign exchange forward contracts to manage its exposure to foreign exchange risk to material transactions denominated in foreign currency. Hedges of foreign exchange risk on highly probable or firm commitments are recognised as cash flow hedges. The University reviews the effectiveness of the hedging instrument in offsetting the changes in the cash flows of the hedged transaction, with the effective portion being recognised directly in Equity through Other Comprehensive Income. The gain or loss on any ineffective portion is recognised immediately in the Operating Result and amounts recognised in Equity are transferred to the Operating Result in the period(s) that the hedged transaction is recognised. Hedge accounting is discontinued when the hedge instrument expires, is terminated, exercised, or no longer qualifies for hedge accounting. At this point, the cumulative gain or loss recognised in Equity is immediately recognised in the Operating Result.

(s) Taxes

Income tax

Curtin University is exempt from income tax as per Subdivision 50-B of the *Income Tax Assessment Act 1997*.

Financial Report 2013 (continued)

Notes to the Financial Statements (continued)

for the year ended 31 December 2013

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of GST except:

- where the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, then the GST is recognised as part of the cost of acquisition or as part of the expense item as applicable
- where receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of Receivables or Payables in the Statement of Financial Position.

Cash flows are included in the Statement of Cash Flows on a gross basis. The GST component of cash flows arising from investing activities, which is recoverable from or payable to the taxation authority, is classified as an operating cash flow.

Fringe benefits tax

The University is liable to pay fringe benefits tax, and it is included in 'Other Expenses' in the Statement of Comprehensive Income.

Payroll tax

The University is liable to pay payroll tax, and it is included in 'Employee Related Expenses' in the Statement of Comprehensive Income.

(t) Other expenses

Finance costs

Finance (or borrowing) costs expense is recognised on an accrual basis.

Finance costs for qualifying assets are capitalised net of any investment income earned on the unexpended portion of the borrowings. Other finance costs are expensed when incurred.

Repairs and maintenance

All repairs and maintenance expenditure is charged to the Statement of Comprehensive Income during the financial period in which it is incurred.

Research and development

Research and development costs, other than costs that meet the criteria for recognition as an intangible asset arising from development, are expensed to the Statement of Comprehensive Income as incurred.

(u) Comparative figures

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

(v) Fair value

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

Notes to the Financial Statements (continued)

for the year ended 31 December 2013

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(w) Externally operated campuses

The University provides its educational services through a number of campuses and other locations. The three campuses outside of Western Australia are managed and operated by third parties through contractual arrangements with the University. The University has no ownership or financial interest in these third party companies other than by way of the contractual arrangements.

OPERATOR	CAMPUS
Colleges of Business and Technology (NSW) Pty Ltd (100% subsidiary of Navitas Limited)	Sydney, New South Wales, Australia
Curtin Education Centre Pte Ltd (90% subsidiary of Navitas Limited)	Singapore
Curtin (Malaysia) Sdn Bhd	Miri, Sarawak, Malaysia

(x) New Accounting Standards and Interpretations

Certain new Accounting Standards and Interpretations have been published that are not mandatory for the 31 December 2013 reporting period.

The University's assessment of the new Standards and Interpretations that have been finalised is that there is no significant impact to the University's financial statements. Relevant Standards are as follows:

- AASB 9 'Financial Instruments'
- AASB 11 'Joint Arrangements'
- AASB 1053 'Application of Tiers of Australian Accounting Standards'
- AASB 2010-2 'Amendments to Australian Accounting Standards' arising from 'Reduced Disclosure Requirements'

2 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Critical accounting estimates and assumptions

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

- provision for impairment of receivables
- superannuation benefits and associated assets/liabilities
- discount rates used in estimating non-current provisions – discount rates are based on market yields on government bonds
- assessing impairment of assets including receivables, property, plant and equipment and investments
- estimating useful lives of non-current assets – the useful life reflects the consumption of the assets' future economic benefits.

Financial Report 2013 (continued)

Notes to the Financial Statements (continued)

for the year ended 31 December 2013

2 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)**(b) Critical judgements in applying the University's accounting policies**

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

- estimating the useful life of key assets
- impairment of property, plant and equipment
- impairment of receivables
- impairment of other financial assets (including investments).

3 DISAGGREGATED INFORMATION

	Revenue		Results		Assets	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Geographical						
Australia	832,923	776,577	50,925	68,952	1,416,333	1,320,731
Asia	13,891	13,656	9,057	9,311	9,157	9,513
Other	2,475	2,205	2,417	2,113	2,435	2,113
Total	849,289	792,438	62,399	80,376	1,427,925	1,332,357

Notes to the Financial Statements (continued)

for the year ended 31 December 2013

4 AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE INCLUDING AUSTRALIAN GOVERNMENT LOANS PROGRAMS (HELP)

	Note	2013 \$'000	2012 \$'000
(a) Commonwealth Grants Scheme (CGS) and other grants	45(a)		
Commonwealth Grants Scheme		218,971	200,551
Indigenous Support Fund		1,641	1,613
Disability Support Program		66	50
Partnership and Participation Program		4,884	2,713
Transitional Cost Program		-	564
Total Commonwealth Grants Scheme and Other Grants		225,562	205,491
(b) Higher Education Loan Programs	45(b)		
HECS-HELP		120,220	96,065
FEE-HELP		21,296	18,993
SA-HELP		2,451	1,864
Total Higher Education Loan Programs		143,967	116,922
(c) Scholarships	45(c)		
Australian Postgraduate Awards		6,528	6,035
Indigenous Access Scholarships		61	81
International Postgraduate Research Scholarships		545	540
Commonwealth Education Costs Scholarships		101	430
Commonwealth Accommodation Scholarships		80	491
Total Scholarships		7,315	7,577
(d) Department of Education research	45(d)		
Joint Research Engagement Program		8,894	9,668
Sustainable Research Excellence		1,974	1,841
Research Training Scheme		16,294	15,696
Research Infrastructure Block Grants		2,865	2,937
Total Department of Education Research Grants		30,027	30,142
(e) Other capital funding	45(e)		
Education Investment Fund		-	1,300
Total Other Capital Funding		-	1,300

Financial Report 2013 (continued)

Notes to the Financial Statements (continued)

for the year ended 31 December 2013

	Note	2013 \$'000	2012 \$'000
4 AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE INCLUDING AUSTRALIAN GOVERNMENT LOANS PROGRAMS (HELP) (continued)			
(f) Australian Research Council (ARC)			
(i) Discovery			
Project	45(f)(i)	6,810	5,701
Fellowships		2,868	2,085
Total Discovery		9,678	7,786
(ii) Linkages			
Infrastructure Projects	45(f)(ii)	2,029	1,169
		2,283	2,374
Total Linkages		4,312	3,543
(iii) Other			
Projects	45(f)(iii)	34	-
Total Other		34	-
(g) Other Australian Government financial assistance			
Non-capital			
CRC Cooperative Research Centres funding		6,654	6,565
CSIRO Flagship Collaborative Research Program		1,364	2,418
National Drug Law Enforcement Research Fund		102	-
NHMRC grants		1,939	1,148
Other Commonwealth research income		8,743	8,810
Other teaching grants		463	2,069
Other Commonwealth grants		5,926	5,930
Research funds from other universities		1,503	1,542
		26,694	28,482
Capital			
CRC Cooperative Research Centres funding		70	14
CSIRO Flagship Collaborative Research Program		1,249	-
Other Commonwealth research income		170	404
Other Commonwealth grants		932	277
Research funds from other universities		11	2,958
		2,432	3,653
Total Other Australian Government Financial Assistance		29,126	32,135
Total Australian Government Financial Assistance		450,021	404,896

Notes to the Financial Statements (continued)

for the year ended 31 December 2013

	Note	2013 \$'000	2012 \$'000
4 AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE INCLUDING AUSTRALIAN GOVERNMENT LOANS PROGRAMS (HELP) (continued)			
Reconciliation			
Australian Government grants [a+c+d+e+f+g]		306,054	287,974
HECS-HELP payments		120,220	96,065
FEE-HELP payments		21,296	18,993
SA-HELP payments		2,451	1,864
		143,967	116,922
Total Australian Government Financial Assistance		450,021	404,896
(h) Australian Government grants received - cash basis			
CGS and other Department of Education grants	45(a)	227,845	202,064
Higher Education Loans Program	45(b)	147,442	116,528
Scholarships	45(c)	5,030	8,269
Department of Education research	45(d)	30,027	30,142
Other capital funding	45(e)	-	3,300
ARC grants - Discovery	45(f)(i)	8,709	7,337
ARC grants - Linkages	45(f)(ii)	3,027	3,038
ARC grants - Other	45(f)(iii)	34	-
Other government grants		26,197	24,036
Total Australian Government Grants Received - Cash Basis		448,311	394,714
OS-HELP (net)	45(g)	464	335
Superannuation supplementation	45(h)	6,356	7,085
Total Australian Government Funding Received - Cash Basis		455,131	402,134
5 STATE AND LOCAL GOVERNMENT FINANCIAL ASSISTANCE			
Non-capital			
Local government		266	407
State government		13,055	8,140
		13,321	8,547
Capital			
State government		269	702
Total State and Local Government Financial Assistance		13,590	9,249

Financial Report 2013 (continued)

Notes to the Financial Statements (continued)

for the year ended 31 December 2013

	Note	2013 \$'000	2012 \$'000
6 FEES AND CHARGES			
Course fees and charges			
Fee-paying overseas students		172,464	180,469
Continuing education		1,806	2,478
Fee-paying domestic postgraduate students		13,217	12,716
Fee-paying domestic undergraduate students		2	6
Fee-paying domestic non-award students		18,611	23,378
Total Course Fees and Charges		206,100	219,047
Other non-course fees and charges			
Examination fees		110	124
Late fees		378	575
Library fines		114	134
Parking fees		3,472	3,755
Registration fees		236	200
Ancillary fees		267	249
Student accommodation		9,785	9,887
Student services and amenities fees		2,586	1,696
Other fees and charges		2,894	2,346
Total Other Non-Course Fees and Charges		19,842	18,966
Total Fees and Charges		225,942	238,013
7 INVESTMENT REVENUE			
Distributions and dividends from available-for-sale investments		19,974	18,421
Gain/(loss) on disposal of available-for-sale investments		406	843
Cumulative gain/(loss) reclassified from equity on disposal of available-for-sale investments		3,105	(581)
Interest received		4,480	6,439
Total Investment Revenue		27,965	25,122
8 ROYALTIES, TRADEMARKS AND LICENCES			
Royalties		26,222	22,883
Total Royalties, Trademarks and Licences		26,222	22,883
9 CONSULTANCY AND CONTRACTS			
Consultancy		13,686	8,293
Contract research		19,080	18,800
Total Consultancy and Contracts		32,766	27,093

Notes to the Financial Statements (continued)

for the year ended 31 December 2013

	Note	2013 \$'000	2012 \$'000
10 OTHER REVENUE			
Trading income		14,372	15,617
Donations		1,611	1,969
Rental income		7,946	8,041
Non-government grants ¹		12,540	9,638
Insurance claims		6,644	1,184
Staff salary recoveries		2,052	1,853
Proceeds from sale of minor equipment		52	67
Conference income		387	1,032
Other		311	153
Total Other Revenue		45,915	39,554
Revenue from sale of goods ²		6,619	7,491
Cost of sales:			
Opening inventory		1,507	1,416
Purchases:		4,628	5,561
Closing inventory		(1,544)	(1,507)
Cost of goods sold ³		4,591	5,470
Gross margin before selling and administrative expenses		2,028	2,021

¹ Non-government grants include revenue for scholarships, sponsorships, training workshops and other sundry income.² Revenue from sale of goods is included under 'Trading income'.³ Costs of goods sold are included under Other Expenses - 'Inventory used and sold' (refer Note 17).

Financial Report 2013 (continued)

Notes to the Financial Statements (continued)

for the year ended 31 December 2013

	Note	2013 \$'000	2012 \$'000
11 EMPLOYEE RELATED EXPENSES			
Academic			
Salaries		204,070	177,595
Contribution to funded superannuation and pension schemes		29,260	28,433
Long service leave		5,698	6,269
Annual leave		12,599	13,060
Payroll tax		13,187	12,619
Workers' compensation		237	1,273
Total Academic		265,051	239,249
Non-academic			
Salaries		169,745	146,136
Contribution to funded superannuation and pension schemes		24,454	22,169
Long service leave		5,373	5,596
Annual leave		10,982	10,811
Payroll tax		10,732	9,922
Workers' compensation		(22)	1,002
Total Non-Academic		221,264	195,636
Total Employee Related Expenses		486,315	434,885
Deferred superannuation expense	38(b)	505	362
Total Employee Related Expenses including Deferred Government Employee Benefits for Superannuation		486,820	435,247
12 DEPRECIATION AND AMORTISATION			
Buildings		24,348	21,644
Leasehold land and improvements		209	209
Computing equipment		1,705	1,334
Other equipment and furniture		6,884	5,848
Motor vehicles		172	158
Library collections		6,434	5,131
Total Depreciation Expense		39,752	34,324
13 REPAIRS AND MAINTENANCE			
Property		4,915	6,324
Minor new works		8,422	8,829
Grounds maintenance		876	1,117
Total Repairs and Maintenance		14,213	16,270

Notes to the Financial Statements (continued)

for the year ended 31 December 2013

	Note	2013 \$'000	2012 \$'000
14 BORROWING COSTS			
Interest on borrowings		4,105	4,280
Less: Amount capitalised		-	-
Total Borrowing Costs		4,105	4,280
15 IMPAIRMENT OF ASSETS			
Bad debts written-off		(17)	97
Movement in provision for impaired receivables		27	(2,214)
Impairment/(impairment reversal) of other financial assets		(133)	(218)
Total Impairment of Assets		(123)	(2,335)
16 NET (GAIN)/LOSS ON DISPOSAL OF NON-CURRENT ASSETS			
Carrying amount of disposed non-current assets:			
Property, plant and equipment		1,967	573
Proceeds from disposal of non-current assets:			
Property, plant and equipment		(3,468)	(808)
Net (Gain)/Loss on Disposal of Non-Current Assets		(1,501)	(235)

Financial Report 2013 (continued)

Notes to the Financial Statements (continued)

for the year ended 31 December 2013

	Note	2013 \$'000	2012 \$'000
17 OTHER EXPENSES			
Advertising, marketing and promotional		7,369	7,492
Agency staff costs		4,832	4,308
Books		3,501	3,656
Computer peripherals and parts		19,321	17,197
Consumables		12,036	11,699
Contract work		46,619	32,076
Exchange rate losses		7	138
Fees and commissions		19,796	15,853
Financial assistance provided/research support		3,780	4,362
Graduations		1,119	909
Hospitality		2,937	2,777
Insurance		2,765	2,553
Inventory used and sold		5,934	7,721
Lease and rental		4,111	4,755
Non-capitalised equipment		6,790	8,054
Occupational health, safety and welfare		735	424
Offshore partner fee share		7	13
Partner service fees		13,162	12,061
Postage and courier		1,212	1,183
Publications		796	563
Scholarships, grants and prizes		37,012	37,121
Security		338	354
Staff development and training		4,504	4,388
Staff recruitment		2,117	1,620
Subscriptions		6,160	5,551
Telecommunications		2,226	2,153
Travel		14,497	14,752
Utilities and cleaning		17,348	17,616
Other		2,593	3,162
Total Other Expenses		243,624	224,511

Notes to the Financial Statements (continued)

for the year ended 31 December 2013

18 DISCONTINUED OPERATIONS**Disposal of the Northam campus vested land and buildings**

On 1 July 2012, the University transferred the vested land and buildings thereon at its Northam campus to the VET (WA) Ministerial Corporation for nil consideration. These assets had been fully impaired in 2009 when the original decision to close the campus was made, and therefore no gain or loss arose from the transaction. The University's teaching and research operations at the Northam campus have not been discontinued and have been transferred to the Bentley campus.

The University also owned freehold land at Northam and operated a farm thereon until this operation was ceased and its assets sold in February 2013.

Disposal of the Vocational Training and Education Centre

The University continued to operate the Goldfields Art Centre until 31 August 2013, at which point the operations transferred to the VET (WA) Ministerial Corporation. There was no significant financial impact from the transfer.

	Note	2013 \$'000	2012 \$'000
19 CASH AND CASH EQUIVALENTS			
(a) Cash and cash equivalents - unrestricted			
Cash at bank and on hand ¹		31,505	32,862
Fixed term deposits ²		17,500	45,000
Total Cash and Cash Equivalents - Unrestricted		49,005	77,862
(b) Cash and cash equivalents - restricted			
Trust cash at bank ¹		65	80
Trust fixed term deposit ²		1,757	1,677
Total Cash and Cash Equivalents - Restricted		1,822	1,757
Total Cash and Cash Equivalents		50,827	79,619

¹ Cash on hand is non-interest bearing. Cash at bank is subject to variable interest rates (refer Note 31).

² Deposits are interest bearing at variable interest rates (refer Note 31).

Financial Report 2013 (continued)

Notes to the Financial Statements (continued)

for the year ended 31 December 2013

	Note	2013 \$'000	2012 \$'000
20 TRADE AND OTHER RECEIVABLES			
Current			
Student receivables		5,076	7,011
Less: Provision for impaired receivables		(321)	(249)
		4,755	6,762
General receivables		14,562	14,455
Less: Provision for impaired receivables		(60)	(105)
		14,502	14,350
Deferred government contribution for unfunded superannuation	38b	3,473	3,919
Total Current		22,730	25,031
Non-current			
Deferred government contribution for unfunded superannuation	38b	60,788	69,667
Total Receivables		83,518	94,698
Impaired receivables			
As at 31 December 2013 current receivables for student fees with a nominal value of \$0.321 million (2012: \$0.249 million) were impaired. The amount of the provision was \$0.321 million (2012: \$0.249 million).			
The ageing of these receivables is as follows:			
Less than 12 months		69	180
Greater than 12 months		252	69
		321	249
As at 31 December 2013, current receivables for student fees of \$3.541 million (2012: \$5.304 million) were past due date but not impaired.			
The ageing of these receivables is as follows:			
Less than 12 months		3,541	5,304
Greater than 12 months		-	-
		3,541	5,304

Notes to the Financial Statements (continued)

for the year ended 31 December 2013

	Note	2013 \$'000	2012 \$'000
20 TRADE AND OTHER RECEIVABLES (continued)			
Movements in the provision for impaired student fees receivables are as follows:			
Balance at start of year		249	250
Provision for impairment recognised during the year		72	180
Receivables written-off during the year as uncollectable		-	(66)
Unused amount reversed		-	(115)
Balance at end of year		321	249
As at 31 December 2013 current general receivables with a nominal value of \$0.06 million (2012: \$0.105 million) were impaired.			
The ageing of these receivables is as follows:			
Less than 12 months		-	41
Greater than 12 months		60	64
		60	105
As at 31 December 2013, current general receivables of \$10.779 million (2012: \$8.009 million) were past due date but not impaired.			
The ageing of these receivables is as follows:			
Less than 12 months		10,717	7,968
Greater than 12 months		62	41
		10,779	8,009
Movements in the provision for impaired general receivables are as follows:			
Balance at start of year		105	2,361
Receivables written-off during the year as uncollectable		-	(31)
Provision for impairment recognised during the year		-	1,657
Unused amount reversed		(45)	(3,882)
Balance at end of year		60	105
21 INVENTORIES			
Inventories held for resale			
Merchandise		1,544	1,507
Inventories not held for resale			
General stores		111	124
Farming stores		-	450
Total Inventories Not Held for Resale		111	574
Total Inventories		1,655	2,081

Financial Report 2013 (continued)

Notes to the Financial Statements (continued)

for the year ended 31 December 2013

	Note	2013 \$'000	2012 \$'000
22 OTHER FINANCIAL ASSETS - UNRESTRICTED			
Current			
Loans receivable			
Interest bearing loans		613	703
Other loans		475	188
Total Current Other Financial Assets		1,088	891
Non-current			
Available-for-sale			
Funds under management (at fair value)		410,052	321,611
Unlisted shares and warrants (at cost)		2,502	2,632
Loans receivable			
Interest bearing loans		48	661
Total Non-Current Other Financial Assets		412,602	324,904
Total Other Financial Assets - Unrestricted		413,690	325,795
23 OTHER FINANCIAL ASSETS - RESTRICTED			
Current available-for-sale			
Restricted funds under management			
Research activities		60,720	50,176
Donations and prizes		23,200	21,864
Trusts		5,348	5,183
Total Restricted Funds Under Management (at fair value)		89,268	77,223
Total Restricted Other Financial Assets		89,268	77,223
Restricted funds are held as cash (refer Note 19(b)) or invested as managed funds. All available-for-sale financial assets are denominated in Australian currency. For an analysis of the credit risk and sensitivity of available-for-sale financial assets to price and interest rate risk, refer to Note 31.			
24 OTHER NON-FINANCIAL ASSETS			
Current			
Prepayments		18,380	13,560
Accrued income		11,518	16,618
Total Other Non-Financial Assets		29,898	30,178

Notes to the Financial Statements (continued)

for the year ended 31 December 2013

	Note	2013 \$'000	2012 \$'000
25 PROPERTY, PLANT AND EQUIPMENT			
Land¹			
At cost		78,998	80,650
Accumulated impairment		-	(294)
		78,998	80,356
Buildings			
At cost		747,643	717,978
Accumulated depreciation and impairment		(176,364)	(163,350)
		571,279	554,628
Leasehold land and improvements			
At cost		5,423	5,423
Accumulated depreciation		(1,655)	(1,446)
		3,768	3,977
Work in progress			
Capital projects (at cost)		29,685	23,030
Computing equipment			
At cost		16,531	12,933
Accumulated depreciation		(12,367)	(10,835)
		4,164	2,098
Other equipment and furniture			
At cost		96,770	80,129
Accumulated depreciation		(58,592)	(54,092)
		38,178	26,037
Motor vehicles			
At cost		1,544	1,435
Accumulated depreciation		(879)	(893)
		665	542
Library collections			
At cost		26,253	24,930
Accumulated depreciation		(6,434)	(5,131)
		19,819	19,799
Works of art			
At cost		12,513	12,296
Total Property, Plant and Equipment		759,069	722,763

¹ Parts of the sites upon which the University is located at, in particular the Bentley and Kalgoorlie campuses, are vested in the University by the Western Australian Government.

Financial Report 2013 (continued)

Notes to the Financial Statements (continued)

for the year ended 31 December 2013

25 PROPERTY, PLANT AND EQUIPMENT (continued)

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

	Land \$'000	Buildings \$'000	Leasehold land and improve- ments \$'000	Work in progress \$'000	Computing equipment \$'000	Other equipment and furniture \$'000	Motor vehicles \$'000	Library collections \$'000	Works of art \$'000	Total \$'000
2013										
Carrying amount at start of year	80,356	554,628	3,977	23,030	2,098	26,037	542	19,799	12,296	722,763
Additions	-	782	-	53,390	1,926	14,847	329	6,454	297	78,025
Cost of disposals	(1,652)	(11,335)	-	-	(182)	(2,835)	(220)	-	(117)	(16,341)
Impairment loss reversals on disposals	294	8,010	-	-	-	-	-	-	-	8,304
Accumulated depreciation on disposals	-	3,323	-	-	182	2,379	186	-	-	6,070
Transfers in/(out)	-	40,219	-	(46,735)	1,845	4,634	-	-	37	-
Depreciation charge	-	(24,348)	(209)	-	(1,705)	(6,884)	(172)	(6,434)	-	(39,752)
Carrying amount at end of year	78,998	571,279	3,768	29,685	4,164	38,178	665	19,819	12,513	759,069
2012										
Carrying amount at start of year	80,717	520,551	4,186	35,250	2,019	23,159	461	18,189	11,893	696,425
Additions	-	383	-	43,605	1,333	8,450	253	6,741	470	61,235
Cost of disposals	(1,715)	(11,295)	-	-	(230)	(361)	(540)	-	(67)	(14,208)
Impairment loss reversals on disposals	1,354	6,871	-	-	-	-	-	-	-	8,225
Accumulated depreciation on disposals	-	4,300	-	-	230	347	533	-	-	5,410
Transfers in/(out)	-	55,462	-	(55,825)	80	290	(7)	-	-	-
Depreciation charge	-	(21,644)	(209)	-	(1,334)	(5,848)	(158)	(5,131)	-	(34,324)
Carrying amount at end of year	80,356	554,628	3,977	23,030	2,098	26,037	542	19,799	12,296	722,763

Notes to the Financial Statements (continued)

for the year ended 31 December 2013

26 TRADE AND OTHER PAYABLES

	Note	2013 \$'000	2012 \$'000
Current			
Trade payables		13,864	11,187

27 BORROWINGS

	2013 \$'000	2012 \$'000
Current		
Treasury loans – secured	2,292	2,314
Non-current		
Treasury loans – secured	58,116	60,401
Total Borrowings	60,408	62,715

Treasury loans

The University has the following loans with the WA Treasury Corporation:

	Average interest rate	Maturity date	Principal outstanding 2013 \$'000	2012 \$'000
Capital works				
- quarterly principal and variable rate interest repayments	5.35%	15.10.2017	81	124
Muresk Campus housing				
- fixed rate interest only quarterly repayments with the loan principal to be repaid at date of maturity	6.50%	15.07.2018	2,050	2,050
Bentley Campus housing				
- fixed rate interest only quarterly repayments with the loan principal to be repaid at date of maturity	7.05%	15.01.2018	16,800	16,800
- quarterly principal and variable rate interest repayments	5.35%	15.10.2017	310	474
Goldfields Arts Centre				
- quarterly principal and variable rate interest repayments	5.34%	15.10.2014	586	1,240
Chemistry Centre of WA building				
- monthly principal and fixed rate interest repayments	6.77%	01.07.2029	36,364	37,637
- monthly principal and fixed rate interest repayments	5.11%	01.07.2029	4,217	4,390
Total Treasury Loans			60,408	62,715

Financial Report 2013 (continued)

Notes to the Financial Statements (continued)

for the year ended 31 December 2013

Note	2013 \$'000	2012 \$'000
27 BORROWINGS (continued)		
Financing facilities available		
At reporting date the following financing facilities had been negotiated and were available:		
Total facilities:		
- Treasury loans	60,408	62,715
Facilities used at reporting date:		
- Treasury loans	60,408	62,715
Facilities unused at reporting date:		
- Treasury loans	-	-

Assets pledged as security

The University has not pledged any assets as security against the borrowings. The loans are secured by a State Treasurer's Guarantee.

Notes to the Financial Statements (continued)

for the year ended 31 December 2013

27 BORROWINGS (continued)**Fair value**

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

	2013		2012	
	Carrying amount \$'000	Fair value \$'000	Carrying amount \$'000	Fair value \$'000
Capital works				
- quarterly principal and variable rate interest repayments	81	85	124	130
Muresk Campus housing				
- fixed rate interest only quarterly repayments with the loan principal to be repaid at date of maturity	2,050	2,304	2,050	2,371
Bentley Campus housing				
- fixed rate interest only quarterly repayments with the loan principal to be repaid at date of maturity	16,800	19,169	16,800	19,734
- quarterly principal and variable rate interest repayments	310	324	474	498
Goldfields Arts Centre				
- quarterly principal and variable rate interest repayments	586	601	1,240	1,283
Chemistry Centre of WA building				
- monthly principal and fixed rate interest repayments	36,364	41,320	37,637	45,196
- monthly principal and fixed rate interest repayments	4,217	4,303	4,390	4,707
Total Treasury Loans	60,408	68,106	62,715	73,920

Financial Report 2013 (continued)

Notes to the Financial Statements (continued)

for the year ended 31 December 2013

	Note	2013 \$'000	2012 \$'000
28 PROVISIONS			
Current			
Employee benefits provisions			
Annual leave ¹		32,985	30,829
Long service leave ²		23,999	27,324
Employment on-costs		3,418	3,489
Redundancy costs		20,140	3,806
Superannuation:			
- deferred employee benefits for unfunded superannuation	38(b)	3,473	3,919
- other University pension liabilities	38(a)	95	87
Total Current Provisions		84,110	69,454
Non-current			
Employee benefits provisions			
Long service leave		29,999	22,960
Employment on-costs		1,800	1,378
Superannuation:			
- deferred employee benefits for unfunded superannuation	38(b)	60,788	69,667
- other University pension liabilities	38(a)	792	933
Total Non-Current Employee Benefits Provisions		93,379	94,938
Other non-current provisions			
Sarawak research fund provision ^(a)		-	-
Total Non-Current Provisions		93,379	94,938
Total Provisions		177,489	164,392

^(a) The University has agreed to contribute a proportion of its royalties receivable from the Curtin Sarawak Campus to a research fund for that campus.

Notes to the Financial Statements (continued)

for the year ended 31 December 2013

	Note	2013 \$'000	2012 \$'000
28 PROVISIONS (continued)			
Movements in other provisions			
Movements in each class of provision during the financial year, other than employee benefits, are set out below:			
<i>Employment on-costs provision</i>			
Balance at beginning of year		4,867	4,548
Addition/(reduction) in provisions recognised		2,165	2,110
Reduction arising from payments		(1,814)	(1,791)
Balance at end of year		5,218	4,867
<i>Redundancy costs provision</i>			
Balance at beginning of year		3,806	9,965
Addition/(reduction) in provisions recognised		16,593	(5,981)
Reduction arising from payments		(259)	(178)
Balance at end of year		20,140	3,806
<i>Sarawak research fund provision</i>			
Balance at beginning of year		-	1,006
Addition/(reduction) in provisions recognised		-	-
Reduction arising from payments		-	(1,006)
Balance at end of year		-	-
¹ 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 the end of the reporting period		24,635	23,538
More than 12 months after the end of the reporting period		10,329	9,140
		34,964	32,678
² Long service leave (including employment on-costs)			
Long service leave liabilities have been classified as current where 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 the end of the reporting period		8,312	7,961
More than 12 months after the end of the reporting period		17,126	21,003
		25,438	28,964

Financial Report 2013 (continued)

Notes to the Financial Statements (continued)

for the year ended 31 December 2013

	Note	2013 \$'000	2012 \$'000
29 OTHER LIABILITIES			
Current			
Income received in advance		33,635	36,009
Accrued expenses		21,984	32,773
Monies held in trust		7,170	6,940
Total Other Liabilities		62,789	75,722
30 EQUITY			
Reserves			
Investments revaluation reserve	30(a)	40,082	7,447
Research grants reserve	30(b)	60,720	50,404
Total Reserves		100,802	57,851
Retained Earnings	30(c)	1,012,573	960,490
(a) Investments revaluation reserve			
The investments revaluation reserve arises on the revaluation of available-for-sale financial assets. Where a revalued financial asset is sold, that portion of the reserve which relates to that financial asset and is effectively realised, is recognised in the Operating Result. Where a revalued financial asset is impaired, the portion of the reserve which relates to that financial asset is transferred to the Operating Result.			
<i>Movement in reserve</i>			
Balance at beginning of year		7,447	(15,861)
Unrealised valuation gain/(loss)		32,719	23,350
Realised (gain)/loss on sale of financial assets		(217)	(260)
Impairment reversal/(impairment) of financial assets		133	218
Movement for the year		32,635	23,308
Balance at end of year		40,082	7,447

Notes to the Financial Statements (continued)

for the year ended 31 December 2013

	Note	2013 \$'000	2012 \$'000
30 EQUITY (continued)			
(b) Research grants reserve			
Non-reciprocal research grants are required by Accounting Standards to be recognised as income when the University obtains control over the asset comprising the contributions. This reserve is provided for the balance of unspent research grants at the end of each financial year.			
Balance at beginning of year		50,404	44,636
Transfers to reserves		28,033	24,686
Transfers from reserves		(17,717)	(18,918)
Balance at end of year		60,720	50,404
(c) Retained earnings			
Balance at beginning of year		960,490	885,882
Net operating result for the year		62,399	80,376
Transfers to reserves		(28,033)	(24,686)
Transfers from reserves		17,717	18,918
Balance at end of year		1,012,573	960,490

Financial Report 2013 (continued)

Notes to the Financial Statements (continued)

for the year ended 31 December 2013

31 FINANCIAL INSTRUMENTS

	Weighted average effective interest rate %	Non-interest bearing \$'000	Variable interest rate \$'000	Fixed interest rate \$'000	Total carrying amount \$'000	Maturity Profile			Foreign Exchange Risk Sensitivity ²				Interest Rate Risk Sensitivity				Price Risk Sensitivity ³				Credit risk \$'000
						Less than 1 year \$'000	1-5 years \$'000	More than 5 years \$'000	-10%		+10%		-200 bps		+200 bps		-15%		+15%		
									Operating Result \$'000	Other equity \$'000	Operating Result \$'000	Other equity \$'000	Operating Result \$'000	Other equity \$'000	Operating Result \$'000	Other equity \$'000	Operating Result \$'000	Other equity \$'000	Operating Result \$'000	Other equity \$'000	
2013																					
Financial assets																					
Cash and cash equivalents	2.96%	20	50,807	-	50,827	50,827	-	-	-	-	-	-	(2,189)	-	2,189	-	-	-	-	-	-
Receivables	-	19,257	-	-	19,257	19,257	-	-	-	-	-	-	-	-	-	-	-	-	-	-	19,257
Loans receivable	3.11%	475	661	-	1,136	1,088	48	-	-	-	-	-	(8)	-	8	-	-	-	-	-	475
Unlisted securities (unrestricted)	-	2,502	-	-	2,502	-	2,502	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Funds under management (unrestricted) ^{1,4}	0.003%	407,791	2,261	-	410,052	-	57,692	352,361	-	4,163	-	(4,163)	(12)	-	12	-	(6,716)	(54,831)	236	61,311	2,261
Funds under management (restricted) ⁴	-	89,268	-	-	89,268	-	-	89,268	-	-	-	-	-	-	-	-	(1,462)	(11,937)	51	13,347	-
Total Financial Assets		519,313	53,729	-	573,042	71,172	60,242	441,629	-	4,163	-	(4,163)	(2,209)	-	2,209	-	(8,178)	(66,768)	287	74,658	21,993
Financial liabilities																					
Payables	-	13,864	-	-	13,864	13,864	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowings	6.70%	-	978	59,430	60,408	2,292	26,379	31,737	-	-	-	-	30	-	(30)	-	-	-	-	-	-
Total Financial Liabilities		13,864	978	59,430	74,272	16,156	26,379	31,737	-	-	-	-	30	-	(30)	-	-	-	-	-	-
2012																					
Financial assets																					
Cash and cash equivalents	3.90%	35	79,584	-	79,619	79,619	-	-	-	-	-	-	(2,522)	-	2,522	-	-	-	-	-	-
Receivables	-	21,112	-	-	21,112	21,112	-	-	-	-	-	-	-	-	-	-	-	-	-	-	21,112
Loans receivable	4.71%	188	1,364	-	1,552	891	661	-	-	-	-	-	(22)	-	22	-	-	-	-	-	188
Unlisted securities (unrestricted)	-	2,632	-	-	2,632	-	2,632	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Funds under management (unrestricted) ^{1,4}	0.01%	319,359	2,252	-	321,611	417	64,939	256,256	-	2,665	-	(2,665)	(15)	-	15	-	(6,518)	(41,782)	266	48,033	2,252
Funds under management (restricted) ⁴	-	77,223	-	-	77,223	-	-	77,223	-	-	-	-	-	-	-	-	(1,565)	(10,032)	64	11,533	-
Total Financial Assets		420,549	83,200	-	503,749	102,039	68,232	333,479	-	2,665	-	(2,665)	(2,559)	-	2,559	-	(8,083)	(51,814)	330	59,566	23,552
Financial liabilities																					
Payables	-	11,187	-	-	11,187	11,187	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowings	6.68%	-	1,838	60,877	62,715	2,314	26,657	33,745	-	-	-	-	30	-	(30)	-	-	-	-	-	-
Total Financial Liabilities		11,187	1,838	60,877	73,902	13,501	26,657	33,745	-	-	-	-	30	-	(30)	-	-	-	-	-	-

Notes to the Financial Statements (continued)

for the year ended 31 December 2013

31 FINANCIAL INSTRUMENTS (continued)

¹ Funds under management mainly comprise investments in unit based funds. Credit risk exposure relates only to funds under management, not in unit-based funds.

² A positive number indicates an increase in operating surplus and equity where the Australian dollar weakens against the foreign currency.

³ Operating Result would not be affected if prices increased by 15% as the equity investments are classified as available-for-sale with gains recognised directly in equity. However, Operating Result would be affected if prices decreased by 15% with further decreases in value of previously impaired available-for-sale assets recognised in the Operating Result.

⁴ Funds under management in unit-based funds receive income by way of distributions and do not attract interest.

Financial Report 2013 (continued)

Notes to the Financial Statements (continued)

for the year ended 31 December 2013

32 FINANCIAL RISK MANAGEMENT

Financial instruments held by the University are cash and cash equivalents, receivables, available-for-sale financial assets, borrowings and payables. The University has exposure to financial risks. The University's overall risk management program focuses on managing the risks identified below.

(a) Market risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in market prices. Components of market risk to which the University is exposed are:

(i) Interest rate risk

The University is exposed to interest rate risk from its use of interest bearing financial assets and liabilities. Non-derivative interest bearing assets are predominantly short-term liquid assets, that is, cash, cash deposits, interest bearing loans advanced and some funds under management. The University's main interest rate liability risk arises from borrowings issued at fixed rates, which give exposure to fair value interest rate risk, and from borrowings at a variable interest rate, which give rise to cash flow interest rate risk. The University manages its borrowings in accordance with targeted interest rate, liquidity and debt portfolio maturity profiles. Notes 27 and 31 provide further detail.

Note 31 details the University's sensitivity to a 200 basis point increase or decrease in interest rates assuming the change took place at the beginning of the financial year and held constant throughout the reporting period. There is no significant exposure to interest rate risks.

(ii) Foreign currency risk

The University is exposed to foreign currency risk when income from overseas operations, such as royalties and offshore partner fees, is received in foreign currency.

The University manages this risk by conducting its contracts and business in Australian dollars where it is commercially practical to do so. Furthermore, the University seeks to hedge any material, highly probable foreign currency transactions by way of permitted instruments with appropriate counterparties. The University does not undertake speculative positions on movements in foreign currency exchange rates.

The University holds available-for-sale investments whose underlying assets include some investments denominated in foreign currency which are unhedged.

At 31 December 2013, the University held no foreign currency forward exchange contracts (2012: nil).

(iii) Price risk

Price risk arises when there is a possibility of decline in the value of investments. It refers to the risk that the value of an investment will fluctuate due to changes in market prices. Investments include unlisted securities and funds under management. Note 31 details the University's sensitivity to a 15% increase or decrease in prices at reporting date on its funds under management. At reporting date, if the inputs to valuation of funds under management had been 15% higher, Equity would have been \$74.658 million higher (2012: \$59.566 million) and the Operating Result would have been \$0.287 million (2012: \$0.330 million) higher due to the reversal of previously impaired available-for-sale debt investments. However, if the inputs to the valuation of the funds under management had been 15% lower, the devaluation would have reduced the Equity Reserve by \$66.768 million (2012: \$51.814 million) and the impairment loss that would have been recognised through the Operating Result on previously impaired assets would have been \$8.178 million (2012: \$8.083 million).

The University's sensitivity to price risk has increased over the period due to the higher fair value of equity investments held and additional investments made during the year.

Notes to the Financial Statements (continued)

for the year ended 31 December 2013

32 FINANCIAL RISK MANAGEMENT (continued)

(b) Credit risk

Credit risk is the risk that a contracting entity will not complete its obligations under a financial instrument resulting in a financial loss to the University. The University has exposure to credit risk and financial loss on financial assets included in the Statement of Financial Position, comprising trade and other receivables, and other financial assets.

Procedures are in place to minimise exposure to credit risk associated with students and other debtors. The credit risk on funds under management and derivative financial instruments is limited as the counterparties are generally either with banks or investment-grade fund managers. For an analysis of credit risk of the University, refer to Note 31.

The University's funds under management subject to credit risk has reduced and certain zero coupon bonds held are endowed with capital protection mechanisms. At reporting date, some previously impaired available-for-sale debt investments increased in value, resulting in reversal of impairments to the Operating Result of \$0.133 million (2012: \$0.218 million).

(c) Liquidity risk

Liquidity risk refers to the risk of financial loss to the University as a result of insufficient funds being available to meet its short and long-term liabilities.

The University manages liquidity risk by maintaining adequate cash and cash equivalent balances, monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

33 FAIR VALUE

(a) Fair Value measurements

The fair values of financial assets and financial liabilities shown in Note 31 are determined as follows:

- due to the short-term nature of current trade and other receivables and payables, their carrying value is assumed to approximate fair value and, based on credit history, it is expected that the receivables that are neither past due date nor impaired will be received when due
- available-for-sale equity financial assets are traded on an active market. Hence, the fair value of these investments is based on quoted market prices at the reporting date (Level 1). The fair value of available-for-sale debt financial assets are determined based on market prices of financial assets with similar maturity and risk profiles due to the illiquidity of these financial assets (Level 2)
- unlisted shares are measured at cost as their fair value cannot be measured reliably. Unlisted shares are not traded on an active market
- the fair value of loans to related entities are estimated for disclosure purposes by discounting the future contractual cash flows at the University's weighted average interest rate of cash and cash equivalents
- the fair value of borrowings is based on cash flows discounted using borrowing rates provided by the Western Australian Treasury Corporation. The rates vary between 5% to 7% depending on the purpose of the borrowing (2012: 5% to 7%). The fair value of the borrowings equals the carrying amount including additional charges and adjustments provided by the Western Australian Treasury Corporation, had the University terminated the loans at 31 December of each year.

Financial Report 2013 (continued)

Notes to the Financial Statements (continued)

for the year ended 31 December 2013

	2013		2012		2013		2013 Fair Value Hierarchy			2012 Fair Value Hierarchy		
	Carrying amount \$'000	Carrying amount \$'000	Fair value \$'000	Fair Value \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000		
Financial assets												
Cash and cash equivalents	50,827	79,619	50,827	79,619	-	-	-	-	-	-	-	
Receivables	19,257	21,112	19,257	21,112	-	-	-	-	-	-	-	
Loans receivable	1,136	1,552	1,544	1,545	-	-	-	-	-	-	-	
Unlisted securities (unrestricted)	2,502	2,632	2,502	2,632	-	-	-	-	-	-	-	
Funds under management (unrestricted)	410,052	321,611	410,052	321,611	407,800	2,252	-	319,359	2,252	-	-	
Funds under management (restricted)	89,268	77,223	89,268	77,223	89,268	-	-	77,223	-	-	-	
Total Financial Assets	573,042	503,749	573,450	503,742	497,068	2,252	-	396,582	2,252	-	-	
Financial liabilities												
Payables	13,864	11,187	13,864	11,187	-	-	-	-	-	-	-	
Borrowings	60,408	62,715	68,106	73,920	68,106	-	-	73,920	-	-	-	
Total Financial Liabilities	74,272	73,902	81,970	85,107	68,106	-	-	73,920	-	-	-	

33 FAIR VALUE (continued)**(b) Fair Value hierarchy****(c) Valuation techniques**

The Fair Value Hierarchy reflects the following levels of inputs used in measuring the fair value of financial assets and financial liabilities:

Level 1: The fair value of assets and liabilities are determined based on quoted market prices (unadjusted) in active markets for identical assets or liabilities. The fair valuation of borrowings is primarily based on the net present value of the borrowing using the variable rate for lending at year end. Where the variable rate is lower than the fixed rate, the fair value is greater than the face value.

Level 2: The fair value of assets and liabilities have been determined from inputs other than quoted prices that are observable for the asset or liability, either directly (that is, as prices) or indirectly (derived from prices). This includes directly held fixed income securities of the University (classified as Funds Under Management) being derived from observable market data.

Level 3: Inputs for the assets or liabilities that are not based on observable market data.

Notes to the Financial Statements (continued)

for the year ended 31 December 2013

34 REMUNERATION OF MEMBERS OF THE ACCOUNTABLE AUTHORITY AND SENIOR OFFICERS**(a) Remuneration of Members of the Accountable Authority****Names of Persons who were Members of the Accountable Authority during the financial year**

For the purposes of the *Financial Management Act 2006*, the University Council is the Accountable Authority of the University.

Members appointed by Governor in Council

Mr Colin Beckett, Chancellor (to 31 March 2013)
 Mr Chris Bennett
 Mr Kim Bridge
 Mr Michael Lishman
 Mr Keith Spence
 Dr Michael Stanford, Pro Chancellor

Member nominated by the Minister for Education and Training

Ms Sue Wilson (from 3 May 2013)

Member who is the Chief Executive Officer

Professor Jeanette Hackett, Vice-Chancellor
 (to 8 August 2013 – on leave from 9 August 2013 until her retirement in February 2014)
 Professor Colin Stirling, Acting Vice-Chancellor (from 9 August 2013)

Members elected by full-time academic staff

Associate Professor Kerry Smith (to 31 March 2013)
 Dr Jan Sinclair-Jones (to 5 July 2013)
 Professor Glenda Scully (from 1 April 2013)

Member elected by full-time general staff

Mr Marco Schultheis (to 17 June 2013)
 Mr Andy Sharp (from 18 June 2013)

Co-opted Members

Ms Zelinda Bafile (to 31 March 2013)
 Mr Colin Beckett, Chancellor (from 1 April 2013)
 Mr Steve Scudamore
 Mr Gene Tilbrook

Members who are members of bodies that represent the interests of the University in places other than the University's principal campus

Vacant

Member who is a member of the Academic Board elected by and from the Academic Board

Associate Professor Linley Lord

Members elected by students

Ms Marion Devé (elected 1 January 2013 and ceased 31 December 2013)
 Ms Eva Przenioslo (elected 1 January 2013 and ceased 31 December 2013)

Financial Report 2013 (continued)

Notes to the Financial Statements (continued)

for the year ended 31 December 2013

34 REMUNERATION OF MEMBERS OF THE ACCOUNTABLE AUTHORITY AND SENIOR OFFICERS (continued)**Remuneration of Members of the Accountable Authority**

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

	2013 Number	2012 Number
Nil-\$10,000	7	7
\$10,001-\$20,000	5	4
\$20,001-\$30,000	1	2
\$60,001-\$70,000	1	1
\$130,001-\$140,000	1	-
\$140,001-\$150,000	-	1
\$150,001-\$160,000	-	1
\$160,001-\$170,000	1	1
\$170,001-\$180,000	1	-
\$240,001-\$250,000	1	-
\$280,001-\$290,000	1	-
\$310,001-\$320,000	-	1
\$590,001-\$600,000	1	-
\$650,001-\$660,000	1	-
\$830,001-\$840,000	-	1
	2013 \$'000	2012 \$'000
Aggregate Remuneration of Members of the Accountable Authority^a	2,445	1,798

^aIncludes accrued leave.**(b) Remuneration of Senior Officers**

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

	2013 Number	2012 Number
\$100,001-\$110,000	1	-
\$130,001-\$140,000	1	1
\$230,001-\$240,000	1	1
\$270,001-\$280,000	1	-
\$300,001-\$310,000	1	-
\$310,001-\$320,000	-	1
\$320,001-\$330,000	-	2
\$330,001-\$340,000	1	-
\$340,001-\$350,000	2	-
\$350,001-\$360,000	1	1
\$360,001-\$370,000	1	1
\$370,001-\$380,000	1	-

Notes to the Financial Statements (continued)

for the year ended 31 December 2013

34 REMUNERATION OF MEMBERS OF THE ACCOUNTABLE AUTHORITY AND SENIOR OFFICERS (continued)

	2013 Number	2012 Number
\$400,001-\$410,000	-	2
\$420,001-\$430,000	-	1
\$430,001-\$440,000	1	1
\$440,001-\$450,000	1	1
\$460,001-\$470,000	1	-
\$550,001-\$560,000	-	1
	2013 \$'000	2012 \$'000
Aggregate Remuneration of Senior Officers^a	4,539	4,718

^aIncludes accrued leave.**35 REMUNERATION OF AUDITORS**

During the year the following fees (excluding GST) were payable for services provided by the auditor of the University and non-related audit firms:

	2013 \$'000	2012 \$'000
(a) Audit and review of the Financial Statements		
Fees paid to the Office of the Auditor General	273	263
(b) Other audit and assurance services¹		
Fees paid to the Office of the Auditor General	13	12
AQIS Canberra	3	3
AUS-MEAT Limited	-	3
Casilli Holdings Pty Ltd	9	14
SV McLean	4	-
QAP	2	-
Quantum Assurance	-	5
SAI Global Limited	5	6
Total Fees Paid for Other Audit Services	36	43
Total Remuneration of Auditors	309	306

¹Other audit and assurance services are related to compliance audits and research project audits.

Financial Report 2013 (continued)

Notes to the Financial Statements (continued)

for the year ended 31 December 2013

36 CONTINGENT LIABILITIES AND CONTINGENT ASSETS**(a) Contingent liabilities****Legal actions**

The University is potentially exposed to one contingent liability as a result of legal actions that have arisen in the course of the University's normal operations. This claim has been referred to the University's insurers and is being defended. The University has been advised that it is protected by insurance and accordingly, the University does not believe that this legal action, if successful, would result in material loss.

(b) Contingent assets

The University had no contingent assets at the reporting date.

	2013 \$'000	2012 \$'000
37 COMMITMENTS		
(a) Capital commitments		
Capital expenditure contracted for the reporting date but not recognised as liabilities is as follows:		
Property, Plant and Equipment:		
Within one year	18,027	8,991
Later than one year	482	-
Total Capital Expenditure Commitments	18,509	8,991
(b) Lease commitments		
Operating leases		
A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership. Operating leases at the University are related to computer leases, network leases, motor vehicle leases and building leases.		
Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:		
Within one year	9,519	10,552
Between one and five years	12,699	12,154
Later than five years	28,564	29,322
Total Future Minimum Lease Payments	50,782	52,028
(c) Other expenditure commitments		
Commitments in relation to purchase orders are payable as follows:		
Within one year	16,270	7,423

Notes to the Financial Statements (continued)

for the year ended 31 December 2013

37 COMMITMENTS (continued)

	2013 \$'000	2012 \$'000
(d) Loans commitment to related parties		
Loans committed at the reporting date but not recognised as liabilities are as follows:		
Within one year	660	-
Between one and five years	100	-
Later than five years	-	-
Total Loans Commitment to Related Parties	760	-

All the above commitments are inclusive of GST.

38 DEFINED BENEFIT SUPERANNUATION PLANS**(a) Curtin University pension obligations**

Until 30 June 2006, a group of former employees was entitled, on retirement, death or disablement, to defined benefits under the Curtin University Superannuation Scheme. In some circumstances the scheme provided pension benefits. All members of the scheme had retired, and had either received a pension or were entitled to receive a pension at a future date under certain circumstances. The scheme was wound up on 30 June 2006. Some former members of the wound-up scheme entered into a contractual relationship directly with the University. The University now provides benefits to those individuals, consistent with their entitlements under the wound-up scheme. The University meets the benefits directly as they fall due.

Financial Report 2013 (continued)

Notes to the Financial Statements (continued)

for the year ended 31 December 2013

38 DEFINED BENEFIT SUPERANNUATION PLANS (continued)

	2013 \$'000	2012 \$'000
Reconciliation of the present value of the defined benefit obligation		
Present value of defined benefit obligations at beginning of the year	1,020	932
Current service cost	-	-
Interest cost	33	36
Actuarial loss/(gain)	(79)	130
Benefits paid	(87)	(78)
Present value of defined benefit obligations at end of the year	887	1,020
Reconciliation of the fair value of assets		
Fair value of assets at beginning of the year	-	-
Employer contributions	87	78
Benefits paid	(87)	(78)
Fair value of assets at end of the year	-	-
Reconciliation of the assets and liabilities recognised in the Statement of Financial Position		
Present value of defined benefit obligation	887	1,020
Fair value of assets	-	-
Net liability	887	1,020
Liability recognised in the Statement of Financial Position		
Current	95	87
Non-current	792	933
	887	1,020
Expense recognised in the Statement of Comprehensive Income		
Interest cost	33	36
Actuarial loss/(gain)	(79)	130
Superannuation expense/(benefit)	(46)	166

Assets

There are no assets held specifically to meet the University's obligations with regard to this liability.

Notes to the Financial Statements (continued)

for the year ended 31 December 2013

38 DEFINED BENEFIT SUPERANNUATION PLANS (continued)**Nature of asset/liability**

The University has recognised a liability in the Statement of Financial Position under Provisions in respect of its defined benefit superannuation arrangements. 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 benefits as they fall due.

(b) Government Employees Superannuation Board (GESB)**Scheme information**

The Scheme operates under the State Superannuation Act 2000 (Western Australia) and the State Superannuation Regulations 2001 (Western Australia). GESB is the Scheme's Trustee and is responsible for the governance of the Scheme. As Trustee, GESB has a legal obligation to act solely in the best interests of Scheme beneficiaries.

Pension Scheme members receive pension benefits on retirement, death or invalidity. The Fund Share of the pension benefit, which is based on the member's contributions plus investment earnings, may be commuted to a lump sum benefit. The University does not bear the cost associated with indexation of any pension arising from the Fund Share. The state share of the pension benefit, which is fully employer-financed, cannot be commuted to a lump sum benefit.

Some former Pension Scheme members have transferred to the Gold State Super Scheme. In respect of their transferred benefit, the members receive a lump sum benefit at retirement, death or invalidity which is related to their salary during their employment and indexed during any deferral period after leaving public sector employment.

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

The following disclosures are in respect of the employer-financed benefits only. The Pension Scheme and Gold State Super Scheme have been combined in the Note disclosure below.

	2013 \$'000	2012 \$'000
Reconciliation of the present value of the defined benefit obligation		
Present value of defined benefit obligations at beginning of the year	73,586	72,242
Current service cost	-	-
Interest cost	2,194	2,738
Actuarial loss/(gain)	(5,173)	5,261
Benefits paid	(6,347)	(6,655)
Present value of defined benefit obligations at end of the year	64,260	73,586

These defined benefit obligations are wholly unfunded, such that there are no assets. The University contributes any shortfalls of reimbursement rights, as required, to meet the benefits paid (refer Note 11).

Reconciliation of the fair value of scheme assets

Fair value of scheme assets at beginning of the year	-	-
Employer contributions	6,347	6,655
Benefits paid	(6,347)	(6,655)
Fair value of scheme assets at end of the year	-	-

Financial Report 2013 (continued)

Notes to the Financial Statements (continued)

for the year ended 31 December 2013

38 DEFINED BENEFIT SUPERANNUATION PLANS (continued)

	2013 \$'000	2012 \$'000
Reconciliation of the net liability recognised in the Statement of Financial Position		
Present value of defined benefit obligations	64,260	73,586
Fair value of the scheme assets	-	-
Net liability	64,260	73,586
Fair value of reimbursement rights	64,260	73,586
Total net liability/(asset) in the Statement of Financial Position	-	-
Present value of defined benefit obligations/reimbursement right is recognised as:		
Current	3,473	3,919
Non-current	60,788	69,667
	64,261	73,586
Expense recognised in the Statement of Comprehensive Income		
Current service cost	-	-
Interest cost	2,194	2,738
Reimbursement rights adjustments	(1,689)	(2,376)
Deferred superannuation expense	505	362
Actuarial loss/(gain) recognised in Other Comprehensive Income		
Actuarial loss/(gain)	(5,173)	5,261
Reimbursement right adjustments	5,173	(5,261)
Net actuarial loss/(gain) recognised on defined benefit obligations	-	-

Scheme assets

There are no assets in the Pension Scheme to support the state share of the benefit or in the Gold State Super Scheme for current employees to support the transferred benefits. Hence, there is:

- no fair value of scheme assets
- no asset allocation of scheme assets
- no financial instruments issued by the employer
- no assets used by the employer
- no asset-liability matching strategies.

Notes to the Financial Statements (continued)

for the year ended 31 December 2013

38 DEFINED BENEFIT SUPERANNUATION PLANS (continued)**Significant actuarial assumptions used in determining defined benefit obligation**

% per annum	2013	2012
Discount rate (active members)	4.17%	3.11%
Discount rate (pensioners)	4.17%	3.11%
Expected salary increase rate	5.00%	5.00%
Expected pension increase rate	2.50%	2.50%

The discount rate is based on the government bond maturing in April 2023. The decrement rates used (for example, mortality and retirement rates) are based on those used at the last actuarial valuation for the schemes.

	2013 \$'000	2012 \$'000	2011 \$'000	2010 \$'000	2009 \$'000
Historical information					
Present value of defined benefit obligation	64,261	73,586	72,242	66,210	69,186
Fair value of scheme assets	-	-	-	-	-
Deficit in scheme assets	64,261	73,586	72,242	66,210	69,186
Experience adjustments (gain)/loss – scheme assets	-	-	-	-	-
Experience adjustments (gain)/loss – scheme liabilities	921	(1,591)	928	1,484	(698)

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

**2014
\$'000****Expected contributions**

Expected employer contributions	6,027
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Nature of asset/liability

The University has recognised a liability in the Statement of Financial Position under Provisions in respect of its defined benefit superannuation arrangements (refer Note 28).

An arrangement exists between the Australian Government and the Government of Western Australia to meet the unfunded liability for beneficiaries of the State Superannuation Schemes on an emerging cost basis. Accordingly, a corresponding asset is recognised under Receivables for the reimbursement rights (refer Note 20).

The recognition of both the asset and the liability consequently do not affect the year end net asset position of the University, therefore no sensitivity analysis is relevant.

Financial Report 2013 (continued)

Notes to the Financial Statements (continued)

for the year ended 31 December 2013

38 DEFINED BENEFIT SUPERANNUATION PLANS (continued)**(c) UniSuper Defined Benefit Plan****Scheme information**

The UniSuper Defined Benefit Plan is a multi-employer defined benefit plan under superannuation law. However, it is considered to be a multi-employer defined contribution plan under the Accounting Standard AASB 119 'Employee Benefits'. This is because, where there are or may be insufficient funds to provide benefits payable, the trustee must reduce the benefits payable on a fair and equitable basis. The employer's legal or constructive obligation is limited to the amount that it agrees to contribute to the funds and the actuarial and investment risks rest with the employee.

(d) Superannuation employer contributions

Employer contributions for all superannuation plans of \$53.714 million (2012: \$50.602 million) were charged as an expense under employee benefits (refer Note 11) as they fell due.

39 EVENTS OCCURRING AFTER REPORTING DATE

No events have occurred after the reporting date that are likely to have a material impact on the financial report of the University.

40 NOTES TO THE STATEMENT OF CASH FLOWS**(a) Reconciliation to cash**

Cash at the end of the year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:

	2013 \$'000	2012 \$'000
Unrestricted cash and cash equivalents (Note 19(a))	49,005	77,862
Restricted cash and cash equivalents (Note 19(b))	1,822	1,757
Balance as per Statement of Cash Flows	50,827	79,619

(b) Reconciliation of operating result to net cash provided by ordinary activities

Net operating result for the year	62,399	80,376
Depreciation expense	39,752	34,324
Net (gain)/loss on disposal of non-current assets	(1,501)	(235)
Impairment of assets	(123)	(2,335)
Other non-cash items	(4,346)	(227)
Net exchange differences	7	138
Changes in assets and liabilities		
(Increase)/decrease in trade and other receivables	11,180	2,415
(Increase)/decrease in inventories	426	(104)
(Increase)/decrease in other current assets	280	(6,401)
Increase/(decrease) in trade and other payables	3,086	(6,077)
Increase/(decrease) in provisions	13,097	(106)
Increase/(decrease) in other current liabilities	(12,933)	16,019

Net Cash Provided by Operating Activities	111,324	117,787
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Notes to the Financial Statements (continued)

for the year ended 31 December 2013

41 NON-CASH FINANCING AND INVESTING ACTIVITIES

During the year, the University received and re-invested non-cash distributions net of fees from the available-for-sale investments of \$0.3m (2012: \$0.2m). The investment revenue was not reflected in the Statement of Cash Flows.

42 RELATED PARTIES**Transactions with specified Accountable Authority and Senior Officers****(a) Accountable Authority and Senior Officers' remuneration and retirement benefits**

Details of remuneration and retirement benefits are disclosed in Note 34.

(b) Other transactions with specified Accountable Authority and Senior Officers

University Council members, or their related entities, may conduct transactions with the University that occur within a normal employee, customer or supplier relationship on terms and conditions that are no more favourable than those with which it is reasonable to expect the University to adopt if it was dealing at arm's length in similar circumstances.

These transactions include the following and have been quantified below where the transactions are considered likely to be of interest to users of these financial statements:

Transaction type	Related party	2013 \$'000	2012 \$'000
Purchases	Curtin Student Guild	4,053	3,631
Revenue	Curtin Student Guild	1,617	983
Receivable at 31 December	Curtin Student Guild	1,239	16
Payable at 31 December	Curtin Student Guild	2,586	359
(c) Loans to related parties			
Balance at beginning of year		188	-
Loans advanced		288	188
Loans repayment received		-	-
Interest charged		-	-
Interest received		-	-
Balance at end of year		475	188

The University invested in a number of unlisted companies which were established to commercialise intellectual property. Loans were advanced to some of the entities.

Financial Report 2013 (continued)

Notes to the Financial Statements (continued)

for the year ended 31 December 2013

43 INVESTMENT IN RELATED ENTITIES**(a) Companies**

Details of the University's significant associates at 31 December 2013 are listed below.

Name of entity	Country of incorporation	Carrying value of investment		Equity holding	
		2013 \$'000	2012 \$'000	2013 %	2012 %
Associates					
HiSeis Pty Ltd	Australia	275	275	40	48
Scanalyse Holdings Pty Ltd ¹	Australia	-	236	-	32
iCetana Pty Ltd	Australia	390	300	32	32
Skrydata Pty Ltd ²	Australia	-	-	49	100
Renergi Pty Ltd	Australia	-	-	49	-

¹ The University's equity holding in Scanalyse Holdings Pty Ltd was disposed during the year.² Skrydata Pty Ltd was reclassified from a Subsidiary to Associates after the dilution of the University's equity holding.**(b) Unincorporated joint ventures**

The University has the following significant interests in unincorporated joint venture operations:

Name	Cash contribution		In-kind contribution		Participation percentage	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000	2013 %	2012 %
International Centre for Radio Astronomy Research	1,963	2,239	4,490	4,524	45	45
WA Energy Research Alliance	250	250	-	-	33	33
Cooperative Research Centre (CRC)						
CRC for Greenhouse Gas Technologies (CO2CRC)	-	-	932	896	4	4
Parker CRC for Integrated Hydrometallurgy Solutions	-	-	-	1,007	-	7
CRCMining	100	100	400	400	6	6
Deep Exploration Technologies CRC (DET CRC)	-	-	1,453	1,452	15	13
Wound Management Innovation CRC (WMI CRC)	100	100	741	768	14	18
CRC for Spatial Information (CRCSI)	184	150	1,995	1,460	15	8
Australian Seafood CRC	100	100	253	247	2	2
CRC for Remote Economic Participation (CRC-REP)	150	150	2,661	2,001	18	12
CRC for Low Carbon Living	250	-	614	-	9	-
iVEC - the hub of advanced computing in WA	785	264	-	-	30	29

The University recognises its share of the unincorporated joint ventures in the financial statements under the relevant headings.

Notes to the Financial Statements (continued)

for the year ended 31 December 2013

43 INVESTMENT IN RELATED ENTITIES (continued)**(c) Cooperative Research Centre entities**

Cooperative Research Centres (CRCs) are Commonwealth funded unincorporated joint ventures between Australian universities and associated industry groups, formed for the advancement of research in specific areas.

Where management companies are in place, some or all members of the unincorporated joint venture operation are also shareholders or members of the company. The company is therefore considered to be a joint venture entity.

Curtin has the following interests in joint venture entities related to CRCs:

Name	Related CRC	Equity holding	
		2013 %	2012 %
CO2CRC Technologies Pty Ltd	CO2CRC	8	7
Wound Management Pty Ltd	Wound Management Innovation CRC	17	17
Parker Centre Ltd	Parker CRC	-	3
CMTE Development Ltd	CRC Mining	6	6
Deep Exploration Technologies CRC Limited	Deep Exploration Technologies CRC	10	10
Spatial Information Systems Ltd	CRC for Spatial Information	9	10
Seafood CRC Company Ltd	Seafood CRC	4	4
Ninti One Limited	CRC - Remote Economic Participation	18	12
CRC Low Carbon Living		2	-
Autism CRC		8	-
CIEAM Pty Ltd	CRC for Intergrated Engineering Asset Management	-	7
CRC Care Pty Ltd		4	4

44 SUPPLEMENTARY FINANCIAL INFORMATION

	2013 \$'000	2012 \$'000
Write-offs		
Public property written-off by the Minister during the financial year	-	-
Losses through theft, defaults and other causes		
Losses of public moneys and public and other property through theft or default	-	-
Amounts recovered	-	-

Financial Report 2013 (continued)

Notes to the Financial Statements (continued)

for the year ended 31 December 2013

45 ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE**(a) Department of Education – CGS and other education grants**

	Commonwealth Grants Scheme ¹		Indigenous Support Program		Disability Support Program	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Financial assistance received in CASH during the reporting period	219,647	198,340	1,641	1,613	66	50
Net accrual adjustments	(676)	2,211	-	-	-	-
Revenue for the period	218,971	200,551	1,641	1,613	66	50
Surplus/(deficit) from the previous year	-	-	-	-	(62)	(22)
Total revenue including accrual revenue	218,971	200,551	1,641	1,613	4	28
Less expenses including accrual expenses	(218,971)	(200,551)	(1,641)	(1,613)	(4)	(90)
Surplus/(deficit) for reporting period	-	-	-	-	-	(62)

	Partnership and Participation Program ²		Transitional Costs Program		Total	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Financial assistance received in CASH during the reporting period	6,491	1,432	-	629	227,845	202,064
Net accrual adjustments	(1,608)	1,281	-	(65)	(2,282)	3,427
Revenue for the period	4,884	2,713	-	564	225,562	205,491
Surplus/(deficit) from the previous year	97	-	-	-	35	(22)
Total revenue including accrual revenue	4,981	2,713	-	564	225,597	205,469
Less expenses including accrual expenses	(3,574)	(2,616)	-	(564)	(224,190)	(205,434)
Surplus/(deficit) for reporting period	1,407	97	-	-	1,407	35

¹ Includes the basic CGS grant amount, CGS – Regional Loading, CGS – Enabling Loading, Maths and Science Transition Loading and Full Fee Places Transition Loading.

² Includes Equity Support Program.

Notes to the Financial Statements (continued)

for the year ended 31 December 2013

45 ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE (continued)**(b) Higher Education Loan Programs (excluding OS-HELP)**

	HECS-HELP		FEE-HELP ³		SA-HELP	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Financial assistance received in CASH during the reporting period	123,106	97,435	21,909	17,155	2,427	1,938
Net accrual adjustments	(2,886)	(1,370)	(613)	1,838	24	(74)
Revenue for the period	120,220	96,065	21,296	18,993	2,451	1,864
Surplus/(deficit) from the previous year	-	-	-	-	-	-
Total revenue including accrual revenue	120,220	96,065	21,296	18,993	2,451	1,864
Less expenses including accrual expenses	(120,220)	(96,065)	(21,296)	(18,993)	(2,451)	(1,864)
Surplus/(deficit) for reporting period	-	-	-	-	-	-

	Total	
	2013 \$'000	2012 \$'000
Financial assistance received in CASH during the reporting period	147,442	116,528
Net accrual adjustments	(3,475)	394
Revenue for the period	143,967	116,922
Surplus/(deficit) from the previous year	-	-
Total revenue including accrual revenue	143,967	116,922
Less expenses including accrual expenses	(143,967)	(116,922)
Surplus/(deficit) for reporting period	-	-

³ Program is in respect of FEE-HELP for higher education only and excludes funds received in respect of VET FEE-HELP.

Financial Report 2013 (continued)

Notes to the Financial Statements (continued)

for the year ended 31 December 2013

45 ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE (continued)

(c) Scholarships

	Australian Postgraduate Awards		Indigenous Access Scholarships		International Postgraduate Research Scholarships	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Financial assistance received/(refunded) in CASH during the reporting period	6,528	6,035	(28)	1,454	545	540
Net accrual adjustments	-	-	89	(1,373)	-	-
Revenue for the period	6,528	6,035	61	81	545	540
Surplus/(deficit) from the previous year	(558)	93	-	-	(120)	25
Total revenue including accrual revenue	5,970	6,128	61	81	425	565
Less expenses including accrual expenses	(6,503)	(6,686)	(61)	(81)	(788)	(685)
Surplus/(deficit) for reporting period	(533)	(558)	-	-	(363)	(120)

	Commonwealth Education Costs Scholarships ⁴		Commonwealth Accommodation Scholarships ⁴		Total	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Financial assistance received/(refunded) in CASH during the reporting period	(968)	188	(1,047)	52	5,030	8,269
Net accrual adjustments	1,069	242	1,128	439	2,286	(692)
Revenue for the period	101	430	80	491	7,315	7,577
Surplus/(deficit) from the previous year	-	(2)	-	(5)	(678)	111
Total revenue including accrual revenue	101	428	80	486	6,637	7,688
Less expenses including accrual expenses	(101)	(428)	(80)	(486)	(7,533)	(8,366)
Surplus/(deficit) for reporting period	-	-	-	-	(896)	(678)

⁴Includes Grandfathered Scholarships, National Priority, National Accommodation Priority Scholarships and Indigenous Scholarships (ICECS, IECECS, ICAS and IECAS) respectively.

Notes to the Financial Statements (continued)

for the year ended 31 December 2013

45 ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE (continued)

(d) Department of Education Research

	Joint Research Engagement (JRE) Program ⁵		JRE Engineering Cadetships ⁵		Sustainable Research Excellence	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Financial assistance received in CASH during the reporting period	8,821	9,628	74	40	1,974	1,841
Net accrual adjustments	-	-	-	-	-	-
Revenue for the period	8,821	9,628	74	40	1,974	1,841
Surplus/(deficit) from the previous year	-	-	-	-	36	101
Total revenue including accrual revenue	8,821	9,628	74	40	2,010	1,942
Less expenses including accrual expenses	(8,821)	(9,628)	(74)	(40)	(2,327)	(1,906)
Surplus/(deficit) for reporting period	-	-	-	-	(317)	36

	Research Training Scheme		Research Infrastructure Block Grants		Commercialisation Training Scheme	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Financial assistance received in CASH during the reporting period	16,294	15,696	2,865	2,937	-	-
Net accrual adjustments	-	-	-	-	-	-
Revenue for the period	16,294	15,696	2,865	2,937	-	-
Surplus/(deficit) from the previous year	-	-	-	-	-	(64)
Total revenue including accrual revenue	16,294	15,696	2,865	2,937	-	(64)
Less expenses including accrual expenses	(16,294)	(15,696)	(2,865)	(2,937)	-	64
Surplus/(deficit) for reporting period	-	-	-	-	-	-

	Total	
	2013 \$'000	2012 \$'000
Financial assistance received in CASH during the reporting period	30,027	30,142
Net accrual adjustments	-	-
Revenue for the period	30,027	30,142
Surplus/(deficit) from the previous year	36	37
Total revenue including accrual revenue	30,063	30,179
Less expenses including accrual expenses	(30,380)	(30,143)
Surplus/(deficit) for reporting period	(317)	36

⁵Includes Institutional Grants Scheme.

Financial Report 2013 (continued)

Notes to the Financial Statements (continued)

for the year ended 31 December 2013

45 ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE (continued)**(e) Other capital funding**

	Education Investment Fund		Total	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Financial assistance received in CASH during the reporting period	-	3,300	-	3,300
Net accrual adjustments	-	(2,000)	-	(2,000)
Revenue for the period	-	1,300	-	1,300
Surplus/(deficit) from the previous year	-	1,517	-	1,517
Total revenue including accrual revenue	-	2,817	-	2,817
Less expenses including accrual expenses	-	(2,817)	-	(2,817)
Surplus/(deficit) for reporting period	-	-	-	-

(f) Australian Research Council grants**(i) Discovery**

	Projects		Fellowships		Total	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Financial assistance received in CASH during the reporting period	5,841	5,252	2,868	2,085	8,709	7,337
Net accrual adjustments	969	449	-	-	969	449
Revenue for the period	6,810	5,701	2,868	2,085	9,678	7,786
Surplus/(deficit) from the previous year	1,714	854	787	(124)	2,501	730
Total revenue including accrual revenue	8,524	6,555	3,655	1,961	12,179	8,516
Less expenses including accrual expenses	(7,350)	(4,841)	(2,584)	(1,174)	(9,935)	(6,015)
Surplus/(deficit) for reporting period	1,174	1,714	1,071	787	2,244	2,501

Notes to the Financial Statements (continued)

for the year ended 31 December 2013

45 ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE (continued)**(ii) Linkages**

	Infrastructure		Projects		Total	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Financial assistance received in CASH during the reporting period	1,610	860	1,417	2,178	3,027	3,038
Net accrual adjustments	419	309	866	196	1,285	505
Revenue for the period	2,029	1,169	2,283	2,374	4,312	3,543
Surplus/(deficit) from the previous year	980	227	(381)	245	599	472
Total revenue including accrual revenue	3,009	1,396	1,902	2,619	4,911	4,015
Less expenses including accrual expenses	(1,712)	(416)	(3,120)	(3,000)	(4,832)	(3,416)
Surplus/(deficit) for reporting period	1,297	980	(1,218)	(381)	79	599

(iii) Other

	Projects		Total	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Financial assistance received in CASH during the reporting period	34	-	34	-
Net accrual adjustments	-	-	-	-
Revenue for the period	34	-	34	-
Surplus/(deficit) from the previous year	-	-	-	-
Total revenue including accrual revenue	34	-	34	-
Less expenses including accrual expenses	(27)	-	(27)	-
Surplus/(deficit) for reporting period	7	-	7	-

Financial Report 2013 (continued)

Notes to the Financial Statements (continued)

for the year ended 31 December 2013

45 ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE (continued)**(g) OS-HELP**

	2013 \$'000	2012 \$'000
Cash received during the reporting period	464	335
Cash spent during the reporting period	(464)	(335)
Net cash received	-	-
Cash surplus/(deficit) from the previous period	-	-
Cash surplus/(deficit) for the reporting period	-	-

(h) Superannuation supplementation

	2013 \$'000	2012 \$'000
Cash received during the reporting period	6,356	7,085
University contribution in respect of current employees	505	362
Cash available	6,861	7,447
Cash surplus/(deficit) from the previous period	520	(6)
Cash available for current period	7,381	7,441
Contributions to specified defined benefit funds	(6,854)	(6,921)
Cash surplus/(deficit) for the reporting period	527	520

(i) Student services and amenities fee

	2013 \$'000	2012 \$'000
Unspent/(overspent) revenue from previous period	309	-
SA-HELP revenue earned	2,452	1,864
Student services fees direct from students	2,574	1,683
Total revenue expendable in period	5,026	3,547
Student services expenses during period	(4,652)	(3,238)
Unspent/(overspent) student services revenue	683	309

REPORT BY THE MEMBERS OF THE UNIVERSITY COUNCIL

The Members of the University Council present their report for the year ended 31 December 2013

MEMBERS

The following persons were members of the Council of Curtin University of Technology during the year ended 31 December 2013:

Chancellor

Mr Colin Beckett

Members appointed by Governor in Council

Mr Colin Beckett, Chancellor (to 31 March 2013)

Mr Chris Bennett

Mr Kim Bridge

Mr Michael Lishman

Mr Keith Spence

Dr Michael Stanford, Pro Chancellor

Member nominated by the Minister for Education and Training

Ms Sue Wilson (from 3 May 2013)

Member who is the Chief Executive Officer

Professor Jeanette Hackett, Vice-Chancellor

(to 8 August 2013 – on leave from 9 August 2013 until her retirement in February 2014)

Professor Colin Stirling, Acting Vice-Chancellor (from 9 August 2013)

Members elected by full-time academic staff

Associate Professor Kerry Smith (to 31 March 2013)

Dr Jan Sinclair-Jones (to 5 July 2013)

Professor Glenda Scully (from 1 April 2013)

Member elected by full-time general staff

Mr Marco Schultheis (to 17 June 2013)

Mr Andy Sharp (from 18 June 2013)

Co-opted Members

Ms Zelinda Bafile (to 31 March 2013)

Mr Colin Beckett, Chancellor (from 1 April 2013)

Mr Steve Scudamore

Mr Gene Tilbrook

Members elected by the Alumni Association

Vacant

Members who are members of bodies that represent the interests of the University in places other than the University's principal campus

Vacant

Member who is a member of the Academic Board elected by and from the Academic Board

Associate Professor Linley Lord

Members elected by students

Ms Marion Devé (elected 1 January 2013 and ceased 31 December 2013)

Ms Eva Przenioslo (elected 1 January 2013 and ceased 31 December 2013)

Financial Report 2013 (continued)

Report by the Members of the University Council (continued)

The Members of the University Council present their report for the year ended 31 December 2013

Meetings of Members

The number of meetings of the University Council and of each committee of Council held during the year ended 31 December 2013, and the number of meetings attended by each Member were:

Members	Council meetings		Meetings of committees ¹											
	Attended	Held	Audit and compliance		Greater Curtin ²		Executive		Finance		Health and safety due diligence		Legislative	
			Attended	Held	Attended	Held	Attended	Held	Attended	Held	Attended	Held	Attended	Held
Mr Gary Angove (co-opted)			6	6										
Ms Zeliinda Bafile ³	2	2	2	2			2	2					1	1
Professor Colin Beckett, Chancellor ⁴	9	9			2	2	7	8			1	3		
Mr Chris Bennett	9	9	6	6			8	8						
Mr Kim Bridge	7	9												
Ms Marion Devé	7	9												
Mr Mario D'Orazio (co-opted)					1	1								
Professor Jill Downie, Acting Vice-Chancellor									1	1				
Professor Majella Franzmann, Acting Vice-Chancellor									1	1				
Prof Jeanette Hackett AM, Vice-Chancellor ⁵	5	5			2	2	3	4			1	1	1	1
Mr Michael Lishman	8	9			2	2					2	3		
Associate Professor Linley Lord	8	9					7	8						
Ms Eva Przenioslo	7	9												
Mr Bernard Salt (co-opted)					0	1								
Mr Marco Schultheis	2	3												
Mr Steve Scudamore	8	9							12	12				
Professor Glenda Scully	7	7												
Mr Andy Sharp	4	6												
Dr Jan Sinclair-Jones	1	4									1	1		
Associate Professor Kerry Smith	2	2												
Mr Keith Spence	7	9					1	2			3	3		
Dr Michael Stanford, Pro Chancellor	7	9					5	5	10	12				
Professor Colin Stirling, Acting Vice-Chancellor ⁵	3	4							7	8	1	2		
Mr Gene Tilbrook ⁴	6	9			1	2	6	8	11	12				
Dr Jennifer Westaway (co-opted)													1	1
Ms Sue Wilson	5	6	4	4										
Professor Graeme Wright, Acting Vice-Chancellor									1	1				

¹ The number of meetings held represents the number of regular and special meetings held during the time a member was a member of the Council or a committee of Council during the year. The number of meetings held does not include matters considered by circular resolution.

² Formerly the Curtin Town Committee.

³ Also a member of the Kalgoorlie Campus Council.

⁴ Also a member of the Curtin University Foundation Board.

⁵ Also a member of the Kalgoorlie Campus Council and Curtin University Foundation Board.

Principal activities

During the year, the principal and continuing activities of the University are:

- to provide courses of study appropriate to a university, and other tertiary courses, and to aid the advancement, development and practical application of knowledge
- to encourage and participate in the development and improvement of tertiary education whether on a full or part-time basis
- to encourage and undertake research and to aid directly or indirectly the application of science and technology to industry.

No significant changes in the nature of the activities of the University occurred during the year.

Report by the Members of the University Council (continued)

The Members of the University Council present their report for the year ended 31 December 2013

Review of operations

The Operating Result for the year ended 31 December 2013 was \$62.398 million (2012: \$80.376 million).

The operations of the University during the financial year are reviewed in accompanying sections of the Annual Report:

- Chancellor's Foreword
- Vice-Chancellor's Report
- Report on Operations
- 2013 Activity Highlights.

Significant changes in the state of affairs

No significant changes in the University's state of affairs occurred during the year.

Matters subsequent to the end of the financial year

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

Likely developments and expected results of operations

The University will continue to further its objectives, consistent with the principal activities outlined above. To provide further detail would result in unreasonable prejudice.

Environmental regulation

The members of the University Council are not aware of any breaches of environmental regulations.

Relevant legislation that Curtin is subject to includes:

- Environmental Protection Act 1986 (WA)
- Environmental Protection Regulations 1987
- Environmental Protection (Controlled Waste) Regulations 2004
- Environmental Protection (Noise) Regulations 1997
- Environmental Protection (Unauthorised Discharges) Regulations 2004
- Contaminated Sites Act 2003 (WA)
- National Greenhouse and Energy Reporting Act 2007 (Cth)
- National Greenhouse and Energy Reporting Regulations 2008.

The University is committed to protecting, preserving as well as improving the environment in which the University operates.

Insurance of Members of Council and Officers

The University provides Directors and Officers Liability and Employers Practices Insurance and Supplementary Legal Expenses Cover through contracts with external insurance providers. The cover applies to Members of Council and Officers of the University.

Proceedings on behalf of Curtin University of Technology

No material legal proceedings were initiated by the University during 2013.

This report is made in accordance with a resolution of the members of the University Council.



Colin Beckett
Chancellor

Curtin University of Technology, Bentley, Perth, WA

Dated this 19th day of March 2014