

INDEPENDENT AUDITOR'S REPORT



Auditor General

INDEPENDENT AUDITOR'S REPORT

To the Parliament of Western Australia

CURTIN UNIVERSITY

Report on the Financial Statements

Opinion

I have audited the financial statements of Curtin University which comprise the Statement of Financial Position as at 31 December 2018, the Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows for the year then ended, and Notes comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the financial statements are based on proper accounts and present fairly, in all material respects, the operating results and cash flows of Curtin University for the year ended 31 December 2018 and the financial position at the end of that period. They are in accordance with Australian Accounting Standards, the *Financial Management Act 2006* and the Treasurer's Instructions.

Basis for Opinion

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

Responsibility of the University Council for the Financial Statements

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

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

Auditor's Responsibility for the Audit of the Financial Statements

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

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

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

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

Report on Controls

Opinion

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

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

In my opinion, in all material respects, the controls exercised by Curtin University are sufficiently adequate to provide reasonable assurance that the receipt, expenditure and investment of money, the acquisition and disposal of property and the incurring of liabilities have been in accordance with legislative provisions during the year ended 31 December 2018.

The University Council's Responsibilities

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

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

Auditor General's Responsibilities

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

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

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

Limitations of Controls

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

Report on the Key Performance Indicators

Opinion

I have undertaken a reasonable assurance engagement on the key performance indicators of Curtin University for the year ended 31 December 2018. The key performance indicators are the key effectiveness indicators and the key efficiency indicators that provide performance information about achieving outcomes and delivering services.

In my opinion, in all material respects, the key performance indicators of Curtin University are relevant and appropriate to assist users to assess the University's performance and fairly represent indicated performance for the year ended 31 December 2018.

The University Council's Responsibility for the Key Performance Indicators

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

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

Auditor General's Responsibility

As required by the *Auditor General Act 2006*, my responsibility as an assurance practitioner is to express an opinion on the key performance indicators. The objectives of my engagement are to obtain reasonable assurance about whether the key performance indicators are relevant and appropriate to assist users to assess the agency's performance and whether the key performance indicators are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. I conducted my engagement in accordance with Standard on Assurance Engagements ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* issued by the Australian Auditing and Assurance Standards Board. That standard requires that I comply with relevant ethical requirements relating to assurance engagements.

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


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

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

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

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

This auditor's report relates to the financial statements and key performance indicators of Curtin University for the year ended 31 December 2018 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.


SANDRA LABUSCHAGNE
ACTING AUDITOR GENERAL
FOR WESTERN AUSTRALIA
Perth, Western Australia
22 March 2019

FINANCIAL REPORT 2018

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CERTIFICATIONS

CERTIFICATION OF THE FINANCIAL STATEMENTS

The accompanying financial statements of Curtin University 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 2018 and the financial position as at 31 December 2018.

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.



Andrew Crane
Chancellor



Deborah Terry AO
Vice-Chancellor



David Menarry
Chief Finance Officer

Dated this 20th day of March 2019

CERTIFICATION OF THE FINANCIAL STATEMENTS REQUIRED BY THE DEPARTMENT OF EDUCATION AND TRAINING

We declare that the amount of Australian Government financial assistance expended during the financial year ended 31 December 2018 was for the purpose(s) for which it was intended and that Curtin University has complied with applicable legislation, contracts, agreements and program guidelines in making expenditure.

Curtin University 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.



Andrew Crane
Chancellor



Deborah Terry AO
Vice-Chancellor

Dated this 20th day of March 2019

STATEMENT OF COMPREHENSIVE INCOME

for the year ended 31 December 2018

	Note	2018 \$'000	2017 \$'000
Revenue from Continuing Operations			
Australian Government financial assistance:			
Australian Government grants	3	354,683	347,088
HELP – Australian Government payments	3	185,072	179,490
State and Local Government financial assistance	4	28,254	27,449
HECS-HELP – student payments		20,640	22,842
Fees and charges	5	208,845	221,757
Investment revenue	6	16,511	58,919
Royalties, trademarks and licences	7	21,118	20,458
Consultancy and contract research	8	34,578	31,856
Other revenue	9	27,286	30,406
Total Revenue from Continuing Operations		896,987	940,265
Net (loss)/gain on disposal of non-current assets		220	(552)
Total Income from Continuing Operations		897,207	939,713
Expenses from Continuing Operations			
Employee related expenses	10	540,344	536,646
Depreciation and amortisation	20	62,346	60,080
Repairs and maintenance	11	14,234	13,767
Borrowing costs	12	2,273	3,603
Impairment of assets		304	519
Deferred superannuation expense	10/34(b)	326	386
Other expenses	13	250,963	245,107
Total Expenses from Continuing Operations		870,790	860,108
Net Operating Result for the Year		26,417	79,605
Total Comprehensive Income		26,417	79,605

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

STATEMENT OF FINANCIAL POSITION

as at 31 December 2018

	Note	2018 \$'000	2017 \$'000
ASSETS			
Current Assets			
Cash and cash equivalents:			
Unrestricted	15(a)	60,617	51,054
Restricted	15(b)	72,789	1,998
Receivables	16	26,648	28,405
Inventories		56	56
Other financial assets:			
Unrestricted	17	450	450
Restricted	18	134,714	137,491
Other non-financial assets	19	28,632	22,347
Total Current Assets		323,906	241,801
Non-Current Assets			
Receivables	16	52,839	57,980
Other financial assets – unrestricted	17	360,800	376,158
Other non-financial assets	19	4,960	5,588
Property, plant and equipment	20	1,009,812	991,360
Total Non-Current Assets		1,428,411	1,431,086
Total Assets		1,752,317	1,672,887
LIABILITIES			
Current Liabilities			
Trade and other payables	21	14,680	16,241
Borrowings	23	2,145	20,858
Provisions	24	73,452	71,075
Other liabilities	22	159,243	80,781
Total Current Liabilities		249,520	188,955
Non-Current Liabilities			
Borrowings	23	29,591	31,736
Provisions	24	82,390	87,797
Total Non-Current Liabilities		111,981	119,533
Total Liabilities		361,501	308,488
Net Assets		1,390,816	1,364,399
EQUITY			
Reserves	25	89,530	93,842
Retained earnings	25	1,301,286	1,270,557
Total Equity		1,390,816	1,364,399

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 2018

	Note	Reserves \$'000	Retained Earnings \$'000	Total Equity \$'000
Balance at 1 January 2017		149,959	1,134,835	1,284,794
Effect of adoption of new Accounting Standard AASB 9		(61,757)	61,757	-
Net result for the year		-	79,605	79,605
Other comprehensive income for the year	25(a)	-	-	-
Transfers from retained earnings	25(b)	38,403	(38,403)	-
Transfers to retained earnings	25(b)	(32,763)	32,763	-
Balance at 31 December 2017	25	93,842	1,270,557	1,364,399
Net result for the year		-	26,417	26,417
Transfers from retained earnings	25(b)	35,012	(35,012)	-
Transfers to retained earnings	25(b)	(39,324)	39,324	-
Balance at 31 December 2018	25	89,530	1,301,286	1,390,816

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

STATEMENT OF CASH FLOWS

for the year ended 31 December 2018

	Note	2018 \$'000	2017 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Australian Government grants received	3(g)	546,397	525,340
State and Local Government financial assistance		28,369	27,988
HECS-HELP – student payments		20,640	22,842
Fees and charges		214,238	218,605
Royalties, trademarks and licences		16,761	20,755
Consultancy and contract research		34,124	32,514
Interest received		1,895	1,396
Distributions received		34,109	20,583
Other		14,962	12,476
GST refunds received		10,471	14,113
Payments			
Payments for employee benefits		(535,232)	(537,737)
Payments to suppliers		(272,501)	(252,223)
Interest and other costs of finance paid		(2,509)	(3,166)
Net cash provided by/(used in) operating activities	15(c)	111,724	103,486
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for property, plant and equipment		(82,045)	(75,033)
Proceeds on sale of property, plant and equipment		468	17
Payments for investments		(26,146)	(3,741)
Proceeds on redemption of investments		26,587	-
Net cash provided by/(used in) investing activities		(81,136)	(78,757)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings		(20,858)	(1,881)
Proceeds from borrowings		-	-
Net cash provided by/(used in) financing activities		(20,858)	(1,881)
Net increase/(decrease) in cash and cash equivalents		9,730	22,848
Movement in money held on trust		70,624	1,440
Cash and cash equivalents at the beginning of the financial year		53,052	28,764
Cash and cash equivalents at the end of the financial year	15(b)	133,406	53,052

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 2018

1 BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

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.

The principal address of Curtin University is Kent Street, Bentley WA 6102.

(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 and Training, 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.

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

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.

Date of authorisation for issue

The financial statements were authorised for issue by the members of the University Council on 20 March 2019.

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 26(b)).

Accrual basis of accounting

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

(b) Critical accounting estimates and judgements

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 below.

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:

- Superannuation benefits and associated assets/liabilities;
- Discount and cost escalation 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; and
- Estimating the fair value of financial assets (such as unlisted shares) that are not traded on an open market.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2018

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; and
- Impairment of other financial assets (including investments).

(c) Revenue

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

The University recognises revenue when the amount of revenue can be reliably measured, it is probable that the future economic benefits will flow to the University and specific criteria have been met.

(d) Joint research activities

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

(e) 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 can 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 Net Result.

(f) Taxes**Income tax**

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

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; and
- 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.

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.

(g) Comparative figures

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2018

1 BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (continued)**(h) New Accounting Standards and Interpretations****Effective for the first time**

The University has adopted the following standards and interpretations for the current reporting period:

AASB 9 - Financial Instruments

In AASB 9, financial assets are classified in one of three categories: fair value through profit or loss, fair value through other comprehensive income and amortised cost.

The principal impacts to the University are:

- Unrealised valuation movements for funds under management will be recognised in the Net Result for the year; and
- All unlisted investments will be required to be measured at fair value. However, the impact is not material.

The requirements of the new Accounting Standard AASB 9 have been applied with effect from 1 January 2017 and 2017 comparative financial information has been adjusted accordingly.

Issued but not yet effective

A number of new Accounting Standards and Interpretations have been published that are not mandatory for the 31 December 2018 reporting period. There is no early adoption of these Accounting Standards.

The University intends to adopt the 'modified retrospective' approach to the initial application of AASB 15 and AASB 1058. That approach applies the new standards from the date of initial application on 1 January 2019 and will not result in the restatement of 2018 comparative financial information.

The University's assessment of the new Accounting Standards and Interpretations that have been finalised is that there is no significant impact to the University's financial statements for future reporting periods, except for the following new standards, the impacts for which have been quantified:

- AASB 15 - Revenue from Contracts with Customers. This is estimated to reduce 2018 retained earnings as a 2019 opening adjustment by \$54.4m.
- AASB 16 - Leases. The impact to retained earnings is likely not to be material. Assets and liabilities are estimated to increase by \$17m as a 2019 opening adjustment.
- AASB 1058 - Income of Not-for-Profit Entities. There will be no material impact to the balance sheet.

2 DISAGGREGATED INFORMATION

	Revenue		Results ¹		Assets	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Geographical						
Australia	879,605	922,906	11,572	64,731	1,752,317	1,672,887
Asia	13,400	13,571	10,869	11,123	-	-
Other	3,982	3,788	3,976	3,751	-	-
Total	896,987	940,265	26,417	79,605	1,752,317	1,672,887

¹ Results reflect revenue earned and expenses incurred in the geographical segments. Expenses are incurred in Australia for activities outside Australia and the net results for those activities do not reflect those expenses.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2018

3 AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE INCLUDING AUSTRALIAN GOVERNMENT LOANS PROGRAMS (HELP)**ACCOUNTING POLICY****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 government 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.

Unspent non-reciprocal research grant funds at the end of each financial year are recognised by way of a Research Grants Reserve (refer Note 25(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.

	Note	2018 \$'000	2017 \$'000
(a) Commonwealth Grants Scheme (CGS) and Other Grants			
Commonwealth Grants Scheme		249,323	243,855
Indigenous Support Program		1,187	948
Disability Support Program		171	149
Partnership and Participation Program		4,231	4,220
Total Commonwealth Grants Scheme and Other Grants	35(a)	254,912	249,172
(b) Higher Education Loan Programs (excl OS-HELP)			
HECS-HELP		159,941	153,161
FEE-HELP		22,457	23,741
SA-HELP		2,674	2,588
Total Higher Education Loan Programs	35(b)	185,072	179,490
(c) Research Training Program			
Research Training Program		25,872	25,313
Commonwealth Education Costs Scholarships		242	72
Commonwealth Accommodation Scholarships		41	-
Total Research Training Program	35(c)	26,155	25,385
(d) Research Support Program			
Research Support Program		19,795	18,763
Total Research Support Program	35(d)	19,795	18,763

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2018

	Note	2018 \$'000	2017 \$'000
3 AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE INCLUDING AUSTRALIAN GOVERNMENT LOANS PROGRAMS (HELP) (continued)			
(e) Australian Research Council (ARC)			
(i) Discovery			
Project		8,933	7,426
Fellowships		3,879	2,227
Total Discovery	35(e)	12,812	9,653
(ii) Linkages			
Infrastructure		428	663
Projects		3,853	3,233
Total Linkages	35(e)	4,281	3,896
(iii) Centres			
Centres		934	1,375
Others		42	123
Total Centres	35(e)	976	1,498
Total ARC		18,069	15,047
(f) Other Australian Government Financial Assistance			
Non-capital			
CRC Cooperative Research Centres Funding		3,854	5,959
CSIRO Flagship Collaborative Research Program		-	45
NHMRC Grants		7,872	8,364
Other Commonwealth Research Income		12,412	12,384
Other Teaching Grants		801	755
Other Commonwealth Grants		10,346	9,000
Research Funds from Other Organisations		110	1,310
		35,395	37,817
Capital			
CRC Cooperative Research Centres Funding		42	-
Other Commonwealth Research Income		244	-
Other Commonwealth Grants		71	104
Research Funds from Other Organisations		-	800
		357	904
Total Other Australian Government Financial Assistance		35,752	38,721
Total Australian Government Financial Assistance		539,755	526,578

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2018

	Note	2018 \$'000	2017 \$'000
3 AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE INCLUDING AUSTRALIAN GOVERNMENT LOANS PROGRAMS (HELP) (continued)			
Reconciliation			
Australian Government grants [a+c+d+e+f]		354,683	347,088
HECS-HELP payments		159,941	153,161
FEE-HELP payments		22,457	23,741
SA-HELP payments		2,674	2,588
		185,072	179,490
Total Australian Government Financial Assistance		539,755	526,578
(g) Australian Government Grants received - Cash Basis			
CGS and Other EDUCATION Grants	35(a)	254,722	249,687
Higher Education Loan Programs	35(b)	186,117	179,701
Research Training Program	35(c)	26,155	25,385
Research Support Program	35(d)	19,795	18,763
ARC grants - Discovery	35(e)	12,411	9,337
ARC grants - Linkages	35(e)	4,286	3,563
ARC grants - Centres	35(e)	976	1,498
Other Australian Government Grants		35,631	29,209
Total Australian Government Grants Received - Cash Basis		540,093	517,143
OS-HELP (Net)	35(f)	1,409	2,449
Superannuation Supplementation	35(g)	4,895	5,748
Total Australian Government Funding Received - Cash Basis		546,397	525,340
4 STATE AND LOCAL GOVERNMENT FINANCIAL ASSISTANCE			
ACCOUNTING POLICY			
Research 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 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.			
Unspent non-reciprocal research grant funds at the end of each financial year are recognised by way of a Research Grants Reserve (refer Note 25(b)). This reserve is released as expenditure is incurred.			
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.			
Non-capital			
State Government		14,426	13,881
Capital			
State Government		13,828	13,568
Total State and Local Government Financial Assistance		28,254	27,449

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2018

5 FEES AND CHARGES**ACCOUNTING POLICY**

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

	Note	2018 \$'000	2017 \$'000
Course Fees and Charges			
Fee-paying onshore overseas students		158,555	171,978
Fee-paying offshore overseas students		6,139	6,142
Continuing education		671	2,108
Fee-paying domestic postgraduate students		8,727	8,425
Fee-paying domestic non-award students		12,389	10,500
Total Course Fees and Charges		186,481	199,153
Other Non-Course Fees and Charges			
Late fees		228	242
Library fines		57	53
Parking fees		6,323	6,650
Registration fees		180	198
Ancillary fees		23	8
Student accommodation		10,034	9,831
Student services and amenities fees from students		3,150	3,074
Other fees and charges		2,369	2,548
Total Other Non-Course Fees and Charges		22,364	22,604
Total Fees and Charges		208,845	221,757

6 INVESTMENT REVENUE AND OTHER INVESTMENT INCOME**ACCOUNTING POLICY**

Investment income is recognised as it is earned.

Distributions and dividends - funds under management		25,410	22,466
Dividends - other investments		10,388	500
Interest - cash and term deposits		1,895	1,515
Fair value through profit and loss - funds under management		(27,704)	20,756
Fair value through profit and loss - other investments		6,522	13,682
Total Investment Revenue		16,511	58,919

7 ROYALTIES, TRADEMARKS AND LICENCES**ACCOUNTING POLICY**

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.

Royalties - Education Services		21,118	20,458
Total Royalties, Trademarks and Licences		21,118	20,458

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2018

8 CONSULTANCY AND CONTRACT RESEARCH**ACCOUNTING POLICY**

Reciprocal contract research income from non-government entities is recognised as revenue when the University has provided the service to the customer. Non-reciprocal research income 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 25(b)). This reserve is released as expenditure is incurred.

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

	Note	2018 \$'000	2017 \$'000
Consultancy		7,854	5,034
Contract research		26,724	26,822
Total Consultancy and Contract Research		34,578	31,856

9 OTHER REVENUE**ACCOUNTING POLICY**

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.

Trading income		7,685	7,830
Rental income		6,896	7,196
Donations		1,613	2,854
Scholarships and prizes		1,715	1,761
Non-government grants		4,957	6,334
Insurance claims		635	967
Staff salary cost recoveries		1,367	1,455
Proceeds from sale of minor equipment		15	6
Conference income		1,000	684
Other		1,403	1,319
Total Other Revenue		27,286	30,406

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2018

10 EMPLOYEE RELATED EXPENSES**ACCOUNTING POLICY**

Contributions to defined contribution superannuation funds are recognised as an expense as they become payable. Past service costs are recognised in profit or loss immediately.

	Note	2018 \$'000	2017 \$'000
Academic			
Salaries		221,301	214,069
Contribution to superannuation and pension schemes			
Contribution to unfunded schemes		217	531
Contribution to funded schemes		35,727	34,915
Long service leave		4,757	5,213
Annual leave		14,096	15,349
Payroll tax		15,367	14,810
Worker's compensation		651	490
Total Academic		292,116	285,377
Non-Academic			
Salaries		187,582	189,791
Contribution to superannuation and pension schemes			
Contributions to unfunded schemes		(617)	(19)
Contributions to funded schemes		30,726	29,911
Long service leave		4,342	4,863
Annual leave		12,390	13,572
Payroll tax		13,409	12,917
Worker's compensation		396	234
Total Non-Academic		248,228	251,269
Total Employee Related Expenses		540,344	536,646
Deferred superannuation expense	34(b)	326	386
Total Employee Related Expenses including Deferred Government Employee Benefits for Superannuation		540,670	537,032
11 REPAIRS AND MAINTENANCE			
Building repairs		6,504	5,770
General infrastructure maintenance		6,132	6,475
Parks and gardens		1,598	1,522
Total Repairs and Maintenance		14,234	13,767

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2018

12 BORROWING COSTS**ACCOUNTING POLICY**

Borrowing costs are recognised on an accrual basis.

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

	Note	2018 \$'000	2017 \$'000
Interest on borrowings		2,273	3,603
Less: Amount capitalised		-	-
Total Borrowing Costs		2,273	3,603

13 OTHER EXPENSES**ACCOUNTING POLICY**

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.

Research and development costs are expensed to the Statement of Comprehensive Income as incurred.

Advertising, marketing and promotional		6,297	5,182
Agency staff costs		4,339	4,561
Books		5,148	4,786
Computer peripherals and parts		24,047	23,801
Consumables		11,906	11,542
Consultancy fees and expenses		18,942	26,091
Outsourced work		26,080	20,779
Exchange rate (gains)/losses		758	525
Fees and commissions		28,799	25,680
Financial assistance provided/research support		5,925	6,312
Graduations		1,175	875
Hospitality		2,614	3,212
Insurance		3,547	3,475
Inventory used and sold		309	310
Lease and rental		4,327	4,380
Non-capitalised equipment		5,235	4,587
Occupational health, safety and welfare		441	525
Partner service fees		-	26
Postage and courier		772	818
Publications		446	499
Scholarships, grants and prizes		54,311	52,518
Security		672	694
Staff development and training		4,092	3,902
Staff recruitment		1,525	1,041
Subscriptions		6,096	6,605
Telecommunications		1,521	1,486
Travel		13,254	13,457
Utilities and cleaning		15,633	14,723
Other		2,752	2,715
Total Other Expenses		250,963	245,107

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2018

14 DISCONTINUED OPERATIONS

There were no discontinued operations in 2018. In 2017, the University's Sydney campus was closed. The net result and net cash flows of the Sydney campus are not disclosed separately because they are not significant to the University's financial results.

	Note	2018 \$'000	2017 \$'000
15 CASH AND CASH EQUIVALENTS			
(a) Unrestricted			
Cash at bank and on hand ¹		36,617	41,054
Fixed Term Deposits ²		24,000	10,000
Total Cash and Cash Equivalents - Unrestricted		60,617	51,054
(b) Restricted			
Trust cash at bank ¹		70,750	38
Trust Fixed Term Deposit ²		2,039	1,960
Total Cash and Cash Equivalents - Restricted		72,789	1,998
Total Cash and Cash Equivalents		133,406	53,052
¹ Cash on hand is non-interest bearing. Cash at bank is subject to variable interest rates (refer Note 26). ² Deposits are interest bearing at variable interest rates (refer Note 26). These deposits have an average maturity of 104 days (2017: 68 days).			
(c) Reconciliation of net result to net cash provided by operating activities			
Net result for the year		26,417	79,605
Depreciation expense		62,346	60,080
Net loss/(gain) on disposal of non-current assets		(220)	552
Impairment of assets		304	519
Fair value loss/(gain) through profit and loss		21,182	(34,438)
In-kind distributions		(3,487)	(2,518)
Changes in assets and liabilities:			
(Increase)/decrease in receivables		8,452	(2,506)
(Increase)/decrease in inventories		-	33
(Increase)/decrease in other non-financial assets		(5,797)	5,471
Increase/(decrease) in trade and other payables		(2,695)	(5,357)
Increase/(decrease) in provisions		(3,030)	(1,792)
Increase/(decrease) in other current liabilities		8,252	3,837
Net cash provided by / (used in) operating activities		111,724	103,486

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2018

16 RECEIVABLES**ACCOUNTING POLICY**

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.

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

	Note	2018 \$'000	2017 \$'000
Current			
Student receivables		2,379	7,735
Less: Provision for impaired receivables		(322)	(2,063)
		2,057	5,672
Non-Current			
General receivables		20,901	19,396
Less: Provision for impaired receivables		(119)	(686)
		20,782	18,710
Deferred government contribution for superannuation	34(b)	3,809	4,023
Total Current		26,648	28,405
Non-Current			
Deferred government contribution for superannuation	34(b)	52,839	57,980
Total Receivables		79,487	86,385
Impaired receivables			
As at 31 December 2018, current receivables for student fees with a nominal value of \$0.322 million (2017: \$2.063 million) were expected to be impaired. The amount of the provision was \$0.322 million (2017: \$2.063 million).			
The ageing of these receivables is as follows:			
Less than 12 months		37	48
Greater than 12 months		285	2,015
		322	2,063
As at 31 December 2018, current receivables for student fees of \$0.776 million (2017: \$0.946 million) were past due date but not impaired.			
The ageing of these receivables is as follows:			
Less than 12 months		776	946
Greater than 12 months		-	-
		776	946

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2018

	Note	2018 \$'000	2017 \$'000
16 RECEIVABLES (continued)			
Movements in the provision for impaired student fees receivables are as follows:			
Balance at start of year		2,063	2,001
Provision for impairment recognised during the year		245	62
Receivables written-off during the year as uncollectible		(1,986)	-
Unused amount reversed		-	-
Balance at end of year		322	2,063
As at 31 December 2018, current general receivables with a nominal value of \$0.119 million (2017: \$0.686 million) were impaired.			
The ageing of these receivables is as follows:			
Less than 12 months		68	20
Greater than 12 months		51	666
		119	686
As at 31 December 2018, current general receivables of \$9.103 million (2017: \$6.611 million) were past due date but not impaired.			
The ageing of these receivables is as follows:			
Less than 12 months		9,099	6,421
Greater than 12 months		4	190
		9,103	6,611
Movements in the provision for impaired general receivables are as follows:			
Balance at start of year		686	177
Receivables written-off during the year as uncollectible		(350)	-
Provision for impairment recognised during the year		119	533
Unused amount reversed		(336)	(24)
Balance at end of year		119	686

17 OTHER FINANCIAL ASSETS – UNRESTRICTED**ACCOUNTING POLICY**

The University adopted AASB 9 “Financial Instruments” in 2018 applied retrospectively with effect from 1 January 2017.

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.

Financial assets which do not meet the objective of the University’s business model for managing financial assets or are not held to collect the contractual cash flows are measured at fair value through profit or loss.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2018

17 OTHER FINANCIAL ASSETS – UNRESTRICTED (continued)

In accordance with AASB 9 “Financial Instruments,” the University has reclassified funds under management and other unlisted securities as “Fair Value through Profit and Loss” financial instruments. Gains and losses arising from changes in fair value are recognised directly to profit and loss for the period. No impairment is required.

Fair value measurement of funds under management are based on quoted prices in an active market. If the market for a financial asset is not active (including unlisted securities and unlisted companies which were established to commercialise intellectual property), 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.

	Note	2018 \$'000	2017 \$'000
Current			
Loans receivable - at amortised cost			
Other loans	30	450	450
Total Current Other Financial Assets		450	450
Non-Current			
Fair Value through Profit and Loss			
Funds under management		332,780	350,023
Other investments - Unlisted shares		28,020	26,135
Total Non-Current Other Financial Assets		360,800	376,158
Total Other Financial Assets – Unrestricted		361,250	376,608

18 OTHER FINANCIAL ASSETS – RESTRICTED**Current****Fair Value through Profit and Loss - funds under management**

Research activities		89,530	93,842
Donations and prizes		36,711	35,009
Trusts		8,473	8,640
Total Other Financial Assets - Restricted		134,714	137,491

Restricted funds are held as cash (refer note 15(b)) or invested as managed funds.

All Fair Value through Profit and Loss financial assets are denominated in Australian currency. For an analysis of the credit risk and sensitivity of Fair Value through Profit and Loss financial assets to price and interest rate risk, refer to Note 26.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2018

	Note	2018 \$'000	2017 \$'000
19 OTHER NON-FINANCIAL ASSETS			
Current			
Prepayments		24,072	17,300
Accrued income		4,560	5,047
Total Current Other Non-Financial Assets		28,632	22,347
Non-Current			
Prepayments		4,960	5,588
Total Non-Current Other Non-Financial Assets		4,960	5,588
Total Other Non-Financial Assets		33,592	27,935

20 PROPERTY, PLANT AND EQUIPMENT

ACCOUNTING POLICY

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.

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

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

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
- Infrastructure Lower of 50 years or remaining useful life
- Leasehold land Lower of 50 years or remaining lease period
- Computing equipment 3 to 5 years
- Other equipment and furniture 8 years
- Motor vehicles 5 years
- Library collection 10 years
- Works of art Not depreciated

Land and works of art controlled by the University 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.

20 PROPERTY, PLANT AND EQUIPMENT (continued)

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	Infrastructure \$'000	Leasehold land \$'000	Work in progress \$'000	Computing equipment \$'000	Other equipment and furniture \$'000	Motor vehicles \$'000	Library collection \$'000	Works of art \$'000	Total \$'000
At 1 January 2018											
Cost	78,998	916,497	147,378	4,654	47,729	25,784	143,448	1,755	35,377	13,062	1,414,682
Accumulated depreciation	-	(269,178)	(35,696)	(1,877)	-	(16,549)	(88,501)	(1,109)	(10,412)	-	(423,322)
Carrying amount at start of year	78,998	647,319	111,682	2,777	47,729	9,235	54,947	646	24,965	13,062	991,360
Year ended 31 December 2018											
Additions	43	6	-	-	64,008	6,012	5,464	-	5,307	252	81,092
Cost of disposals	(135)	(1,134)	(54)	-	-	(18)	250	4	-	(17)	(1,104)
Accumulated depreciation on disposals	-	812	10	-	-	18	(28)	(2)	-	-	810
Transfers in/(out)	-	32,588	6,767	-	(46,649)	1,114	6,180	-	-	-	-
Depreciation and amortisation expense	-	(34,643)	(6,321)	(132)	-	(4,081)	(13,212)	(205)	(3,752)	-	(62,346)
Carrying amount at end of year	78,906	644,948	112,084	2,645	65,088	12,280	53,601	443	26,520	13,297	1,009,812
At 31 December 2018											
Cost	78,906	947,957	154,091	4,654	65,088	32,895	155,381	1,757	40,684	13,297	1,494,710
Accumulated depreciation	-	(303,009)	(42,007)	(2,009)	-	(20,615)	(101,780)	(1,314)	(14,164)	-	(484,898)
Carrying amount at end of year	78,906	644,948	112,084	2,645	65,088	12,280	53,601	443	26,520	13,297	1,009,812
At 1 January 2017											
Cost	78,998	851,916	117,984	4,654	85,980	27,193	144,916	1,276	29,293	12,811	1,355,021
Accumulated depreciation	-	(239,648)	(29,580)	(1,745)	-	(17,166)	(83,925)	(952)	(7,238)	-	(380,254)
Carrying amount at start of year	78,998	612,268	88,404	2,909	85,980	10,027	60,991	324	22,055	12,811	974,767
Year ended 31 December 2017											
Additions	-	-	-	-	60,083	3,548	7,050	567	6,085	242	77,575
Cost of disposals	-	(4,115)	-	-	-	(4,958)	(8,726)	(88)	-	-	(17,887)
Accumulated depreciation on disposals	-	3,568	-	-	-	4,791	8,543	83	-	-	16,985
Transfers in/(out)	-	68,718	29,394	-	(98,334)	4	209	-	-	9	-
Depreciation and amortisation expense	-	(33,120)	(6,116)	(132)	-	(4,177)	(13,120)	(240)	(3,175)	-	(60,080)
Carrying amount at end of year	78,998	647,319	111,682	2,777	47,729	9,235	54,947	646	24,965	13,062	991,360
At 31 December 2017											
Cost	78,998	916,497	147,378	4,654	47,729	25,784	143,448	1,755	35,377	13,062	1,414,682
Accumulated depreciation	-	(269,178)	(35,696)	(1,877)	-	(16,549)	(88,501)	(1,109)	(10,412)	-	(423,322)
Carrying amount at end of year	78,998	647,319	111,682	2,777	47,729	9,235	54,947	646	24,965	13,062	991,360

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2018

21 TRADE AND OTHER PAYABLES**ACCOUNTING POLICY**

Payables 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.

	Note	2018 \$'000	2017 \$'000
Current			
Total Payables		14,680	16,241

22 OTHER LIABILITIES**ACCOUNTING POLICY**

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.

	Note	2018 \$'000	2017 \$'000
Current			
Income received in advance		43,765	40,334
Accrued expenses		34,216	29,809
Monies held in trust		81,262	10,638
Total Other Liabilities		159,243	80,781

23 BORROWINGS**ACCOUNTING POLICY**

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.

	Note	2018 \$'000	2017 \$'000
Current			
Interest bearing Treasury loans		2,145	20,858
Non-Current			
Interest bearing Treasury loans		29,591	31,736
Total Borrowings		31,736	52,594

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2018

23 BORROWINGS (continued)**Treasury Loans**

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

	Average Interest rate	Maturity date	Principal outstanding	
			2018 \$'000	2017 \$'000
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
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
Chemistry Centre of WA building				
- monthly principal and fixed rate interest repayments	6.77%	01.07.2029	28,528	30,313
- monthly principal and fixed rate interest repayments	5.11%	01.07.2029	3,208	3,431
Total Treasury Loans			31,736	52,594

	Note	2018 \$'000	2017 \$'000
Financing facilities available			
At reporting date, the following financing facilities had been negotiated and were available:			
Total facilities:			
- Treasury Loans		31,736	52,594
Facilities used at reporting date:			
- Treasury Loans		31,736	52,594
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 Government Treasurer's Guarantee.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2018

23 BORROWINGS (continued)**Fair value**

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

	2018		2017	
	Carrying Amount \$'000	Fair Value \$'000	Carrying Amount \$'000	Fair Value \$'000
Muresk Campus housing				
- fixed rate interest only quarterly repayments with the loan principal to be repaid at date of maturity	-	-	2,050	2,130
Bentley Campus housing				
- fixed rate interest only quarterly repayments with the loan principal to be repaid at date of maturity	-	-	16,800	17,114
Chemistry Centre of WA building				
- monthly principal and fixed rate interest repayments	28,528	34,675	30,313	36,812
- monthly principal and fixed rate interest repayments	3,208	3,612	3,431	3,834
Total Treasury Loans	31,736	38,287	52,594	59,890

The fair value of the loans have been prepared assuming hypothetical settlement dates of 31 December 2018 and 31 December 2017.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2018

24 PROVISIONS**ACCOUNTING POLICY****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. Annual leave that is not expected to be settled wholly within 12 months after the end of the reporting period and is therefore considered to be 'other long-term employee benefits'. The provision for annual leave is classified as a current liability as the University does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

Long service leave

Long service leave is not expected to be settled wholly within 12 months after the end of the reporting period. When assessing expected future payments, consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

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.

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 AASB137 "Provisions, Contingent Liabilities and Contingent Assets" when it is demonstrably committed to terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2018

	Note	2018 \$'000	2017 \$'000
24 PROVISIONS (continued)			
Employee benefits provisions			
Current provisions expected to be settled within 12 months			
Annual leave		24,024	26,235
Long service leave		16,147	16,983
Employment on-costs		2,812	2,810
Redundancy costs		8,087	2,744
Defined benefit obligation			
Deferred employee benefits for unfunded superannuation	34(b)	3,809	4,023
Other University pension liabilities	34(a)	93	110
		54,972	52,905
Current provisions expected to be settled after more than 12 months			
Annual leave		2,083	2,115
Long service leave		14,418	14,277
Employment on-costs		1,155	1,065
Redundancy costs		824	713
		18,480	18,170
Total Current Provisions		73,452	71,075
Non-Current			
Employee benefits provisions			
Long service leave		27,226	27,486
Employment on-costs		1,906	1,787
Defined benefit obligation			
Deferred employee benefits for unfunded superannuation	34(b)	52,839	57,980
Other University pension liabilities	34(a)	419	544
Total Non-Current Provisions		82,390	87,797
Total Provisions		155,842	158,872
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		5,662	5,870
Addition/(reduction) in provisions recognised		2,671	2,548
Reduction arising from payments		(2,460)	(2,756)
Balance at end of year		5,873	5,662

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2018

	Note	2018 \$'000	2017 \$'000
24 PROVISIONS (continued)			
<i>Redundancy costs provision</i>			
Balance at beginning of year		3,457	2,156
Addition/(reduction) in provisions recognised		8,808	1,922
Reduction arising from payments		(3,354)	(621)
Balance at end of year		8,911	3,457
25 EQUITY			
Reserves			
Investments revaluation reserve	25(a)	-	-
Research grants reserve	25(b)	89,530	93,842
Total Reserves		89,530	93,842
Retained Earnings		1,301,286	1,270,557
(a) Investments revaluation reserve			
In accordance with new Accounting Standard AASB 9 "Financial Instruments," the University has reclassified funds under management and other unlisted securities as "Fair Value through Profit and Loss" financial assets. Gains and losses arising from changes in fair value are recognised directly to profit and loss for the period. No impairment is required. The previous investments revaluation reserve arising on these types of financial assets has been transferred to retained earnings with effect from 1 January 2017.			
<i>Movement in reserve</i>			
Balance at beginning of year		-	61,757
Transfer to retained earnings on adoption of new Accounting Standard AASB 9		-	(61,757)
Movement for the year		-	(61,757)
Balance at end of year		-	-
(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		93,842	88,202
Transfer from retained earnings		35,012	38,403
Transfer to retained earnings		(39,324)	(32,763)
Balance at end of year		89,530	93,842

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2018

26 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%	
									Net Result \$'000	Other Equity \$'000	Net Result \$'000	Other Equity \$'000	Net Result \$'000	Other Equity \$'000	Net Result \$'000	Other Equity \$'000	Net Result \$'000	Other Equity \$'000		Net Result \$'000	Other Equity \$'000
2018																					
Financial Assets																					
Cash and cash equivalents	1.72%	2	133,404	-	133,406	133,406	-	-	-	-	(2,484)	-	2,484	-	-	-	-	-			
Receivables ⁴	-	22,839	-	-	22,839	22,839	-	-	-	-	-	-	-	-	-	-	-	22,839			
Loans receivable	-	450	-	-	450	450	-	-	-	-	-	-	-	-	-	-	-	450			
Unlisted securities (unrestricted)	-	28,020	-	-	28,020	-	28,020	-	-	-	-	-	-	-	(4,203)	-	4,203	-			
Funds under management (unrestricted) ^{1,5}	-	332,780	-	-	332,780	-	1,613	331,167	7,266	-	(7,266)	-	-	-	(49,917)	-	49,917	-			
Funds under management (restricted) ⁵	-	134,714	-	-	134,714	-	-	134,714	-	-	-	-	-	-	(20,207)	-	20,207	-			
Total Financial Assets		518,805	133,404	-	652,209	156,695	29,633	465,881	7,266	-	(7,266)	-	(2,484)	-	2,484	-	(74,327)	-	74,327	-	23,289
Financial Liabilities																					
Payables	-	14,680	-	-	14,680	14,680	-	-	-	-	-	-	-	-	-	-	-	-	-		
Borrowings	6.60%	-	-	31,736	31,736	2,145	10,138	19,453	-	-	-	-	-	-	-	-	-	-	-		
Total Financial Liabilities		14,680	-	31,736	46,416	16,825	10,138	19,453	-	-	-	-	-	-	-	-	-	-	-	-	-
2017																					
Financial Assets																					
Cash and cash equivalents	1.71%	2	53,050	-	53,052	53,052	-	-	-	-	(1,582)	-	1,582	-	-	-	-	-			
Receivables ⁴	-	24,382	-	-	24,382	24,382	-	-	-	-	-	-	-	-	-	-	-	24,382			
Loans receivable	-	450	-	-	450	450	-	-	-	-	-	-	-	-	-	-	-	450			
Unlisted securities (unrestricted)	-	26,135	-	-	26,135	-	26,135	-	-	-	-	-	-	-	(3,920)	-	3,920	-			
Funds under management (unrestricted) ^{1,5}	-	348,025	1,998	-	350,023	1,998	1,644	346,381	-	4,608	-	(4,608)	-	-	(52,504)	-	52,504	-	1,998		
Funds under management (restricted) ⁵	-	137,491	-	-	137,491	-	-	137,491	-	-	-	-	-	-	(20,624)	-	20,624	-			
Total Financial Assets		536,485	55,048	-	591,533	79,882	27,779	483,872	-	4,608	-	(4,608)	(1,582)	-	1,582	-	(77,048)	-	77,048	-	26,830
Financial Liabilities																					
Payables	-	16,241	-	-	16,241	16,241	-	-	-	-	-	-	-	-	-	-	-	-	-		
Borrowings	6.74%	-	-	52,594	52,594	20,858	9,493	22,243	-	-	-	-	-	-	-	-	-	-	-		
Total Financial Liabilities		16,241	-	52,594	68,835	37,099	9,493	22,243	-	-	-	-	-	-	-	-	-	-	-	-	-

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 net operating result and equity where the Australian dollar weakens against the foreign currency.

³ Net operating result would be affected if prices increased or decreased by 15% as gains or losses on Fair Value to Profit and Loss investments are recognised directly in net operating result.

⁴ This includes GST Receivable of \$3.721 million (2017: \$1.241 million).

⁵ Funds under management in unit based funds receive income by way of distributions and do not attract interest.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2018

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2018

26 FINANCIAL INSTRUMENTS (continued)**(a) FINANCIAL RISK MANAGEMENT**

Financial instruments held by the University are cash and cash equivalents, receivables, fair value through profit and loss 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.

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, i.e. 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. The University manages its borrowings in accordance with targeted interest rate, liquidity and debt portfolio maturity profiles. Notes 23 and 26 provide further detail.

Note 26 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 fair value through profit and loss investments whose underlying assets include some investments denominated in foreign currency which are unhedged.

At 31 December 2018, the University held no foreign currency forward exchange contracts (2017: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 26 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 or lower, the net operating result would have been \$74.327 million (2017: \$77.046 million) higher or lower.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2018

26 FINANCIAL INSTRUMENTS (continued)**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 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 26.

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.

(b) FAIR VALUE**Fair Value Measurements**

The fair values of financial assets and financial liabilities shown in Note 26 are determined as follows:

- Due to the short-term nature of current 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.
- Funds under management 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).
- Fair value of unlisted shares that are not traded in an active market are measured either at independent valuation or at cost, which is assumed to approximate fair value where an unobservable input cannot be measured reliably.
- 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 (2017: 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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2018

26 FINANCIAL INSTRUMENTS (continued)**Fair Value Hierarchy**

	2018	2017	2018	2017	2018 Fair Value Hierarchy			2017 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	133,406	53,052	133,406	53,052	-	-	-	-	-	-
Receivables	22,839	24,382	22,839	24,382	-	-	-	-	-	-
Loans advanced	450	450	442	442	-	-	-	-	-	-
Unlisted securities (unrestricted)	28,020	26,135	28,020	26,135	-	24,833	3,187	-	16,110	10,025
Funds under management (unrestricted)	332,780	350,023	332,780	350,023	332,780	-	-	348,025	1,998	-
Funds under management (restricted)	134,714	137,491	134,714	137,491	134,714	-	-	137,491	-	-
Total Financial Assets	652,209	591,533	652,201	591,525	467,494	24,833	3,187	485,516	18,108	10,025
Financial Liabilities										
Payables	14,680	16,241	14,680	16,241	-	-	-	-	-	-
Borrowings	31,736	52,594	38,287	59,890	38,287	-	-	59,890	-	-
Total Financial Liabilities	46,416	68,835	52,967	76,131	38,287	-	-	59,890	-	-

Valuation Techniques

The Fair Value Hierarchy reflects the following level 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 (i.e. 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.

Fair Value Measurement Using Significant Unobservable Inputs (Level 3)

	2018 \$'000	2017 \$'000
Unlisted securities (unrestricted)		
Opening Balance	10,025	1,425
Fair Value Movement through Profit and Loss	(6,838)	8,600
Closing Balance	3,187	10,025

The gain included in profit and loss relates to the revaluation of unlisted securities, determined by an independent valuer, based on observable inputs and an unobservable input (discount factor of 30%), reported within the net operating result.

The University's sensitivity to a 5% increase or decrease in the unobservable input on discount factor at reporting date would result in a decrease or increase in net operating result of \$0.488 million (2017: \$0.614 million) respectively.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2018

27 KEY MANAGEMENT PERSONNEL DISCLOSURES**(a) 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

Dr Andrew Crane (ceased 31 March 2018)

Ms Elisa Fear (commenced 1 April 2018)

Mr Damian Gordon (commenced 1 April 2018)

Mr Alex Jones (ceased 31 March 2018)

Mr Michael Lishman

Member nominated by the Minister for Education and Training

Vacant

Member who is the Vice-Chancellor

Professor Deborah Terry, Vice-Chancellor

Member elected by full-time academic staff

Professor Glenda Scully

Member elected by full-time general staff

Mr Andrew McLean

Co-opted Members

Mr Colin Beckett, Chancellor (ceased 31 December 2018)

Dr Andrew Crane (commenced 1 April 2018, Chancellor from 1 January 2019)

Dr Vanessa Guthrie

Mr Steve Scudamore

Mr Gene Tilbrook (ceased 31 March 2018)

Ms Sue Wilson, Pro Chancellor

Member who is the Chairperson of the Academic Board

Professor Linley Lord (ceased 31 March 2018)

Professor Dale Pinto (commenced 1 April 2018)

Members elected by students

Ms Romana-Rea Begicevic (postgraduate student commenced 1 April 2018)

Mr Sebastian Davies-Slate (postgraduate student ceased 31 March 2018)

Ms Finlay Nolan (undergraduate student commenced 1 April 2018)

Mr Liam O'Neill (undergraduate student ceased 31 March 2018)

Members elected by the graduates of the University

Vacant

Vacant

(b) Other key management personnel

In addition to Professor Terry, the following persons also had authority and responsibility for planning, directing and controlling the activities of Curtin University during the financial year:

Professor John Cordery

Professor Jill Downie

Ms Val Raubenheimer

Mr Ian Callahan

Professor Archie Clements (commenced 17 April 2018)

Professor James Mienczakowski

Professor Robert Evans (ceased 30 March 2018)

Professor Nigel de Bussy

Professor Jeremy Kilburn (commenced 25 September 2018)

Mr Alistair Donald (commenced 1 October 2018)

Professor Michael Berndt (ceased 27 April 2018)

Professor Andris Stelbovics (ceased 31 July 2018)

Professor Alan Dench

Mr David Menarry

Mr Marco Schultheis

Professor Chris Moran

Professor Seth Kunin

Professor John Evans (commenced 1 May 2018)

Professor Linley Lord (commenced 9 April 2018)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2018

27 KEY MANAGEMENT PERSONNEL DISCLOSURES (continued)**(c) Remuneration of Members of the Accountable Authority and Senior Officers****Remuneration of Members of the Accountable Authority**

	2018 Number	2017 Number
Nil - \$10,000	4	3
\$10,001 - \$20,000	1	4
\$20,001 - \$30,000	4	1
\$30,001 - \$40,000	1	4
\$40,001 - \$50,000	2	-
\$50,001 - \$60,000	1	1
\$80,001 - \$90,000	-	1
\$90,001 - \$100,000	1	-
\$100,001 - \$110,000	1	-
\$140,001 - \$150,000	1	1
\$190,001 - \$200,000	-	1
\$240,001 - \$250,000	2	1
\$901,000 - \$910,000	-	1
\$970,001 - \$980,000	1	-

Remuneration of Senior Officers

	2018 Number	2017 Number
\$60,001 - \$70,000	-	1
\$90,001 - \$100,000	1	-
\$110,001 - \$120,000	2	1
\$140,001 - \$150,000	1	-
\$160,001 - \$170,000	1	-
\$230,001 - \$240,000	-	1
\$240,001 - \$250,000	1	-
\$270,001 - \$280,000	1	-
\$280,001 - \$290,000	1	-
\$320,001 - \$330,000	1	-
\$330,001 - \$340,000	1	-
\$340,001 - \$350,000	-	1
\$370,001 - \$380,000	-	1
\$390,001 - \$400,000	2	3
\$400,001 - \$410,000	1	2
\$410,001 - \$420,000	-	1
\$430,001 - \$440,000	2	2
\$460,001 - \$470,000	1	-
\$480,001 - \$490,000	1	-
\$500,001 - \$510,000	-	2
\$510,001 - \$520,000	-	1
\$540,001 - \$550,000	1	-
\$590,001 - \$600,000	1	-

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2018

(d) Key management personnel compensation

	2018 \$'000	2017 \$'000
Short-term employee benefits	6,698	6,237
Post-employment benefits	641	953
Other long-term benefits	1,051	603
Total key management personnel compensation	8,390	7,793

28 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:

	2018 \$'000	2017 \$'000
(a) Audit and review of the Financial Statements		
Fees paid to the Office of the Auditor General	287	287
(b) Other audit and assurance services¹		
Fees paid to the Office of the Auditor General	14	14
Australian Government - Department of Agriculture	1	-
Casilli Holdings Pty Ltd	27	34
Independent Appraisal	1	-
Nexia Edwards Marshall	10	11
SAI Global Limited	6	7
CQR Consulting	11	-
Total fees paid for other audit services	70	66
Total Remuneration of Auditors	357	353

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

29 RELATED PARTIES**(a) Key management personnel**

Disclosures relating to Members of the Accountable Authority and Senior Officers are set out in Note 27.

The University had no material related party transactions with Council Members/Senior Officers or their close family members or their controlled (or jointly controlled) entities for disclosure.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2018

29 RELATED PARTIES (continued)**(b) Transactions with related parties**

The following transactions occurred with related parties:

Transaction Type	2018 \$'000	2017 \$'000
Purchases of goods and services		
- Curtin Student Guild	4,286	4,450
- Associates	-	300
Revenue for providing services		
- Curtin Student Guild	435	1,647
- Associates	1,541	2,276

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

Transaction Type	2018 \$'000	2017 \$'000
Receivable at 31 December		
- Curtin Student Guild	1	554
- Associates	482	-
Payable at 31 December		
- Curtin Student Guild	6	21

(c) Loans to Associates

Refer Note 30.

30 JOINT OPERATIONS AND ASSOCIATES**Companies**

The University invests in a number of unlisted companies which are established to commercialise intellectual property.

Details of the University's significant associates at 31 December 2018 are listed below. The University's associates have not been equity accounted for in the University's financial statements because they are not considered material.

Name of entity	Country of incorporation	Carrying value of Investment		Equity holding	
		2018 \$'000	2017 \$'000	2018 %	2017 %
Associates					
HiSeis Pty Ltd	Australia	191	275	10	44
iCetana Pty Ltd	Australia	600	600	22	24
Renergi Pty Ltd	Australia	1	1	48	48
Loans to Associates					
Balance at beginning of year				450	450
Loans advanced				-	-
Loans repayment received				-	-
Loans impaired				-	-
Interest charged				-	-
Interest received				-	-
Balance at end of year				450	450

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2018

31 CONTINGENT LIABILITIES AND CONTINGENT ASSETS**(a) Contingent Liabilities****Legal Actions**

The University is exposed to legal actions that arise in the course of the University's normal operations. The University does not believe that these legal actions, if successful, would result in material loss. There are no other contingent liabilities.

(b) Contingent Assets

The University had no material contingent assets at the reporting date.

32 COMMITMENTS

	2018 \$'000	2017 \$'000
(a) Capital commitments		
Capital expenditure contracted for at the reporting date but not recognised as liabilities is as follows:		
Property, Plant and Equipment		
Within one year	38,837	36,557
Between one and five years	-	-
Later than five years	-	-
Total capital commitments	38,837	36,557
(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	9,507	9,952
Between one and five years	17,734	12,358
Later than five years	42,897	42,604
Total future minimum lease payments	70,138	64,914
(c) Other expenditure commitments		
Commitments in relation to purchase orders are payable as follows:		
Within one year	41,815	15,442

All the above commitments are inclusive of GST where applicable.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2018

33 EVENTS OCCURRING AFTER REPORTING DATE

There are no events occurring after the reporting date that require disclosure or adjustment to the financial statements.

34 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 direct 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.

	2018 \$'000	2017 \$'000
Reconciliation of the present value of the defined benefit obligation		
Present value of defined benefit obligations at beginning of the year	654	764
Current service cost	-	-
Interest cost	15	20
Actuarial loss/(gain)	(54)	(16)
Benefits paid	(103)	(114)
Present value of defined benefit obligations at end of the year	512	654
Reconciliation of the fair value of assets		
Fair value of assets at beginning of the year	-	-
Employer contributions	103	114
Benefits paid	(103)	(114)
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	512	654
Fair value of assets	-	-
Net liability	512	654
Liability recognised in the Statement of Financial Position as:		
Current	93	110
Non-current	419	544
	512	654
Expense recognised in the Statement of Comprehensive Income		
Interest cost	15	20
Actuarial loss/(gain)	(54)	(16)
Superannuation expense/(benefit)	(39)	4

Assets

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

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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2018

34 DEFINED BENEFIT SUPERANNUATION PLANS (continued)**(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 8.7 years (2017: 9.0 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.

	2018 \$'000	2017 \$'000
Reconciliation of the present value of the defined benefit obligation		
Present value of defined benefit obligations at beginning of the year	62,003	61,574
Current service cost	-	-
Interest cost	1,400	1,546
Actuarial loss/(gain) arising from changes in financial assumptions	(677)	1,422
Actuarial loss/(gain) arising from liability experience	(646)	2,936
Benefits paid	(5,432)	(5,475)
Present value of defined benefit obligations at end of the year	56,648	62,003

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 below).

Reconciliation of the fair value of Scheme assets

Fair value of scheme assets at beginning of the year	-	-
Employer contributions	5,432	5,475
Benefits paid	(5,432)	(5,475)
Fair value of Scheme assets at end of the year	-	-

Reconciliation of the net liability recognised in the Statement of Financial Position

Present value of defined benefit obligations	56,648	62,003
Fair value of the Scheme assets	-	-
Net liability	56,648	62,003
Fair value of reimbursement rights	56,648	62,003
Total net liability/(asset) in the Statement of Financial Position	-	-

Present value of defined benefit obligations/reimbursement rights is recognised as:

Current	3,809	4,023
Non-current	52,839	57,980
	56,648	62,003

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2018

34 DEFINED BENEFIT SUPERANNUATION PLANS (continued)

	2018 \$'000	2017 \$'000
Expense recognised in the Statement of Comprehensive Income		
Current service cost	-	-
Interest cost	1,400	1,546
Reimbursement rights adjustments	(1,074)	(1,160)
Deferred superannuation expense	326	386
Actuarial loss/(gain) recognised in Other Comprehensive Income		
Actuarial loss/(gain) arising from changes in financial assumptions	(677)	1,422
Actuarial loss/(gain) arising from liability experience	(646)	2,936
Reimbursement rights adjustments	1,323	(4,358)
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; and
- No asset-liability matching strategies.

Significant actuarial assumptions used in determining defined benefit obligation

% per annum	2018	2017
Discount rate (active members)	2.47%	2.36%
Discount rate (pensioners)	2.47%	2.36%
Expected salary increase rate	1.10%	1.50%
Expected pension increase rate	2.50%	2.50%

The discount rate is based on the Government bond maturing in April 2026. The decrement rates used (e.g. mortality and retirement rates) are based on those used at the last actuarial valuation for the Schemes.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2018

34 DEFINED BENEFIT SUPERANNUATION PLANS (continued)

	2018 \$'000	2017 \$'000	2016 \$'000	2015 \$'000	2014 \$'000	2013 \$'000
Historical Information						
Present value of defined benefit obligation	56,648	62,003	61,574	64,569	68,120	64,261
Fair value of Scheme assets	-	-	-	-	-	-
Deficit in Scheme assets	56,648	62,003	61,574	64,569	68,120	64,261
Experience adjustments (gain)/loss - Scheme assets	-	-	-	-	-	-
Experience adjustments (gain)/loss - Scheme liabilities	(646)	2,936	(332)	(1,005)	2,017	921

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

	2019 \$'000	2018 \$'000
Expected Contributions		
Expected employer contributions	5,116	5,423

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 24).

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 16).

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.

(c) Unisuper Defined Benefit Plan**Scheme information**

The UniSuper Defined Benefit Plan (DBP) 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 \$66.053 million (2017: \$65.338 million) were charged as an expense under employee benefits (refer Note 10) as they fell due.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
for the year ended 31 December 2018

35 ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE

(a) Education – CGS and Other Education Grants

	Commonwealth Grants Scheme ¹		Indigenous Support Program		Disability Support Program		Partnership & Participation Program ²		Total	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Financial assistance received in CASH during the reporting period	249,133	244,370	1,187	948	171	149	4,231	4,220	254,722	249,687
Net accrual adjustments	190	(515)	-	-	-	-	-	-	190	(515)
Revenue for the period	249,323	243,855	1,187	948	171	149	4,231	4,220	254,912	249,172
Surplus/(deficit) from the previous year	-	-	-	-	(705)	(521)	-	3,352	(705)	2,831
Total revenue including accrued revenue	249,323	243,855	1,187	948	(534)	(372)	4,231	7,572	254,207	252,003
Less expenses including accrued expenses	(249,323)	(243,855)	(1,187)	(948)	(380)	(333)	(4,237)	(7,572)	(255,127)	(252,708)
Surplus/(deficit) for reporting period	-	-	-	-	(914)	(705)	(6)	-	(920)	(705)

¹ Includes the basic CGS grant amount, CGS – Regional Loading, CGS – Enabling Loading, 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 2018

(b) Higher Education Loan Programs (excl OS-HELP)

	HECS-HELP		FEE-HELP ³		SA-HELP		Total	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Financial assistance received in CASH during the reporting period	161,455	154,476	22,324	23,010	2,338	2,215	186,117	179,701
Net accrual adjustments	(1,514)	(1,315)	133	731	336	373	(1,045)	(211)
Revenue for the period	159,941	153,161	22,457	23,741	2,674	2,588	185,072	179,490
Surplus/(deficit) from the previous year	-	-	-	-	-	-	-	-
Total revenue including accrued revenue	159,941	153,161	22,457	23,741	2,674	2,588	185,072	179,490
Less expenses including accrued expenses	(159,941)	(153,161)	(22,457)	(23,741)	(2,674)	(2,588)	(185,072)	(179,490)
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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2018

35 ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE (continued)**(c) (i) Research Training Program**

	Research Training Program ⁴		Australian Postgraduate Awards		International Postgraduate Research Scholarships		Commonwealth Education Cost Scholarships ⁵		Commonwealth Accommodation Scholarships ⁵		Total	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Financial assistance received/(refunded) in CASH during the reporting period	25,872	25,313	-	-	-	-	242	72	41	-	26,155	25,385
Net accrual adjustments	-	-	-	-	-	-	-	-	-	-	-	-
Revenue for the period	25,872	25,313	-	-	-	-	242	72	41	-	26,155	25,385
Surplus/(deficit) from the previous year	1,213	-	-	(1,030)	-	(1,615)	-	-	-	-	1,213	(2,645)
Total revenue including accrued revenue	27,085	25,313	-	(1,030)	-	(1,615)	242	72	41	-	27,368	22,740
Less expenses including accrued expenses	(26,840)	(24,100)	-	1,030	-	1,615	(201)	(72)	(41)	-	(27,082)	(21,527)
Surplus/(deficit) for reporting period	245	1,213	-	-	-	-	41	-	-	-	286	1,213

⁴ The reported surplus for the Research Training Program of \$0.245 million for 2018 is expected to be rolled over for future use by the University.

⁵ Commonwealth Education Cost and Commonwealth Accommodation Scholarships are combined here, and includes Grandfathered Scholarships, National Priority and National Accommodation Priority Scholarships and Indigenous Scholarship (ICECS, IECECS, ICAS and IECAS) respectively.

(ii) Total Higher Education Provider Research Training Program expenditure⁶

	Total domestic students \$'000	Total overseas students \$'000
Research Training Program Fees offsets	15,455	563
Research Training Program Stipends	7,811	895
Research Training Program Allowances	987	1,129
Total for all types of support ⁷	24,253	2,587

⁶ Please refer to the Commonwealth Scholarship Guidelines for expenditure definitions for the Research Training Program.

⁷ The total for all types of support for domestic and overseas students is expected to match the Research Training Program expenses, including accrued expenses in Note 35c in respect to the 2018 year.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2018

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
for the year ended 31 December 2018

35 ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE (continued)

(d) Research Support Program

	Research Support Program		Sustainable Research Excellence in Universities		Total	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Financial assistance received in CASH during the reporting period	19,795	18,763	-	-	19,795	18,763
Net accrual adjustments	-	-	-	-	-	-
Revenue for the period	19,795	18,763	-	-	19,795	18,763
Surplus/(deficit) from the previous year	-	-	-	(317)	-	(317)
Total revenue including accrued revenue	19,795	18,763	-	(317)	19,795	18,446
Less expenses including accrued expenses	(19,795)	(18,763)	-	317	(19,795)	(18,446)
Surplus/(deficit) for reporting period	-	-	-	-	-	-

(e) Australian Research Council Grants

(i) Discovery

	Projects ⁷		Fellowships		Total	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Financial assistance received in CASH during the reporting period	8,532	7,110	3,879	2,227	12,411	9,337
Net accrual adjustments	401	316	-	-	401	316
Revenue for the period	8,933	7,426	3,879	2,227	12,812	9,653
Surplus/(deficit) from the previous year	161	107	2,866	2,169	3,027	2,276
Total revenue including accrued revenue	9,094	7,533	6,745	4,396	15,839	11,929
Less expenses including accrued expenses	(7,920)	(7,372)	(2,558)	(1,530)	(10,478)	(8,902)
Surplus/(deficit) for reporting period	1,174	161	4,187	2,866	5,361	3,027

⁷ Includes Early Career Researcher Award.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
for the year ended 31 December 2018

35 ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE (continued)

(e) Australian Research Council Grants (continued)

(ii) Linkages

	Infrastructure		Projects		Total	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Financial assistance received in CASH during the reporting period	403	377	3,883	3,186	4,286	3,563
Net accrual adjustments	25	286	(30)	47	(5)	333
Revenue for the period	428	663	3,853	3,233	4,281	3,896
Surplus/(deficit) from the previous year	(103)	(573)	72	168	(31)	(405)
Total revenue including accrued revenue	325	90	3,925	3,401	4,250	3,491
Less expenses including accrued expenses	(378)	(193)	(3,515)	(3,329)	(3,893)	(3,522)
Surplus/(deficit) for reporting period	(53)	(103)	410	72	357	(31)

(iii) Centres

	Centres		Other		Total	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Financial assistance received in CASH during the reporting period	934	1,375	42	123	976	1,498
Net accrual adjustments	-	-	-	-	-	-
Revenue for the period	934	1,375	42	123	976	1,498
Surplus/(deficit) from the previous year	386	(41)	(369)	(448)	17	(489)
Total revenue including accrued revenue	1,320	1,334	(327)	(325)	993	1,009
Less expenses including accrued expenses	(733)	(948)	(31)	(44)	(764)	(992)
Surplus/(deficit) for reporting period	587	386	(358)	(369)	229	17

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2018

35 ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE (continued)

	2018 \$'000	2017 \$'000
(f) OS-HELP		
Cash received during the reporting period	1,409	2,449
Cash spent during the reporting period	(1,409)	(2,449)
Net cash received	-	-
Cash surplus/(deficit) from the previous period	-	-
Cash surplus/(deficit) for the reporting period	-	-
(g) Higher Education Superannuation Program		
Cash received during the reporting period	4,895	5,748
University contribution in respect of current employees	326	386
Cash available	5,221	6,134
Cash surplus/(deficit) from the previous period	(198)	58
Cash available for current period	5,023	6,192
Contributions to specified defined benefit funds	(4,718)	(6,390)
Cash surplus/(deficit) for the reporting period	305	(198)
(h) Student Services and Amenities Fee		
Unspent/(Overspent) revenue from previous period	(343)	1,793
SA-HELP revenue earned	2,674	2,588
Student Services and Amenities Fees direct from students	3,150	3,074
Total revenue expendable in period	5,481	7,455
Student Services expenses during period	(5,696)	(7,798)
Unspent/(Overspent) Student Services Revenue	(215)	(343)

REPORT BY THE MEMBERS OF THE UNIVERSITY COUNCIL

The members of the University Council present their report for the year ended 31 December 2018.

MEMBERS

The following persons were members of the Council of Curtin University during the year ended 31 December 2018:

Members appointed by Governor in Council

Dr Andrew Crane (ceased 31 March 2018)

Ms Elisa Fear (commenced 1 April 2018)

Mr Damian Gordon (commenced 1 April 2018)

Mr Alex Jones (ceased 31 March 2018)

Mr Michael Lishman

Member who is the Vice-Chancellor

Professor Deborah Terry AO, Vice-Chancellor

Co-opted Members

Mr Colin Beckett, Chancellor (ceased 31 December 2018)

Dr Andrew Crane (commenced 1 April 2018, Chancellor from 1 January 2019)

Dr Vanessa Guthrie

Mr Steve Scudamore

Mr Gene Tilbrook (ceased 31 March 2018)

Ms Sue Wilson, Pro Chancellor

Member elected by full-time academic staff

Professor Glenda Scully

Members elected by the graduates of the University

Vacant

Vacant

Member elected by full-time general staff

Mr Andrew McLean

Member who is the Chairperson of Academic Board

Professor Linley Lord (ceased 31 March 2018)

Professor Dale Pinto (commenced 1 April 2018)

Members elected by Students

Ms Romana-Rea Begicevic (postgraduate student commenced 1 April 2018)

Mr Sebastian Davies-Slate (postgraduate student ceased 31 March 2018)

Ms Finlay Nolan (undergraduate student commenced 1 April 2018)

Mr Liam O'Neill (undergraduate student ceased 31 March 2018)

Report by the Members of the University Council (continued)

Meetings of Members

The number of meetings of the University Council and of each committee of Council held during the year ended 31 December 2018, and the number of meetings attended by each member were:

MEMBERS	COUNCIL MEETINGS		MEETINGS OF COMMITTEES ¹												
	ATTENDED	HELD	AUDIT & COMPLIANCE		EXECUTIVE		FINANCE		LEGISLATIVE ²		NOMINATIONS		UNIVERSITY COUNCIL HEALTH AND SAFETY ³		
			ATTENDED	HELD	ATTENDED	HELD	ATTENDED	HELD	ATTENDED	HELD	ATTENDED	HELD	ATTENDED	HELD	
Mr Colin Beckett, Chancellor ³	6	7			7	7						2	2	3	3
Ms Romana-Rea Begicevic	5	5													
Dr Andrew Crane	6	7			5	7						1	2		
Mr Sebastian Davies-Slate	2	2													
Prof Paul Fairall (co-opted)									2	2					
Ms Beth Gordon (co-opted)								9	9						
Mr Damian Gordon	5	5						9	9						
Dr Vanessa Guthrie	6	7			4	5		8	9			2	2	2	2
Mr Alex Jones	1	2	2	2											
Mr Michael Lishman	6	7			0	2				2	2			1	1
Prof Linley Lord	2	2			2	2									
Mr Andrew McLean	7	7												2	3
Ms Finlay Nolan	4	5												1	1
Mr Liam O'Neill	2	2												1	1
Prof Dale Pinto	5	5			4	5				2	2				
Mr Steve Scudamore ⁴	6	7	5	5	3	7						1	2		
Prof Glenda Scully	5	7						8	9						
Mr David Southam (co-opted)			5	5											
Prof Deborah Terry AO, Vice-Chancellor ⁴	7	7	5	5	7	7		9	9	2	2			3	3
Mr Gene Tilbrook	2	2			2	2		2	2						
Ms Elisa Fear	4	5						6	9						
Ms Sue Wilson, Pro Chancellor ³	4	7	5	5	7	7						2	2		

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 by Council or respective committees of Council.

² The Legislative Committee only meets when necessary.

³ Also a member of the Curtin University Foundation Board.

⁴ Also a member of the Curtin University Foundation Board and Kalgoorlie Campus Council.

Report by the Members of the University Council (continued)

Principal activities

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

- (a) to provide courses of study appropriate to a university, and other tertiary courses, and to aid the advancement, development and practical application of knowledge;
- (b) to encourage and participate in the development and improvement of tertiary education whether on a full or part-time basis; and
- (c) 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.

Review of operations

The net operating result for the year ended 31 December 2018 was \$26.417 million (2017: \$79.605 million).

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

- Chancellor's Foreword
- Vice-Chancellor's Report
- Report on Operations
- Report on Performance

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.

Report by the Members of the University Council (continued)

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 its Committees and Officers of the University.

Proceedings on behalf of Curtin University

No material legal proceedings were initiated by the University during 2018.

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



Dr Andrew Crane

Chancellor

Curtin University, Bentley, Perth, WA

Dated this 20th day of March 2019

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CERTIFICATION OF KEY PERFORMANCE INDICATORS

We hereby certify that the performance indicators are based on proper records, are relevant and appropriate for assisting users to access Curtin University's performance, and fairly represent the performance of Curtin University for the financial year ended 31 December 2018.



Andrew Crane
Chancellor



Deborah Terry AO
Vice-Chancellor

On behalf of the University Council Dated this 20th day of March 2019