



**Murdoch**  
UNIVERSITY

Perth | Dubai | Singapore

# Annual Report 2016



[www.murdoch.edu.au](http://www.murdoch.edu.au)

# Annual Report 2016



Murdoch University is committed to conducting its education, research and corporate activities in a sustainable manner.

In keeping with this commitment the University has adapted its reporting practices to produce limited hardcopies of the annual report, encouraging stakeholders, customers, partners, students, employees and donors to access the report online.

#### **Murdoch University**

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Western Australia 6150  
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**Statement of compliance**

Hon. Sue Mary Ellery MLC  
Minister for Education and Training; Leader of the Legislative Council  
Dumas House  
2 Havelock Street  
WEST PERTH WA 6005

13 March 2017

Dear Minister for Education and Training,

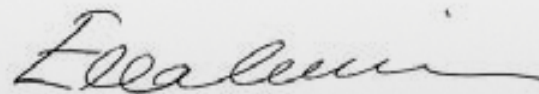
In accordance with Section 63 of the *Financial Management Act 2006*, we hereby submit for your information and presentation to Parliament the Annual Report of Murdoch University for the financial year ended 31 December 2016.

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

Yours sincerely



D N Flanagan  
Chancellor



Eeva Leinonen  
Vice Chancellor

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# Introduction



In 2016 we welcomed Professor Eeva Leinonen as Vice Chancellor. Since arriving she has made a positive impact and is currently involved in refreshing the University's Strategic Plan.

# Chancellor's foreword

I reflect on the year that was 2016, feeling privileged to have been re-elected by the Senate to serve as Chancellor for a second three-year term. This allows me to continue to help shape the future of this great University with a team that is bringing together new senior leadership and vision to deliver on the University's strategic goals.

Murdoch's new Vice Chancellor, Professor Eeva Leinonen, has already made a positive impression across the entire University. Her impact has been immediate and the Senate has embraced her strategic thinking, fresh vision and abundant energy.

The senior leadership team was further bolstered with the appointment of Deputy Vice Chancellors for the Education and International portfolios. The appointments are timely as Murdoch looks to attract more local students and increase our international growth both on and offshore. International and transnational students now account for approximately 40 per cent of the University's overall student numbers.

The investigation into a matter of governance at Murdoch, which concerned misconduct allegations in respect of former senior staff concluded with a public report. The investigation and subsequent report identified the need for a comprehensive review of the University's risk governance framework. This has resulted in a more robust governance framework for the University.

Murdoch continues to make a distinctive contribution through our research programs and was the centre of global news for a number of notable achievements. This included the US-based Food and Drug Administration (FDA) approval for a new treatment for Duchenne Muscular Dystrophy, which is demonstrating amazing results and offering sufferers a new lease on life.

The passing into law of amendments to the *Murdoch University Act* provides the University with the commercial powers necessary for developments to support the University's Strategic Plan. Planning for the Murdoch University Knowledge and Health Precinct on University land adjacent to the hospitals is underway, and details of opportunities are expected to be released to the market soon.

Our alumni community continues to grow and I was pleased to see that around 5,500 students completed their studies and graduated from the University in Perth, Singapore and Dubai in 2016.

The work of Murdoch's Kulbardi Aboriginal Centre has been excellent with Indigenous enrolments at an all-time high. The University is committed to the Reconciliation Action Plan (RAP), which showcases a tangible commitment to social justice and cultural integration. The plan formalises and supports a number of Murdoch initiatives and lays foundations for further growth and collaborations. Senate has oversight of and monitors the RAP.

Murdoch boasts one of the most culturally and demographically diverse student and staff communities in Australia with more than 100 nations represented, and almost half of our enrolments are mature age students. This is truly a University for everyone and I am immensely proud that many of our students are the first in family to attend University.

In closing, on behalf of Senate, I would like to thank all staff for their ongoing vision, energy, innovation and commitment. I also thank my Senate colleagues for their own passion in helping to shape a brighter future for our University. We look forward to a successful year ahead.



David Flanagan

**Chancellor**



# Vice Chancellor's report

After joining Murdoch University in April 2016, I was immediately struck by the passion and commitment of our staff. While recognising some challenges we face in our immediate to medium-term future, my first impressions were overwhelmingly positive and I am encouraged by the many opportunities that lay ahead for this University.

The success of Murdoch has been built upon the efforts of the many remarkable people who have worked and studied here. This includes a long and proud tradition of innovative thought and translational research, and this is what we must build on into the future.



## 2016 in Review

### Research

Murdoch University's translational research has been making a positive impact for more than 40 years and we remain well placed to capitalise on the Australian Government's innovation agenda.

We are strong performers in a number of research areas, including (i) primary food production; (ii) resources, the environment and their management; (iii) human and animal health.

Senator Birmingham announced outcomes of Australian Research Council (ARC) grant applications with Murdoch receiving three Discovery grants and one DECRA (Discovery Early Career Researcher Award) of approximately \$1.4 million and a UEF (Linkage Infrastructure Equipment & Facilities) grant worth \$2.2 million. The UEF grant is part of the new collaborative International Metabolic Phenotyping Centre, of which Murdoch is the lead partner. This new Centre reinforces Murdoch's position as a global research leader. I wish to congratulate everyone involved in bringing these successes to Murdoch.

China is a key partner for Murdoch University, and in 2016 we established four partnerships to undertake joint research projects and to train next generation scientists in areas of national significance to both Australia and China.

In 2016, we signed a number of important agreements for research collaboration with Chinese partner organisations. The Australia-China Joint Centre for Postharvest Biosecurity and Quality Research is a collaboration between Murdoch, Chinese Academy State Administration of Grains and the Plant Biosecurity CRC, aiming to work with the key grain users on solving national issues in Australia and China relevant to post-harvest grain biosecurity and quality.

### Learning & Teaching

The Murdoch Curriculum Commission Review commenced during 2016 and will see a revision of some key elements to build a sustainable, contemporary and appealing course portfolio.

Professor Romy Lawson, Deputy Vice Chancellor Education, is leading the University's academic mission with respect to learning and teaching, curriculum development and student experience. Professor Lawson will engage with students to excel in academic support, flexible learning options and better employment outcomes through real world learning.

Our newly appointed Deputy Vice Chancellor International, Professor Lyn Karstadt, joined Murdoch towards the end of 2016. Professor Karstadt's primary responsibility will be to drive Murdoch's endeavours to recruit onshore international students and build transnational partnerships. The University's future sustainability is largely dependent on our ability to attract more students both here and abroad.

Our campus in Singapore is now the largest foreign university in the city state with around 7,000 students and more than 15,000 alumni. I was delighted to attend a graduation ceremony there in 2016 and meet with staff, students and alumni. In the past 12 months, more than 2,000 students completed a course at Murdoch Singapore. Our Dubai operation is now in its 10<sup>th</sup> year and continues to operate successfully. We are committed to extending and developing our presence in the United Arab Emirates.

The Murdoch Campus Masterplan was approved at Senate in October, incorporating The Student Hub refurbishment project which will significantly improve an important element of our student-focused facilities in 2017.

### Engagement

I have been heartened by the support there is in the community for our University. Our deep engagements are many and varied, ranging from research associations with business and industry, to partnerships with organisations like Telethon Community Cinemas, which raise funds for children's charities and provide our staff, students and alumni with volunteering opportunities.

Our law students and staff have been working with the community legal centre SCALES (Southern Community

Advocacy Legal and Education Service Inc) since 1997, helping to provide free legal advice to low income people living in the Kwinana and Rockingham areas.

I am grateful for the support, wisdom and generosity of the Banksia Association, the Murdoch University Art Board and the many philanthropic donors to our University.

In 2016, we began work on an overhaul of our online and digital presence. There are plans to commence a staged launch of the revitalised Murdoch University website in the first quarter of 2017.

Our community engagement efforts were bolstered in 2016 by events like Open Day and the Music @ Murdoch concert. These occasions ensured thousands were able to appreciate the stunning natural environment we enjoy on the Perth campus.

After discussions with the late Emeritus Professor Geoffrey Bolton's family about commemorating his incredible contribution to Murdoch and Australia, it was decided to name our Library in his honour. An official dedication ceremony took place in February 2017. The Geoffrey Bolton Fund has also been established with a gift from Professor Bolton's wife Carol. The Fund will help young scholars pursue education and research opportunities.

Our work in regional communities intensified in 2016, with our MAP4U outreach program building aspirations among future students, their families and teachers.

Our first offshore research centre, the Singapore Centre for Research in Innovation, Productivity and Technology (SCRIPT), won its first government research contract in 2016 to investigate mental health and healthy ageing in the city state. SCRIPT aims to address the productivity challenges of local industries and I am looking forward to its development.

## Strategic Plan 2012-17 achievements

The Murdoch University Strategy 2012 to 2017 laid out a clear vision for an international, research-led University offering an excellent student experience to a diverse student body.

By reflecting on where we have succeeded in meeting the aspirations of the strategy, and where we need to do better, we can continue to grow and develop.

The current University strategy has yielded positive results in terms of research clarity, curriculum refresh and student experience, and we have identified clear areas for improvement.

Our research goal focused Murdoch as a research-led university with a reputation for high quality international research in select areas of knowledge, engaging with significant social and scientific challenges of our time. By identifying key research areas for strategic investment, we have built from a very solid base and much of our research, in fact 87 per cent is recognised as being at or above world standard.

Our researchers are well known for agriculture, biosecurity, environment and sustainability, medical and veterinary sciences, exercise sciences, health, and particularly 'One Health', which characterises the interface between human and animal health. And our research in the arts, particularly through the Asia Research Centre, politics, public policy, history and theology, are all world-renowned.

The total number of enrolled students has fluctuated over the past several years, influenced by many challenges, one of the most significant being the half cohort of school students exiting WA high schools in 2014. However, over the past five years we have had continued growth in our student numbers at our Singapore campus.

Communicating and engaging with our various communities at the local, regional and international levels, cultivating knowledge partnerships, participating in mutual endeavours, and contributing to public debate and cultural enrichment was at the heart of our engagement goals. Murdoch successfully promoted the cultivation of educational aspiration among under-represented groups in

the university system. Through the completion of the First Murdoch Commission on Western Australia in the region and the launch of the Second Commission in Singapore, our University has successfully developed a strong institutional profile in the areas of translational research and applied public policy.

Murdoch has strived to provide a rich and diverse academic learning experience with a curriculum integrally linked to quality research and up-to-date pedagogy, equipping students with life-long learning skills and the capacities to successfully engage in a global world.

There are also areas where the goals set have not been achieved as fully as we would like. We have reflected on these areas and made some changes already. There will be further enhancements made under the refreshed strategic plan 2017-2027.

## Challenges and opportunities

Many challenges and opportunities lie ahead as higher education markets become increasingly dynamic. The university sector now faces headwinds in Australia, including stiff global competition for resources and students, changing student and industry demands, and reduced public funding. This competitive environment has contributed to our deficit budget position.

Our ongoing success comes from having the ability to seize opportunities in a timely and agile manner. To help us achieve this, the University is currently negotiating a new Enterprise Agreement with staff that is simple, fair and modern.

We will continue to innovate and find ways to celebrate our distinctive identity to help us improve our standing and financial position. As a united team, we can cement our position as an ambitious, challenger university with our roots in WA and far-reaching influence across the globe.

The Federal Government will soon finalise its higher education reforms. It is anticipated these reforms will aim to ensure higher education is affordable and sustainable for all, whilst ensuring that universities are performing at the highest levels. That is why it is critical our focus remains on

good governance, enrolment practices, increased student retention, and on continuing to educate world-ready graduates of the highest standard.

The next stage of our Strategic Refresh will provide clarity of purpose together with a shared vision, as we strive to build a sustainable university set for increased success.

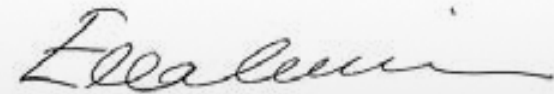
## Looking forward

Murdoch University's potential continues to lie with the talent and energy of our people. There is an immense sense of optimism about Murdoch's future. We have an opportunity to build on our exceptional work and provide clarity of purpose with our vision.

Steady progress has been made in 2016 developing and testing ideas that will form our next 10 year strategy. In 2016, I held four open forums with staff focusing on research and innovation, education and students, financial sustainability, values and organisational culture. Consultations were also held with members of the Senior Leadership Group, Senate and Directors and Guild council members.

I presented our emerging thinking from these discussions at a staff forum late in the year and consultation is continuing in 2017.

The refreshed strategy will build on the many strengths of Murdoch University, ensuring that we progress as a sustainable, world class, world-changing university.



Eeva Leinonen

**Vice Chancellor**

# Five Year Summary

## Key statistics

		2016	2015	2014	2013	2012
<b>STUDENT STATISTICS*</b>	<b>Total</b>	<b>23,153</b>	<b>23,244</b>	<b>24,142</b>	<b>24,108</b>	<b>22,602</b>
Number of students	Commencing	8,580	7,904	8,819	9,177	9,220
<b>Student load (EFTSL)*</b>	<b>Total</b>	<b>15,670</b>	<b>15,524</b>	<b>16,400</b>	<b>16,605</b>	<b>15,744</b>
	Undergraduate	13,752	13,604	14,310	14,421	13,475
	Postgraduate	1,918	1,920	2,090	2,183	2,269
Student load by funding source (EFTSL)*	Commonwealth Grant Scheme	7,984	7,692	8,248	8,305	8,231
	Research Training Scheme	319	338	367	377	376
	Domestic fee paying					
	– Undergraduate	0	0	0	0	1
	– Postgraduate	645	553	603	659	684
	International onshore	1,321	1,478	1,647	1,672	1,577
	Transnational	5,382	5,432	5,505	5,541	4,808
	Other	18	31	31	50	66
OUA student load (EFTSL)	Total	669	739	1,031	1,576	2,266
	Murdoch reported*	160	189	215	158	99
	OUA reported	509	550	816	1,418	2,167
<b>STAFF STATISTICS ^</b>	<b>Total</b>	<b>1,783</b>	<b>1,644</b>	<b>1,686</b>	<b>1,709</b>	<b>1,612</b>
Staff (FTE)	Academic					
	– Teaching only or mainly	277	203	207	193	190
	– Research only	79	67	63	55	54
	– Teaching and research	411	403	402	452	428
	– Other	16	10	31	30	26
	Non academic	999	959	984	981	913
<b>FINANCIAL STATISTICS (Consolidated)</b>						
Net operating result (\$000's)		-5,423	-4,841	2,904	35,949	32,995
Operating margin (%)		-1.6	-1.5	0.9	10.2	10.1
Net assets (\$000's)		815,328	824,063	822,809	821,504	777,644
Total assets (\$000's)		1,129,260	1,120,524	1,116,682	1,098,619	1,022,588
Total revenue (\$000's)		346,044	319,400	339,382	353,297	328,364
Total research income (\$000's)		24,150	20,765	26,685	27,905	30,184

\* Data based on Murdoch University's reportable student load only. Values are subject to student revisions and final quarter submission updates.

^ Staff statistics do not include staff employed by transnational partners. The values are those determined on the 31st December.

# Summary by campus



# 2016 Summary by campus

## STUDENT STATISTICS\*

Number of students

		Perth	Mandurah	Rockingham	Singapore	Dubai	Total
<b>Total</b>		<b>14,500</b>	<b>805</b>	<b>231</b>	<b>6,982</b>	<b>635</b>	<b>23,153</b>
Undergraduate	Total	11,758	801	231	6,604	462	19,856
	Commencing	4,232	276	109	2,308	162	7,087
Postgraduate Coursework	Total	2,011	2	0	378	173	2,564
	Commencing	1,113	2	0	160	64	1,339
Higher Degree by Research	Total	731	2	0	0	0	733
	Commencing	152	2	0	0	0	154
<b>Completions 2015</b>		<b>3,097</b>	<b>108</b>	<b>45</b>	<b>2,150</b>	<b>126</b>	<b>5,526</b>

\*Data based on Murdoch University's reportable course enrolments only. Values are subject to student revisions and final quarter submission updates.



# Our vision

Murdoch University was formally established in 1973 by an Act of the Western Australian Parliament to meet the growing higher education needs of the community.

Named after prominent Australian author and philosopher Sir Walter Murdoch, and officially opened on the 100th anniversary of his birth, the University was the first in the nation to offer a new, flexible admission system. This made tertiary education more accessible to the community, a tradition and value that Murdoch University has upheld to this day.



## Vision and values

With more than 23,000 students from over 100 countries and close to 2,000 staff, Murdoch is by world standards a comparatively small university, yet is well placed to meet its vision as a leading international research-led university pursuing excellence in select fields of expertise.

During 2016, the University continued its focus towards internationalisation via three core priorities including research, learning and teaching and engagement as outlined in the Murdoch Strategic Plan 2012-2017.

At the core of the current Strategic Plan are Murdoch's values, which underpin the University's high performing culture:

- Scholarly integrity
- Equity and social justice
- Sustainability
- Global responsibility
- Innovation and entrepreneurship

The need for clear and innovative operational plans to support the aspirations of the strategy is of vital importance for success in the years ahead. The University's schools and directorates all undertook this operational planning process during 2016 and will continue to realise its objectives during the coming year.

In September, planning began for a refresh of this Strategic Plan, with the beginning of a consultation process towards the new Murdoch Strategic Plan 2017- 2027. As the current plan draws to a close, its main aspirations remain front and centre. Our purpose is to continue to make a difference to the many communities we serve, through our translational research, our 'world-ready' graduates and through our highly committed staff across our local and global campuses.





# Our strategy





## Murdoch University Strategic Plan 2012-2017

The University's Strategic Plan is underpinned by three strategic goals that guide Murdoch's vision in research, learning and teaching, and engagement.

### Leading edge, blue sky and translational research

Murdoch University continues to emphasise research and aims to enhance its reputation for high quality, international research in select fields that engages with current, significant social and scientific challenges.

In 2016, the University continued to build on its established and emerging research strengths in line with the Research Strategy 2012-2017 across priority themes within the context of securing the future, including:

- Primary food production
- Resources, the environment and their management
- Human and animal health

These themes are inextricably linked to interdisciplinary activities with explicit connections to education, culture, communication, governance and public policy.

### High quality learning and teaching

In 2016, Murdoch made a significant investment in a project which adapted 172 units from our curriculum into new blended learning content for our students in Perth and Singapore. This project, entitled Transforming Transnational Education Delivery Project ensures Murdoch students have the best learning experience no matter where they study.

The Higher Education Academy in the United Kingdom recognised Murdoch's commitment to excellence in learning and teaching in 2016. It awarded accredited status to two of Murdoch's professional development programs.

The University appointed Professor Romy Lawson as its Deputy Vice Chancellor Education in 2016. Professor Lawson is renowned for being a leader in contemporary learning and curriculum development. She completed a review of the Murdoch curriculum in 2016.

### Strong societal engagement

The University continues to engage with various communities at a local, national and international level to cultivate knowledge partnerships. These collaborations aim to promote discussion and debate on food security, sustainability, health futures and cultural enrichment through the arts, humanities and social sciences in line with the Strategic Plan.

Sponsorships, events and high level engagement with donors and supporters continued in addition to the University's ongoing focus on internal engagement with a number of employee initiatives benefitting academic and professional staff.



# Our performance

Underpinning Murdoch's Strategic Plan are three strategic goals that guide Murdoch's vision in research, learning and teaching and engagement.



# Research

Murdoch University has a long tradition of research expertise in multi-disciplinary areas, with a commitment to fostering ongoing research partnerships and collaborations.

# Learning and teaching

Building on Murdoch's proud tradition of high quality learning and teaching, the University consistently works to provide an excellent, vibrant and diverse learning experience for students.



# Engagement

Murdoch has long been active in societal and community affairs, identifying community engagement as one of three core priorities in the University's Strategic Plan.

As the University continues to follow its path as a research-led institution, many of our academics are world leaders in their areas of expertise and produce high quality, international research in select fields that challenge global social and scientific needs. Murdoch University is helping to change the world.

Our performance

# Research

### Focus on Health

The research carried out at Murdoch is making a difference to lives around the world. Professors Steve Wilton and Sue Fletcher developed a revolutionary new treatment for Duchenne Muscular Dystrophy.



### Focus on research

In 2016, research income was \$24.2 million – an increase of 16.3 per cent on 2015. The total number of projects receiving funding in 2016 was 460, an increase of 19 per cent on the previous year.



### Providing solutions to world problems

Our researchers are developing crops which can be grown in the harshest climates. Murdoch has developed wheat that produces higher protein yield with lower production costs.



### World-class expertise

Murdoch's researchers are recognised globally for their expertise. Professor Lars Bejder's whale and dolphin research made headlines around the world.



### Sharing knowledge through collaboration

This year saw a number of collaborative projects with international organisations, including partnerships with China. A Chinese delegation visited the University in September for the launch of The Australia-China Joint Centre for Postharvest Grain Biosecurity and Quality Research.



### Research and culture

Celebrating and preserving culture is a key focus of research at Murdoch University. The importance of culturally-focused research is reflected in the broad range of topics studied at Murdoch, and in collaboration with partners throughout the world.



Our performance

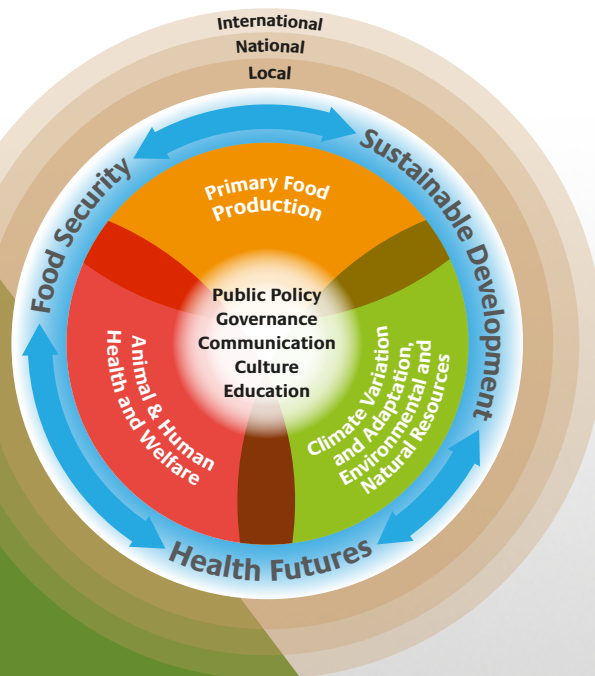
# Research

Murdoch University's research is translational in nature and substance. Much of its inspiration comes from the community and local industry-based partnerships, in addition to large-scale international collaborations that use emergent research themes to address the unique challenges of our time.

## Research strategy

High quality research and effective industry-based partnerships lie at the heart of Murdoch's heritage and continue to guide its future.

The University's focus is on translational research, which delivers real world solutions to global challenges across select areas. The Research Mandala seen below highlights key research themes reflecting outstanding performance and opportunities developed from a sustained effort and a commitment to pursuing research questions that matter. It outlines our excellence in a number of research areas, most notably in: (i) primary food production; (ii) resources, the environment and their management; (iii) human and animal health. In many cases we cover the full translational pipeline from fundamental and technology driven sciences through to political science and governance, regulatory and policy frameworks as well as cultural critiques offered through the prisms of history, theology and the social sciences. Each has their part to play in the creation and maintenance of a vibrant and globally connected university.



This research-focused philosophy is recognised by an increasing number of research partnerships and collaborations. In 2016 we saw the launch of strategic research collaborations with outstanding partners from China including:

- Australia-China Joint Research Platform for Quarantine and Phytosanitary Required Diagnostic and Treatment
- Establishment of a Joint Laboratory for Animal Health Big Data Analytics
- Memorandum of Understanding with Jiangsu Academy of Agricultural Sciences
- Proposals to establish joint PhD training programs with the Chinese Academy of Agricultural Sciences and Huazhong Agricultural University.

## Translational research

2016 was a successful year for research and innovation at Murdoch University.

At the heart of the University's growing reputation as a world-class research-led institution are our academics, many of whom are world leaders in their field. An impressive 87 per cent of Murdoch's submissions to the 2015 Excellence in Research for Australia (ERA) at the four-digit field of research level was assessed at world standard or better. Although an excellent result, it is clear that for its size Murdoch has one of the most diversified research portfolios in the nation and this is not sustainable.

Consolidation and critical mass in key areas will be the way forward in order for us to remain competitive and world leading. Using the Mandala as a guide, we will not only build our international reputation but also be a collaborator of choice. In turn this will have a positive impact on student and staff recruitment and enhance our industry profile.

Underpinning the future direction of research is Murdoch University's Research Plan for the 2017-2027 period.

Key targets for research investment from 2017-2021 are:

- Health Futures
  - Public Health and Infectious Disease
  - Precision Medicine
  - Health Policy & Service Delivery
- Food Innovations (nutritious production, safety and security)
  - Sustainable Farming
  - Grain Innovations
  - Biosecurity
  - Animal Production
- Responsible Development
  - Minerals, Water and Energy
  - Terrestrial and Aquatic Ecosystems
  - Food Security
  - Policy, Political Economy, Education and Engagement

## Performance targets

Murdoch's research goals for the next five years are:

- to be ranked in the top 350 universities globally
- to be ranked <200 in at least four recognised ranking systems across four broadly defined disciplines embedded across the key areas listed above
- to double research income from all sources
- to increase PhD completions by 50 per cent
- improve the impact of our research by 30 per cent through metrics such as field weighted citations.

## Highlights

Murdoch's refreshed research plan reflects the focus on and investments in research activities of recent years, especially in health and agriculture. We are able to report further successes for 2016.

Highlights include:

- Signing a new Australia-China biosecurity partnership in September, creating the Australia-China Joint Centre for Postharvest Grain Biosecurity and Quality Research.
- US-based Food and Drug Administration approval for a new treatment for Duchenne Muscular Dystrophy (DMD).
- Public access to wheat genome research which can revolutionise farming. Research resulting in a new high-yielding wheat variety with protein content of more than 14 per cent.
- A new bacteria discovered by Murdoch University researchers in Australian ticks that mimics Lyme disease.
- New 3D imaging technology that is revolutionising Australia's \$12 billion meat industry.
- Marine science which has for 22 years been observing the effect of changes to the marine ecology and the WA migration of whale sharks.
- The appointment of a WA Premier's Fellow in Big Data and Agriculture in collaboration with Curtin University.
- Membership and launch of the International Phenome Centre Network in Doha at the World Innovation Summit on Health (WISH).

## Research funding success

Murdoch University's reputation for innovative, high quality research has again been recognised and rewarded in 2016. By retaining a clear focus on its research themes of Health Futures, Sustainable Development and Food Security, Murdoch has remained at the forefront of its research disciplines and is championing internationally significant research outcomes. This is recognised by the different ranking schemes and through publications with international collaborators. The Distinguished Collaborator Scheme established in 2013, delivered more than 150 research outputs and over \$1.2 million in research income.

Throughout 2016, Murdoch University received more than \$24 million in funding for its leading edge research projects, with \$2.2 million won from the Australian Research Council (ARC) and another \$2 million from other sources to position a new Australian Metabolic Phenotyping Centre (AMPC) at Murdoch's Perth Campus. The AMPC will bring together the expertise of a number of collaborative university partners along with the latest biological screening technology.

The latest ARC funding success enhances Murdoch's reputation as a research-led institution, which offers both students and researchers a platform from which to unlock the answers to global challenges. Our success rate in this scheme was bettered by no other Australian university at 50 per cent up from 44 per cent in 2015.

The successful Murdoch University ARC Linkage projects were:

- *'Tiresome ticks: Ecology and transmission of tick-borne disease in Australia'* – Professor Peter Irwin, Professor Una Ryan and Dr Charlotte Oskam
- *'Backyard Bandicoots: Engaging community in urban bushland conservation'* - Associate Professor Trish Fleming, Professor Giles Hardy and Dr Catherine Baudains
- *'Wicked problems: Optimising fire management for a resilient future'* – Professor Neal Enright and Dr Joseph Fontaine
- *'Fume resistant explosives for critical areas'* – Professor Bogdan Dlugogorski and Dr Mohammednoor Altarawneh.

Other Research Council funded projects include:

- \$2.5 million for two research projects to improve Australia's beef quality
- \$536,000 to study fire-climate interaction effects on plant species persistence
- \$371,000 to predict factors related to resilience and wellbeing in Indigenous youth
- \$304,000 to help manage and reduce the social, environmental and economic effects of heat waves
- \$116,572 to study the post-colonial work of writer V.S. Naipaul
- \$220,000 to pilot a culturally sensitive, early intervention mental health screening tool for Aboriginal and Torres Strait Islander mothers
- \$1.25 million to help reduce the number of people who experience adverse drug reactions.



## Improving meat quality and value

Murdoch University is leading a new project which will revolutionise Australia's \$12 billion meat industry.

The University was selected by the Federal Government to deliver next-generation technology to meat producers, suppliers and retailers across the country through a collaboration involving industry partners, which is being led by researchers at Murdoch, with Meat and Livestock Australia as the lead rural research funding provider.

Dr Graham Gardner, Associate Professor at the School of Veterinary and Life Sciences, is leading the \$12.5 million project which utilises x-ray technology developed at Murdoch alongside the latest hyperspectral and 3D digital imaging to create a true value system of accurate measurement and improved quality.

The Federal Government's Rural Research and Development for Profit program committed \$4.8 million in funding with industry partners, including the Meat and Livestock Corporation contributing the remainder.

The project will transform the industry's competitiveness by creating a feedback and decision making system underpinned by accurate measurement. Estimates propose the new technology could collectively provide \$100 million in efficiency savings to Australia's meat supply industry.

*Murdoch University is leading a new project which will revolutionise Australia's \$12 billion meat industry.*

In 2016, researchers at Murdoch University were also awarded \$2.5 million to lead two major research projects aimed at improving Australia's beef quality.

One project will seek to identify the ideal cattle feed to ensure that meat remains red and tender when it hits supermarket shelves, while the second project aims to attract the next generation of research graduates to further studies and support the industry's workforce.

The Meat and Livestock Association is supporting the projects with \$600,000 invested for Murdoch to develop supplements which will improve the meat colour and quality of grass-fed beef.



## Murdoch joins forces with US pharmaceutical firm to improve drug treatments

Murdoch University's research agreement with US medical and drug research company Sarepta Therapeutics has seen its new treatment for Duchenne Muscular Dystrophy (DMD) approved for use by the United States Food and Drug Administration.

The target-specific drug that silences only the faulty genes was developed by Murdoch researchers and has been heralded as a new frontier in the treatment of DMD.

Duchenne Muscular Dystrophy mainly affects boys, where every muscle in their body – including the heart – deteriorates, eventually leading to loss of life.

The drug is showing remarkable results with boys, who have been previously told they are incurable, are still able to walk and function into their late teens and potentially beyond.

Murdoch researchers from the Centre for Comparative Genomics, Professors Steve Wilton and Sue Fletcher, will now build on their research which won them an Australian Museum Eureka Prize in 2013.

The agreement with US-based Sarepta positions the Murdoch University laboratory as a pipeline for global drug development.

## Mine closure

Based on our research in environmental science, in particular the link between agriculture and mining, a program of research extension has been developed in mine closure. The Murdoch University Effective Mine Closure Management Program is tailored for mid-career mining professionals from Africa.

Effective mine closure planning and implementation is key to ensuring that the extractives sector delivers on sustainable development targets.

The program helps participants understand how they can contribute towards the enhancement of practices in the extractive sector when they return to their home country.

## Innovation: Foundations for the future

The growing importance of commercialising research has seen Murdoch University partner with consultancy firms Innovation Cluster and Atomic Sky to stimulate entrepreneurship among academics, postgraduates and early career researchers at the University.

The *Start Something* program comprises commercialisation awareness events and workshops led by industry mentors. They focus on stages of education, business modelling, validation and the commercialisation process with a view to further developing research commercialisation skills, supporting researchers and strengthening research-industry engagement.

Murdoch University's Deputy Vice Chancellor Research & Innovation, Professor David Morrison, said the program will provide enterprise skills, knowledge and contacts in industry to help researchers.

Australia is currently ranked nearly last in the Organisation for Economic Co-operation and Development nations for collaboration between industry and public researchers.

The *Start Something* program will support Murdoch researchers by providing the skills and knowledge to learn from the successful commercialisation pathways of others. It will also allow researchers to engage directly with industry and business experts, and work in start-up ecosystems.

The program closely supports Murdoch's translational research which continues to develop social and economic benefits to local and international communities by delivering positive outcomes from its innovative research.

The initiative is an important component in broadening the University's focus on research, innovation and knowledge transfer as it provides a cohesive framework supporting industry connectivity.

Industry engagement is a growing component of the future of public research in Australia, so researchers interacting with industry experts from multiple fields are central to the program.

## International research collaboration

### Chinese partnership boosts biosecurity research and trade

Murdoch University's reputation as a leader in plant and animal biosecurity has seen it selected to partner with the Chinese Academy of Inspection and Quarantine (CAIQ) in an international agreement that will support bilateral trade between Australia and China.

The Australia-China Joint Research Platform of Quarantine and Phytosanitary Required Diagnostic and Treatment plays a key role in the promotion and facilitation of research, collaboration, education, commercialisation and information exchange between Murdoch and CAIQ. This will underpin policy development, trade protocols and support access into new markets for both countries.

The new research platform, which is co-led by Murdoch's Professor Yonglin Ren, builds on Professor Ren's excellent cross disciplinary work that is widely recognised by Australia's agricultural industry.

Professor Ren's research into insect pests, fruit fumigation, pesticide residue and quarantine regulations has helped to secure bilateral trade agreements with a range of countries in some key agricultural and horticultural commodities across Australia, from blueberries to citrus to grain.

The partnership aims to reduce trade hurdles and barriers, improve market access, sustain our horticultural industries, bolster food security and safety, and maintain market reputation.

Murdoch is the only university in Australia with cohesive research and teaching exploring the entire supply and value chain from the pre-harvest to the post-harvest and to the table.

### Australia-China biosecurity partnership launched

A biosecurity research partnership between Australia and China was launched in September. It aims to identify new and improved ways to minimise losses in stored grain through the development of non-chemical controls.

The Australia-China Joint Centre for Postharvest Grain Biosecurity and Quality Research partnership between Murdoch University, Australia's Plant Biosecurity Cooperative Research Centre (CRC) and China's Academy of State Administration of Grain, the Chinese government's agricultural research arm, will develop new technologies that reduce post-harvest losses.

Professor YongLin Ren, a world leader in post-harvest grains research, said the research teams are working to develop non-chemical controls to manage stored grain pests, such as modified nitrogen technology and innovative 'lure and kill' pest controls to ensure food safety and security and maintain quality.

The partnership will work closely with grain suppliers and companies to commercialise the research and deliver it to industry with maximum impact.

*The new biosecurity research partnership was launched at Murdoch on 23 May 2016, by CAIQ President Xinshi Li and Murdoch's Vice Chancellor Professor Eeva Leinonen in front of an audience of VIPs from the Chinese Consulate General in Perth, the Australian government and the agricultural and horticultural industries.*





*A new variety of high protein wheat has been developed at Murdoch University, which will move into full commercialisation in 2017.*

## Wheat research to revolutionise farming

Wheat breeders and scientists around the world will be able to download and use invaluable wheat genome information to accelerate crop improvement programs and wheat genomics thanks to Murdoch University's research.

The decade-long research effort to understand the wheat genome by the International Wheat Genome Sequencing Consortium (IWGSC) will revolutionise the world's wheat growing community by helping develop crop improvement programs and advance wheat genomics research.

IWGSC Co-Chair, Professor Rudi Appels, and his team at Murdoch University said this new resource will, for the first time, allow farmers to look forward to a future with improved wheat varieties with important agricultural traits such as yield increase, stress response and disease resistance.

Having completed quality control on the wheat genome, the consortium is now making this breakthrough resource publicly available.

The research has been funded by the Grains Research and Development Corporation and BioPlatforms Australia since 2010.

During the year, the researchers at Murdoch University made a major breakthrough by increasing the protein content of wheat to more than 14 per cent. The new methods are producing higher-yield wheat which can be grown in poor quality soils with lower production costs. The breakthrough will allow farmers to command premium prices for superior crops on the global market.

The combination of a reduced need for fertilisers and higher protein content will help lower production costs and deliver higher profits for growers in some of Australia's toughest regions.

The new wheat variety, which has been named Tungsten, has been tested in National Variety Trials and will be ready for full commercialisation in 2017.



Professor Megan Galbally

### Research into the impact of mental health during pregnancy on infants

Professor Megan Galbally is working on two projects that relate to the impact of maternal mental health during pregnancy on the developing child.

One, a Perth based project, will investigate the relationship between maternal mental health in pregnancy and infant development. The study, funded by the Spinnaker Health Research Foundation, will also examine whether the use of psychotropic medication (such as antidepressants) to treat maternal mental disorders either prevents or increases the risk of adverse infant developmental outcomes.

Murdoch University, Harry Perkins South and the University of Notre Dame have teamed up with Fiona Stanley Hospital, Peel and Rockingham Kwinana Mental Health Service and Peel and Rockingham Hospitals to work on the study.

Around 200 pregnant women are being recruited for the two-year study, and results will be compared against Professor Galbally's ongoing research in the Mercy Pregnancy and Emotional Wellbeing Study in Victoria. This project is following 500 women and their children from the first trimester in pregnancy until the children are three-years-old and is funded by a current five year NHMRC Project grant of \$970,795. The first cohort of 282 children is currently commencing three-year-old assessments in Melbourne.

Professor Galbally is the Foundation Chair in Perinatal Psychiatry jointly funded by Murdoch University and the University of Notre Dame.

### Researching adverse drug reactions

Professor Elizabeth Phillips from Murdoch's Institute for Immunology and Infectious Diseases (IIID) is leading research which aims to reduce the number of people who experience adverse drug reactions (ADR).

ADRs present a considerable strain on healthcare providers around the world, accounting for about six per cent of in-patient hospital admissions at an annual cost of \$136 billion.

The Australian Government's National Health and Medical Research Council (NHMRC) has awarded \$1.25 million in funding for the four year study.

Professor Phillips said the funding will be used to develop a strategy which improves drug safety and guides ways to reduce ADRs, both to the individual patient and through safer drug design and development.



Professor Elizabeth Phillips

## Researching spawning migration of football-size goldfish

Murdoch University was centre-stage as Dr Stephen Beatty and his research team from Centre for Fish and Fisheries Research gained broad media exposure. Media groups from around the world covered the story on the team's research into controlling goldfish in rivers across the State's south-west.

The research involved strategically placing acoustic receivers along waterways to examine the movement patterns of an introduced goldfish population in

the Vasse River. The findings showed some of the football-sized goldfish were travelling hundreds of kilometres as part of a seasonal shift in habitats during breeding season.

Little was known about the movement patterns of goldfish, hampering the development of effective control programs.

Once established, self-sustaining populations of alien freshwater fish often thrive and can spread into new regions, which is having a fundamental ecological impact and are major drivers of the decline of aquatic fauna.

The results of this study will have important direct management implications, enabling more strategic development of effective control programs for the species such as targeting migratory pathways.

It will also enhance understanding of the fish behaviour and their growth rate, which is the fastest known individual growth rate of this species in the world.

## New bacteria discovered in Australian ticks

A breakthrough discovery by Murdoch University is at the forefront of disease management, with researchers identifying a new species of bacteria in echidna-biting Australian ticks.

The discovery was published by Dr Charlotte Oskam, from Murdoch University's Vector & Water-Borne Pathogen Research Group (VWBPRG), in the parasitology journal *Parasites and Vectors*, attracting national interest.

The study discovered the presence of a *Borrelia* bacteria species separate to a group of bacteria which causes Lyme disease in the northern hemisphere. Little has been documented about micro-organisms harboured within Australian native ticks or their potential to transmit disease.

An Australian Research Council Linkage Project scheme will enable the VWBPRG at Murdoch University to further study the ecology and transmission of tick-borne disease in Australia.



*The Centre for Fish and Fisheries Research is tackling the issues of feral goldfish in WA waterways.*



2 mm

*Murdoch University researchers discovered a new bacteria in Australian ticks.*



*The Murdoch University Cetacean Research Unit is investigating the health of Southern Right Whales.*

### Whale research makes global headlines

Drone pictures showcasing the work of Professor Lars Bejder and his team at the Murdoch University Cetacean Research Unit made headlines around the world. Media clamored to cover the story of Southern Right Whales off Augusta, which included video images of a rare white calf.

The collaborative research project used innovative technologies including suction-cup tags and drones to help unlock some of the mysteries surrounding the whales.

The findings are identifying fine-scale movements, acoustic communications, ambient noise, calf-suckling rates and body conditions of the migratory population. It is also providing a detailed picture of the impact on mothers of fattening their calves.

The research will help researchers to understand the impact that human activities are having on the whales and their ability to reproduce.

## Superbug detected breaching Australia's final drug defence

The first evidence of a superbug in a domestic cat that could infect humans and livestock has been discovered by Murdoch researchers.

Dr Sam Abraham led a study to identify the full risk of the *Salmonella* strain, which is resistant to carbapenems, a drug used as the last line of defence in Australian hospitals. Experts believe this resistance may pose a serious threat to public health.

Dr Abraham worked with a strong team of medical and veterinary researchers from Concord Hospital, University of Sydney, Concord Vets and University of Adelaide who contained the spread of infection and worked to categorise the new strain.

This is the first time that a *Salmonella* strain with resistance to most antimicrobial drugs has been reported in any Australian domestic animal and it is a significant concern to public health.

News of the breakthrough research made headlines around the world.

## National research centre at Murdoch University: Mediterranean fruit fly

Murdoch University has been named as the location for a national research facility that will help Australia's \$9 billion horticulture industry.

The \$1.65 million MedFly Unit, funded by the Australian Government's Rural Research and Development (R&D) for Profit program, is working to protect crops from the Mediterranean fruit fly. Horticulture Innovation Australia will contribute a further \$3.4 million as part of a five year investment.

The translational research project will benefit producers and exporters of blueberries, apples, pears, avocados, strawberries, cherries, lychees, table grapes, citrus, capsicums and summer fruit.

The new facility follows Murdoch's core research focus on food security. It includes a new state-of-the-art laboratory where researchers will work to develop new technologies to treat produce prior to export, including the creation of small-scale, mobile equipment for growers to use cost effectively in packing sheds.

The research funding will help open access to trade partner countries that have stringent Medfly requirements.

## Investing in the future

Murdoch University is committed to growing the research workforce of the future. In late 2016 a new PhD scholarship scheme was introduced whereby 100 international PhD scholarships and 20 industry linked stipends will be awarded. The scholarships will reinforce Murdoch's standing, not only as a global university, but one that is industry linked.

## Recognition of excellence

The 2016 Vice Chancellor's Award for Excellence in Research was given to Murdoch University researchers for their work across a broad range of fields.

Professor Una Ryan, from the School of Veterinary and Life Sciences (VLS), was awarded for her work on parasites and infectious agents.

VLS Associate Professor Graham Gardner was recognised for developing an x-ray technology system, which is revolutionising the Australian meat industry.

Dr Ann-Maree Vallence, from the School of Psychology and Exercise Science, was given an Excellence in Research award for work on how the human brain works.

Dr Mohammednoor Altarawneh and Dr Manickam Minakshi from the School of Engineering and Information Technology also received the award.

*(Top Right) Professor Una Ryan is working on parasites and infectious agents.*

*(Right) Dr Ann-Maree Vallence is investigating how the human brain works.*





## The research landscape

In mid-2016, the Federal Government accepted all 28 recommendations of the Watt Review into research policy and funding.

The review was a cornerstone for Australia's approach to innovation and builds on the \$1.1 billion National Innovation and Science Agenda to strengthen Australia's research system and to better translate research outcomes into economic and social benefits.

This will result in a change to the way that block grants are allocated to universities. While the new funding model will potentially see a reduction in funding, the review provides significant opportunities for Murdoch including tax incentives for business, which will incentivise university and industry collaborations.

Block grant support based on research income is expected to continue to favour Murdoch based on its demonstrated commitment to industry engagement and its demonstrated success in collaborations.

The Watt Review also recommended that an international fund be established to foster global collaborations. This will support Murdoch's growing international presence especially in the Indo-Asia-Pacific Region.

Finally, the review has changed the way Murdoch is able to engage with PhD students with the introduction of a scheme to attract international students through fee scholarships, as well as a program to match industry funding on a 50:50 basis for PhD scholarships. Murdoch aims to increase its PhD completions by 50 per cent by 2021.

A review of the national research infrastructure and a renewed commitment to super-computing took place in 2016. This 10 year commitment will see Murdoch continue to be involved in the Pawsey Centre joint venture along with CSIRO, Edith Cowan University, University of Western Australia and Curtin University, with a vision to continue to attract high quality staff and students, especially those in Science, Engineering and Mathematics (STEM) subjects.

The Federal Government's commitment to the Cooperative Research Centre (CRC) program and the introduction of the new CRC project scheme has offered exciting opportunities for Murdoch. At the end of 2016, Murdoch was the lead agency for the Future Water CRC, and was principal partner in the High Performance Soils CRC. Outcomes were announced in early 2017.

2017 is set to be an exciting year with the launch of a trial to assess the impact of Australia's research, which will serve as a precursor to the 2018 ERA exercise.

As a translational research-focused university, Murdoch should benefit from a shift away from publication and citation as principal performance indicators. Murdoch has a strong track record of working with CRCs and industry-facing funding organisations of research, such as the Grains Research and Development Corporation and Meat and Livestock Australia.

Finally, the recently announced change to the University Act will allow Murdoch to develop the Murdoch University Knowledge and Health Precinct on the eastern side of its Perth Campus. This will create opportunities to partner with research collaborators to build world class infrastructure and develop training and commercial opportunities.

Proposals have been submitted and Murdoch has established in-principle agreements with two Chinese collaborators to explore the potential that these changes offer, with a pilot brewing and malting plant being planned.

Murdoch University continues to build on its reputation for delivering high quality learning and teaching. These outcomes are supporting the development of high-achieving students who are work-ready and have all the essential skills for the knowledge economy.

The University's learning framework, professional and skill development programs, updated curriculum and teaching have been designed to support students in a rapidly-changing global education environment. Evidence of success can be found in high profile, well-rounded graduates and the ongoing success of Murdoch's distinguished alumni.

Our performance

# Learning and teaching



### CUTL wins international recognition

The Higher Education Academy in the UK recognised two Centre for University Teaching and Learning (CUTL) programs which develop teaching skills among Murdoch academics.

### Transforming TNE (Transnational Education)

172 units from Murdoch's curriculum have been adapted into new blended learning content, including online tutorials, educational gaming and video resources.

### Key appointments

Professor Romy Lawson and Professor Lyn Karstadt joined the senior leadership team at Murdoch in the Deputy Vice Chancellor Education and Deputy Vice Chancellor International portfolios respectively.

### TeachLivE

The School of Education successfully piloted a trial of TeachLivE, a virtual reality classroom environment, for its student teachers.



### FlexiTrack

This online university preparation program was developed and introduced in 2016, providing another alternative entry pathway into Murdoch.

### IRU conference

Delegates from the six Innovative Research Universities (IRU), government and industry converged on Murdoch to investigate ways universities can better prepare graduates for the changing jobs market.





Our performance

# Learning and teaching

The strength of Murdoch University's performance as an internationally recognised University is reflected in our multicultural student population in Perth and Mandurah and active student populations in offshore campuses in Singapore and Dubai.

International students now account for approximately 40 per cent of the University's total student population with representatives from more than 100 countries, who are attracted by curriculum, high quality learning and teaching, as well as the University's commitment to comprehensive student support services.

## Highlights

Murdoch University academics worked closely with international digital specialists to adapt 172 units from the University's curriculum into new online learning content.

The Transforming Transnational Education Delivery Project ensures students from Murdoch's Perth and Singapore campuses have a 'blended learning' experience with a range of online tutorials, digital content, learning modules and video resources now available.

Murdoch University hosted a two day Innovative Research Universities (IRU) forum in September to discuss the ways universities can help graduates prepare for rapidly changing job markets.

With predictions of up to 40 per cent of jobs becoming obsolete in the next 20 years, Murdoch Vice Chancellor Professor Eeva Leinonen said IRU leaders must understand the demands of new economies to help shape the future of education and enhance graduate employability.

Murdoch Information Technology students who developed a web/mobile-based cognitive retraining system aimed at assisting the rehabilitation of stroke survivors, won recognition in regional, national and international technology awards.

Their *FlexiBrains* project gained them prizes in the WA Information Technology and Telecommunications Alliance INCITE Awards and, the national iAwards. They went on to win the Merit Tertiary Student Project Award in the Asia Pacific ICT Alliance Awards in December.

## New frontier for learning and teaching

### Exploring the future

Designing and implementing a framework to meet the future needs of students and staff is a critical priority for Murdoch University and is driving a number of initiatives designed to identify the issues and trends.

In September, the University hosted a two day conference and workshop to explore the future of learning, teaching and the main trends affecting higher education.

The event attracted more than 150 staff, students and delegates who came to share current learning and teaching practices, to experience new innovations and discuss the future of learning.

The showcase day highlighted the best research into learning and teaching across the University, with colleagues from all schools presenting their work.

A panel discussion titled '*Brave New World: A future for learning in 2030*' focused on future learning approaches and exploring higher education standards, advanced lecture practices and the role of future technologies in learning.

These events are important because they bring the education community together to explore the current boundaries in learning and teaching and how Murdoch can shift them through high quality, innovative practices.

## New vision for learning and teaching

After more than 20 years of providing advice and support for students and academic staff, Murdoch University has adapted and re-launched its Centre for University Teaching and Learning (CUTL), shifting its focus to services that assist staff and students through the changing world of higher education in the digital age.

The new-look CUTL team includes specialists in professional development, work integrated learning, student assistance, skills development and educational technology. The team is partnering with eight schools and other areas of the University to better align services and learning outcomes with the needs of Murdoch staff and students.

For Murdoch to thrive in the changing higher education environment, the University will continue to develop flexible and innovative learning environments and ongoing development for all staff, while delivering more engaging, enriching and rewarding journeys for students.

CUTL identified the needs of the academic community, providing learning and teaching support and staff development for research and teaching roles. The prestigious Higher Education Academy in the United Kingdom recognised two of CUTL's professional development programs, awarding them accredited status unconditionally.

With a renewed focus on a sustained recruitment through Murdoch's enabling programs, CUTL continues to offer pathways to higher education, with the popular, free *OnTrack* program rapidly becoming known as the 'gold standard' in university enabling education.

*OnTrack* and *OnTrack Sprint* are intensive short-term enabling programs designed to help school students to qualify for university, or to be better positioned for their preferred learning areas. A new online program, *FlexiTrack*, was also introduced at the end of 2016.

CUTL continues to work in partnership with Murdoch's Transnational Education office, Murdoch Singapore and Murdoch Dubai to offer learning support to transnational students.



## Profile

### Professor Romy Lawson Deputy Vice Chancellor Education

Professor Lawson is renowned for being at the forefront of contemporary learning and curriculum development in Australia. She has 20 years of experience in teaching and learning development in higher education in the UK and Australia, and worked as Pro Vice Chancellor (Learning and Teaching) at Edith Cowan University and Director of Learning, Teaching and Curriculum at the University of Wollongong.

Her research has focused on whole of degree curriculum design for assuring learning; the effect of assessment and feedback on student learning; leadership strategies for curriculum renewal; embedding professional learning in the curriculum; and the impact of professional development on higher education teaching. In 2013, Professor Lawson's work was recognised with a National Office of Learning and Teaching (OLT) Teaching Fellowship.

Professor Lawson has completed a review of the Murdoch curriculum, first implemented in 2014, and is formulating strategies on graduate employability.

She also introduced a popular Re-enrol Day in November to encourage current students to pick their unit options early with the help of student support staff and academics. The event was praised by students and staff for its feedback opportunities.

She has identified three clear strategic imperatives for Murdoch:

- To revise the curriculum to make sure our degrees are contemporary, appealing and that they prepare our students to be career ready
- To continue to improve the student experience, resulting in increased retention rates
- To ensure the quality of all the academic activities.

## National forum at Murdoch aims to improve graduate employability

The future challenges facing the higher education sector were highlighted during a two day conference at Murdoch, which brought together delegates from Australia's six Innovative Research Universities (IRU), government and industry to look at ways universities can better prepare graduates for the 'new work order'.

The IRU conference detailed the changing trends and challenges facing universities as they position their curriculum and learning to create graduates for an economy, where up to 40 per cent of jobs are predicted to become obsolete in the next 20 years.

Having the ability to adapt to the trends was seen as critically important as new jobs and opportunities emerge that don't exist today, highlighting the need for graduates to develop broad-based skills that are flexible and adaptable.

IRU leaders identified challenges and opportunities for universities to help shape the future of education by adapting learning environments to meet the needs of future students and enhance graduate employability.

## Senior leaders join Murdoch

With the commencement of the University's new Vice Chancellor, Murdoch took the opportunity to strengthen the Senior Executive Group.

Professor Romy Lawson joined Murdoch, in the role of Deputy Vice Chancellor Education, while Professor Lyn Karstadt commenced as Deputy Vice Chancellor International.

The new senior positions will support the University's ambitious plans for students, curriculum, education and international development and play a pivotal role in Murdoch's future direction.



## School-led Teaching Effectiveness Program

To improve student retention and student satisfaction rates, the School-led Teaching Effectiveness Program (STEP) pilot was initiated in 2016. The program expanded the successful Peer Assisted Student Sessions (PASS) program from four units to 20 units and implemented interventions around 30 first year units across campus.

## Student learning enters new age

In an Australian first, Murdoch's School of Education showcased the University's reputation as a leader in next generation teaching, piloting a trial of TeachLivE, a virtual reality classroom environment.

TeachLivE's advanced technology enables students to practice their classroom management skills in a micro-teaching environment that covers a range of situations and can prepare students for real classroom settings far earlier in their training without the stress.

Avatars are controlled by an interactor who can adapt the reactions of the students in the session to the various strategies used by the pre-service teacher to control or engage with the class.



## International

Murdoch University instigated new initiatives in 2016 to encourage international students to choose Murdoch University, including the introduction of International Welcome Scholarships. These offer eligible students up to \$10,000 off their first year tuition fee.

Murdoch's Singapore campus continues to go from strength to strength. Murdoch is now the largest foreign university in Singapore with around 7,000 students and more than 15,000 alumni in the city state. In partnership with Kaplan Singapore, the campus offers one of the largest ranges of double major degree programs in the region.

The Murdoch University International Study Centre in Dubai is now in its 10<sup>th</sup> year of operation. The campus continues to operate successfully, offering undergraduate degrees in media, commerce and IT and postgraduate courses in business and education. It has more than 600 students. Murdoch is committed to developing and extending its presence in the United Arab Emirates.

## Transforming Transnational Education

A new era in student learning was celebrated in February with 172 units from Murdoch University's curriculum adapted for 'blended learning' using a range of online tutorials, digital content, learning modules and video resources. They are viewable through computers, tablets and smartphones.

The Transforming Transnational Education (TNE) Delivery Project ensures Murdoch students have the best learning experience possible. The program will also pilot intensive teaching modes for Murdoch's Singaporean students to provide greater flexibility for those with busy working lives.

Through the significant investment in the TNE project, we have been developing our teaching facilities and now have three mini studios, a state-of-the-art LightBoard facility and Camtasia licensing, which allows staff to produce short mini lectures and learning nuggets.

*Dr Susan Ledger led the first Australian trial of TeachLivE.*

## Upgrading education spaces for the next generation of learners

The learning spaces initiative is a multimillion dollar capital investment, which has seen Murdoch University undertake a massive upgrade to learning spaces in recent years. The initiative will prepare our students better for their future careers and give our teachers the best leading edge facilities.

The first phase has seen around half of the learning seminar rooms and lecture theatres upgraded with improved audio visual equipment. The second phase is well advanced and has involved the development of a new state-of-the-art nursing simulation suite at the Perth campus and the teaching-focused Physics and Mind-Body laboratories, supporting more problem and analysis based learning approaches.

The project is also developing five test spaces that will allow high quality teaching staff to undertake active learning, and real world learning, in a range of new formal and informal spaces.

Investments have also been made into refurbishing the Education and Humanities building, upgrading the Mandurah theatre and developing animal production and forensics teaching facilities at Whitby Falls.

Murdoch also announced that more than \$20 million is to be invested to build a dynamic, flexible learning and social space for our Perth based students. Known as the Student Hub, the space will transform our student-focused facilities.

## Learning in real life environments

### Nursing lecturers win national teaching awards

Murdoch University nursing lecturers were in the national spotlight in 2016 with their innovative learning programs being recognised with national teaching awards.

The programs are designed to develop knowledge, clinical skills and inspire a love for nursing through engaging and practical activities that reflect genuine scenarios, with a focus to produce nursing graduates who are confident and skilled in a real clinical setting.

Dr Martin Hopkins, Prue Andrus and Caroline Browne from the School of Health Professions were awarded citations for *Outstanding Contributions to Student Learning*, as part of the Australian Awards for University Teaching, administered by the Department of Education and Training.

Dr Hopkins and Ms Andrus were recognised for the development and implementation of a new simulation program, which delivers students real world experiences and helps to embed essential competencies critical in clinical settings.

Ms Browne was successful for inspiring and facilitating undergraduates to take work placements in developing countries like Thailand and Cambodia. These placements help students develop communication, leadership, resilience and cross-cultural awareness skills, as they learn to quickly adapt to new environments and work within a team in sometimes stressful situations.

Ms Browne undertook a similar placement when she was a university student and said the experience had resonated throughout her nursing career.

### Law students raise the bar

Murdoch University's School of Law soared to new heights in 2016 with students receiving national award recognition and providing legal support to a Coronial Inquest.

Law student, Heather Costelloe, was inspirational in leading Murdoch as it triumphed over 20 teams of law students and practicing lawyers from around Australia to win the eighth Chartered Institute of Arbitrators/ Young Lawyers International Arbitration Moot Competition, which was held in Sydney.

Ms Costelloe was not only declared the overall winner, but also received the *Spirit of the Moot Award* for continuing solo in the pairs competition after her allocated partner had to withdraw.

Competitors were presented with a fictional international commercial dispute and were required to present written and oral submissions on behalf of their clients before experienced arbitral panels in a series of simulated international arbitrations.



Murdoch law student Heather Costelloe (right) with moot competition runners up Yvonne Whittaker-Rush and Shauna Roeger, and Grand Final judge the Hon. Lindsay Graeme Foster.



## Students support Coronial Inquest

Murdoch law students took their studies into a real courtroom as part of a dedicated team providing legal support for a Coronial Inquest into an Aboriginal death in custody.

Anna Copeland, Director of Clinical Legal Programs at Murdoch's School of Law, led the students and alumni who were invited to assist the legal team by conducting research to support the case.

## Practical skills and professional learning

More than 300 graduate and undergraduate education students attended the Professional Learning Week, designed to build practical classroom management skills.

The professional development workshops, which are ordinarily run for qualified teachers, are specially modified and adapted for students in order to provide practical approaches to help improve pupil engagement and reduce unproductive social behaviour.

The week long program of workshops also included a panel discussion focused on gaining a teaching position following graduation, as well as accredited workshops in areas such as financial literacy and networking opportunities with education staff and industry professionals.

Murdoch is the only Western Australian university offering these classroom management courses, which treat students as professional teachers.

## New generation of public policy influencers

Murdoch University and the Western Australian Parliament is empowering students and exposing them to Western Australia's parliamentary environment through the Sir Walter Murdoch School's flagship *Parliamentary Democracy* unit.

The unit, which is a collaborative effort between the University and the Western Australian Parliament, is the first of its kind in Australia and takes students behind the scenes of Parliament, for a unique insight into how laws are made and the power wielded in theory and practice in Western Australia.

All classes take place in the WA Parliamentary complex and feature a range of guest speakers drawn from the Parliament's core staff, with students open to liaise with politicians and parliamentary officers.

The learning outcomes are not solely aimed at future politicians, but are assisting graduates employed within government departments with learning and insights that can be used on a daily basis from understanding how to thoroughly research and investigate issues, to drafting policies and guidelines, and learning how to inform Ministers and senior departmental staff.



## Profile

### Professor Lyn Karstadt Deputy Vice Chancellor International

With more than two decades of experience in higher education leadership roles in Australia and the UK, Professor Karstadt has the strong international profile needed to advance Murdoch University's presence in the region. She was Executive Dean of the Faculty of Health, Engineering and Sciences at the University of Southern Queensland, a role she held for three years.

Prior to coming to Australia, Professor Karstadt worked for 20 years at the University of Hertfordshire. Over her tenure, she rose through the ranks to become Operational Dean, Faculty of Health and Human Sciences, and later, Associate Director – International Health Developments. It was in her most recent roles where she developed significant networks and experience in international markets, including India and south east Asia.

Professor Karstadt is leading the University's internationalisation focus, including transnational education programs in Dubai and Singapore, and the development of strategic global partners to expand the international reach of the University.

She has identified three clear strategic imperatives for Murdoch:

- Increase on-campus international recruitment
- Increase TNE (Transnational Education) in terms of student numbers, courses and partners
- Increase student mobility via exchanges in and out of Murdoch.

## Growing international engagement

### Murdoch climbs international student rankings

Murdoch University's performance as a respected international university has risen once more following the results of the International Student Barometer (ISB) survey for 2016.

The ISB tracks and compares the decision-making, expectations, perceptions and intentions of international students at universities globally and nationally, helping to shape strategies to improve the recruitment and experiences of international students.

Murdoch performed well against universities across Australia and in the IRU group across a number of categories. Murdoch is now ranked 20th in the world and fourth in Australia in terms of student satisfaction with admissions processes and sees the University first within its IRU cohort.

Under the support category, Murdoch was ranked first in Australia for student satisfaction with personal tutors and the Health Centre. Murdoch also ranked highly for equity/social inclusion and for faith provision.

The support provided by Murdoch's Centre for University Teaching and Learning was also highly regarded by international students, with survey results ranking Murdoch second in Australia and first of the IRU group in this category.

In the learning and teaching category, Murdoch ranked second in the IRU group for quality lectures with student satisfaction at 92.7 per cent, and was ranked first in the IRU group and fourth in Australia for class size, with a student satisfaction score also at 92.7 per cent.

## International academy recognises Murdoch's learning and teaching

Murdoch University's commitment to excellence in learning and teaching has been recognised by the Higher Education Academy in the United Kingdom.

An expert panel at the prestigious international body awarded accredited status unconditionally to two of Murdoch's professional development programs - commending the University for its devotion to high standards in learning through staff development.

The accreditation is excellent news for Murdoch University as it allows staff to gain a widely renowned mark of international recognition in university teaching, with Murdoch staff completing the programs gaining the awards of Fellowship or Associate Fellowship of the Academy.

Murdoch is the first university in Western Australia and the second university in Australia to achieve the accreditation.

## International acclaim for Murdoch student project

A group of Murdoch University's final year Information Technology (IT) students earned international acclaim at a major industry event in Taiwan.

Held in December, the 2016 Asia Pacific ICT Alliance Awards saw 17 nations compete in 17 award categories to provide solutions for various real-world projects.

Murdoch's student project, known as *FlexiBrains*, won the Merit Tertiary Student Project Award against a high calibre of other entries. *FlexiBrains* is a web/mobile-based cognitive retraining system aimed at assisting the rehabilitation of stroke survivors.

The *FlexiBrains* team worked with IT academic staff, Mr Shri Rai and Dr Mohd Fairuz Shiratuddin, on the project along with Associate Professor Michelle Byrnes from the Western Australian Neuroscience Research Institute to develop the product for stroke survivors.

The Murdoch IT degree is designed so students work closely with end users who benefit from the IT solutions provided by the students.

The *FlexiBrains* project, along with another Murdoch IT project entitled *Radiology Assistant Simulator*, were also recognised at the WA Information Technology and Telecommunications Alliance INCITE Awards and the national iAwards during 2016.

## Students heard at Global Voices

Two Murdoch public policy students gained seats at the table of major international delegations this year, with Dominic Rose and Samuel Edge announced as the 2016 winners of the *Mal and Karyl Nairn Global Voices Scholarship*.

The scholarships put top-performing students from the Sir Walter Murdoch School of Public Policy and International Affairs at the highest level of international policy making, and expose them to some of the most respected politicians and decision makers from around the globe.

Both students joined international delegations where Australia's future leaders were brought face-to-face with key global decision makers.

With a desire to better understand the changing social, media and political influences affecting big organisations like the World Bank, Dominic Rose attended the International Monetary Fund and World Bank meeting in Washington D.C. in October.

Samuel Edge attended the United Nations international conference on climate change, COP 22, in Morocco to explore how grassroots movements can make a difference on big issues such as combatting climate change in developing countries.



The team that worked on the *Radiology Assistant Simulator* received a merit award at the National iAwards.

## Big wins for transforming educational experiences

The Centre for University Teaching and Learning staff were recognised and honoured for the outstanding leadership and innovation demonstrated through learning programs, including *OnTrack* and *OnTrack Sprint*.

Their efforts saw the team scoop the pool at the Vice Chancellor's Citations for Excellence in Enhancing Learning this year.

*OnTrack* is a 14 week university preparation course that provides alternative entry pathways into Murdoch University, while *OnTrack Sprint* is an intensive four week program for prospective students who have narrowly missed out on a place.

*OnTrack* Unit Coordinator, Dr Joanne Lisciandro, said the program had created opportunity for university access and participation for students who would otherwise not have realised their potential for tertiary education.

The *OnTrack Sprint* program has been very successful, with 96 per cent of students completing the course in 2016 going on to enrol in undergraduate studies at Murdoch.

Individual citations were presented to nursing lecturer Caroline Browne and Nathan Tozer from the School of Arts for their dedication, passion, pastoral care and innovative learning and teaching programs.

## Thinking Big on innovation

Teams of Murdoch students in Perth and Singapore gathered to compete in a two-day innovative thinking event aimed at shaping real-world problems.

*Think Big 2016* – a joint innovation initiative between Murdoch University and The Commonwealth Bank of Australia (CBA) – saw 10 teams of students presented with three real-world problems, with just 30 hours to develop and pitch their ideas to a panel of judges.

The top three teams received cash prizes, with the winning teams from Perth and Singapore visiting the Commonwealth Bank's new Innovation Lab in Sydney to see how the CBA goes about innovation and gain a look at what lies in the future.

The winning concept was a collaboration platform designed to improve group-culture problems faced by virtual working groups. The solution drew on attributes of popular online platforms, such as LinkedIn and Facebook, and placed them inside Murdoch University's Learning Management System.

The students were taken through a very specific design thinking process, which is different to what many of them would have been accustomed to, before leading them to the best possible solution for their real-world problem.

The event provided the students with a great opportunity to build their networks, meet a wide range of mentors from industry and the University and to tap into the creative thinking of peers.



*Think Big winners Team Instinct with Richard Wiles (right), Director of Higher Education and Government at Commonwealth Bank Australia.*

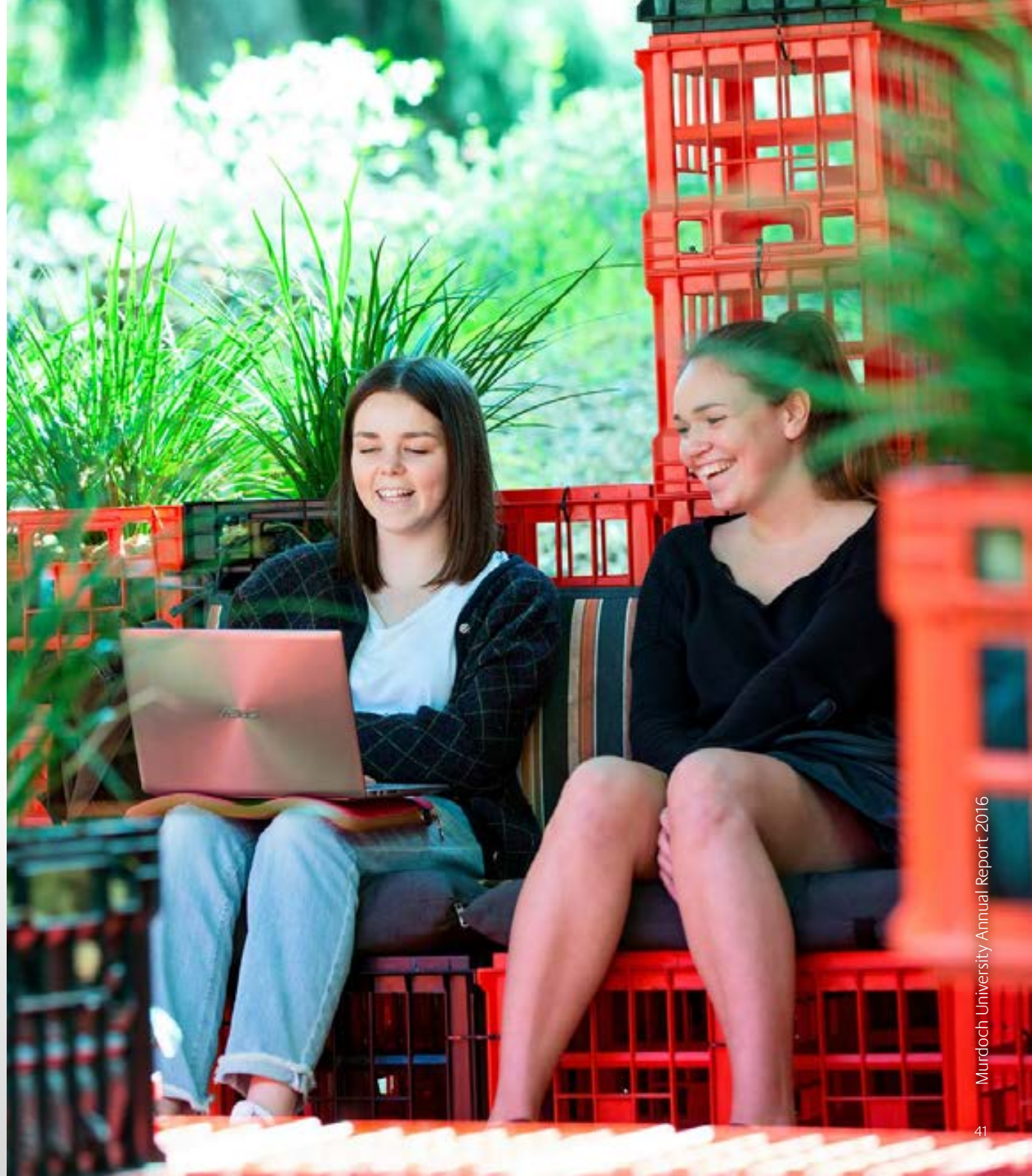
## Murdoch athletes amongst AFL elite

Two Murdoch students involved in the University's Elite Athlete Program (EAP) have been selected as inaugural marquee players in the new Australian Football League national women's league.

Chelsea Randall and Sabrina Frederick-Traub were named among the league's 16 marquee footballers and recruited to play in the AFL's Adelaide and Brisbane franchises respectively.

The announcement places the students among an elite group of ground-breaking female athletes who will now open a new category of high profile football across Australia.

Murdoch University's EAP is designed to assist athletes competing at a national or international level to achieve their academic goals, while meeting the demands of an often-vigorous training and competition regime.



Murdoch University is committed to a broad social and community engagement program and is an active partner in development and innovation projects in local, regional and international communities.

The University uses its influences, knowledge and assets to lead initiatives in education, food production and safety, environmental sustainability, animal and human health, public policy and social reform.

Our performance  
**Engagement**

### Geoffrey Bolton Library

Murdoch announced it will be naming its Library after its Foundation Professor of History and former Chancellor, the late Geoffrey Bolton.

### Digital First

Murdoch began a complete overhaul of its online and digital presence in 2016 with plans to commence a staged launch of a new digital platform in early 2017.

### Mandurah dolphins

The University began its Mandurah Dolphin Research Project (MDRP) which aims to gain a better understanding of bottlenose dolphins using the Peel-Harvey and adjacent coastal waters in Western Australia.

### Community partnerships

The University hosted two outdoor cinema seasons in 2016, helping to raise hundreds of thousands of dollars for children's charities thanks to its partnership with Telethon Community Cinemas. It also hosted a free music concert thanks to a partnership with Perth Symphony Orchestra and the City of Melville.

### Warlang

Kulbardi Aboriginal Centre organised the inaugural Warlang Festival to encourage prospective Indigenous students into health related university courses and careers.

### MAP4U

Our aspirations project for high school students in the region has completed its fourth year of implementation with strong connections with 23 high schools in Rockingham, Kwinana and Mandurah.





Our performance

# Engagement

Community engagement is a strategic necessity for Murdoch University, driving and driven by the demographic diversity of its student body. Murdoch is active in local, regional and increasingly international communities to ensure it is attractive and accessible to prospective students.



## Highlights

The University announced that it would be naming its Library after Murdoch icon and esteemed Australian historian Professor Geoffrey Bolton. A gift from the Bolton family also established The Geoffrey Bolton Fund, which will provide grants to young scholars to pursue historical research and education.

Building on the popular success of its community entertainment programs, Murdoch University again extended its support for the Telethon Community Cinemas, which has welcomed thousands of guests onto the Perth campus and raised in excess of \$800,000 for charity. The outdoor cinema event perfectly showcases the stunning natural environment across Murdoch's Perth campus while supporting a valuable charity.

Two successful music events – Carols @ Murdoch and Music @ Murdoch - took place in 2016, attracting around 4,000 people onto the lawns of Bush Court for two colourful evenings of family fellowship.

The Kulbardi Aboriginal Centre organised the inaugural Warlang Festival, which aimed to encourage prospective Indigenous students into health related university courses and careers.

Five community tree planting days on the Perth campus resulted in more than 3,000 native trees and shrubs being planted, providing enhanced habitat for endangered black cockatoos and conservation-dependent quendas.

Murdoch's first offshore research centre, the Singapore Centre for Research in Innovation, Productivity and Technology (SCRIPT), ran the Innovate Singapore competition in 2016, encouraging Murdoch students and alumni to develop innovative solutions to business challenges and to develop these ideas as start-up businesses.

Alumni events in Perth, Rockingham, Mandurah as well as Singapore, Dubai and Kuala Lumpur, retained connections with many of our 65,000 alumni.

### Murdoch names library after university icon Bolton

Emeritus Professor Geoffrey Bolton AO (1931-2015) was one of the most iconic and influential figures in Murdoch University's history. He was also regarded as one of Australia's most eminent historians.

After discussions with Professor Bolton's family as to how best to commemorate his incredible contribution, it was decided the Murdoch University Library would be named in his honour.

The Geoffrey Bolton Library will be a lasting memorial to Geoffrey's great contributions to Australian history and his service to Murdoch University.

The Geoffrey Bolton Library was dedicated by Her Excellency, the Hon. Kerry Sanderson AC, Governor of Western Australia and Murdoch Vice Chancellor Professor Eeva Leinonen in a private ceremony in February 2017.

A public exhibition celebrating the dedication and Professor Bolton's life was also staged in the Library foyer.

### Digital First: Murdoch reshapes its digital presence

Murdoch University is undertaking a complete refresh of its online and digital presence with plans to commence the first stage of a new digital platform in 2017.

The all-new *Digital First* program is a comprehensive, strategic approach to reshaping the University's digital future, which will ultimately deliver a new experience across all online assets by streamlining content, simplifying navigation, enhancing consistency and enabling customisations.

*Digital First* represents a major investment in the University's website and digital footprint and will dramatically enhance the user experience for internal stakeholders and external audiences.

The *Digital First* program will be launched in stages, and will continue to flex to meet the University's business and educational priorities.

Stage one will provide a new home page and a new approach to promoting and engaging the student journey at Murdoch.

## Government, community and industry relationships

Murdoch University continued to use events and sponsorships in 2016 to showcase the University's ongoing commitment to excellence and reflect its position as a social hub for local, regional and international communities.

These initiatives included sharing the campus for community activities such as the Telethon Community Cinemas, City of Cockburn celebrations and a range of business events with potential industry partners in technology, education and health.

### Sponsorships

Murdoch University helped raise more than \$800,000 for children's charities thanks to its partnership with Telethon Community Cinemas in 2015-16. The film event calendar ran from December 2015 to February 2016 and was staffed entirely by volunteers, with 100 per cent of profits going back to charities.

After the success of the last season, Murdoch has reprised Telethon Community Cinemas for the 2016-17 summer. These events serve the dual purpose of building Murdoch's brand awareness among the local community while bringing members of the public to the campus and integrating the University with the broader community.

2016 saw the continuation of the strong partnership with the City of Melville and the sponsorship of the Point Walter Concert, with more than 3,000 local community members attending the signature event.

Murdoch continued to sponsor a range of other targeted events during the year, including a speaking forum with the Committee for Economic Development of Australia (CEDA), and business and industry presentations in Mandurah and Rockingham.

*The Music @ Murdoch event attracted thousands onto campus to watch the Perth Symphony Orchestra.*



## Events and graduations

2016 featured a busy events program which included the investiture of Professor Eeva Leinonen as Murdoch University's first female Vice Chancellor. The milestone event, overseen by the Governor of Western Australia, brought together a guest list of distinguished academia, VIPs and industry leaders who were immersed in a ceremony which blended historic traditions with a vibrant, modern environment.

The 2016 Open Day in July was a huge success, attracting an estimated 20,000 people onto the Perth campus to learn about Murdoch's course offerings and to meet academics and professional staff.

Murdoch University was fortunate to have environmental scientist, author, television presenter, research academic and Murdoch Alumni Josh Byrne deliver its annual Sir Walter Murdoch Lecture, while David Holmgren, best known as the co-ordinator of the permaculture concept, delivered the annual Keith Roby Lecture.

Murdoch hosted a number of premier events throughout the year with its graduation ceremonies a highlight. These ceremonies celebrate student achievements and excellence and are always a key feature of the annual events calendar.

In 2016, the University held five Perth and five international graduation ceremonies.

Local ceremonies celebrated 1,847 graduates and 67 PhD graduates, with Honorary Degrees awarded to:

- Rod Polkinghorne OAM - Honorary Doctor of Science
- Emeritus Professor Don Smart - Honorary Doctor of the University
- The Hon Kim Beazley AC - Honorary Doctor of the University
- Jim Ellis OAM - Honorary Doctor of Science.

Murdoch's Singapore campus celebrated 1,615 attending graduates, with an Honorary Doctor of Science awarded to Professor Paul Teng in recognition of his exceptional contributions to food security. The Dubai campus graduated 107 students in 2016.

Murdoch University also continued to host a number of promotional and fundraising events, including its successful *Dog and Jog* community fun run, which took place on the Perth campus. The 2016 event attracted a record number of participants to support and promote The Animal Hospital at Murdoch University.

The inaugural Music @ Murdoch event, which was held on campus in February, attracted 2,500 attendees in a sold-out concert by the Perth Symphony Orchestra, with support acts and performers featuring Murdoch alumni.

Other successful events, such as the annual Banksia Dinner, The Distinguished Alumni Awards, Innovative Research Universities Forum and the Staff Awards contributed to a vibrant and exciting 2016 events calendar.

## Enhancing alumni programs

Murdoch University engaged with more than 65,000 graduates during 2016.

The University hosted a wide range of international and Western Australian-based functions, including a special reunion of Indigenous and Torres Strait Islander alumni to follow on from the success of last year's inaugural event.

The sixth annual Murdoch University Distinguished Alumni Awards took place in November with four outstanding winners. Mr Chen Siqing, Dr Kuruvilla Mathew, Patrick McClure AO, and Professor Jan Thomas were acknowledged for their professional achievements, leadership and community service.

During the year, education student Kate Johnson received the Murdoch University Alumni Annual Appeal Scholarship. This on-going scholarship is funded through the generous support of Murdoch alumni.

Throughout the year Murdoch alumni continued to generously donate their expertise to help current students, support school committees and contribute to fundraising.

Moving into 2017, the University will be proactively engaging with our alumni worldwide to promote the growth and development of our global chapter network, notably in Singapore, Dubai and regional WA.

*The 2016 Distinguished Alumni Award winners with Vice Chancellor Professor Eeva Leinonen and Chancellor David Flanagan. From left to right: Patrick McClure, Dr Kuruvilla Mathew, Mr Flanagan, Professor Leinonen, Professor Jan Thomas and Hu Shanjun, who came to collect the award for Chen Siqing, who could not attend the ceremony.*



## Murdoch University Foundation

The Murdoch University Foundation accepts and manages funds generously contributed by many private and corporate supporters and partners through bequests, capital campaigns, gifts and general donations. Funds are distributed as scholarships and prizes or can be targeted to specific areas of learning and teaching and research, or to fund specific capital developments.

The donations are not only an expression of generosity, but also a clear and beneficial investment in students, research and programs that benefit the wider community.

## Scholarships and prizes

During 2016, Murdoch University offered students nearly 100 individual scholarships together worth more than \$500,000. This includes scholarships funded in perpetuity, existing, new and renewed scholarships.

Murdoch University's Advancement Office was instrumental in securing more than \$1.4 million in scholarship funding for its students. The funds were donated by a total of 37 individual donors, with two notable Scholarship Donors' renewals – The Ragdoll Scholarship program (\$540,000) and the George Alexander Foundation Scholarship Program (\$432,000).

To date the George Alexander Foundation has awarded almost \$1.5 million in scholarship support to more than 50 Murdoch students from remote and regional Western Australia.

This scholarship program is one of 11 programs the Foundation supports nationally, but is the only one in Western Australia.

Additionally, new scholarships awarded in 2016 included:

- The Australian Institute of Energy
- Loneragan Family
- Ramsay Health Care WA
- RIRDC Horizon
- Rowe Scientific Pty Ltd
- Soil Microbiology and Soil Carbon
- The West Australian
- UniBank Prizes

Through the generosity of Murdoch University donors, more than 300 prizes for student achievement were awarded in 2016.

Indigenous students earned honours at each of the five award ceremonies, a testimony to the hard work and success of the students and valued support provided by the Kulbaradi Aboriginal Centre.

Murdoch University values all its donors. Some of the special gifts which highlight the passion and commitment of its supporters include:

- Dr Janice Dudley's generosity will see the establishment of a new prize to honour May Holman, a pioneer in Western Australian politics
- John and Bella Perry's major gift will ensure the continuation of a prize for business students who reside in the Peel region
- Peter Smith, who began honouring the memory of his mother, Mary Smith, through prizes for nursing students in 2004, again renewed his commitment in 2016.

The University is very pleased to welcome Unibank, EY, Point Walter Golf Course and software company Migration Manager as new supporters of prizes.

## Murdoch University Veterinary Trust

The Murdoch University Veterinary Trust was established in 1996. Since its launch the Trust has supported the advancement of Australian veterinary science and education through the College of Veterinary Medicine via contributions of almost \$4 million.

In 2016, with the generous support of the community through individual donations and bequests, the Veterinary Trust funded research and helped prepare new veterinarians to care for the various animals they may see in their careers.

## The Banksia Association

The University continues to enjoy the invaluable support of the prestigious Banksia Association, with \$31,700 raised to support the Banksia Association Honours scholarship.

The Banksia Association Vice Chancellor's Breakfast event was held in August 2016. The breakfast provided an informal opportunity for the new Vice Chancellor, Professor Eeva Leinonen, to introduce herself to the Banksia Association, as well as share her vision for Murdoch's future.

The Banksia Association Annual Dinner was once again held at the end of the year with the new 2017 Banksia Association Honours scholarship recipient, Claire Greenwell, being formally presented.



*Claire Greenwell (centre) is presented with the Banksia Association Honours Scholarship 2017 by Emeritus Professor Kateryna Longley and Emeritus Professor Nick Costa.*

## Murdoch University Art Collection

The Murdoch University Art Collection is an important cultural asset, enhanced through generous donations of art. Ongoing support ensures the art collection continues to grow and remains an integral part of the everyday learning experience by inspiring and enhancing students' understanding of contemporary art.

Murdoch University is a registered donor recipient institution of the Federal Government's Cultural Gifts Program that encourages the gifting of significant cultural items, such as artworks to public art galleries, museums, libraries and approved collections by offering donors a tax deduction for the market value of the gift.

2016 Art Collection Donors via the Federal Government's Cultural Gifts Program include:

- Alan R. Dodge & Neil Archibald
- Brigitte Braun
- Emeritus Professor Col Jordan
- Connor Youngs
- Gary Dufour and Siné MacPherson
- Geoffrey Hilton
- Jenny & Wyborn Seabrook
- John Catlin & Seva Frangos
- Mary Hill
- Richard Barker & Felicity Johnston
- Tamara Graham

## Schools engagement

Murdoch runs many engagement programs with schools in Perth to encourage pupils to consider university study and their future careers.

Hundreds of Year 12 students flocked to Murdoch for the 2016 Student Economics Conference in February. The event helped pupils with their studies and showed that economics can help improve understanding of many of the important issues and challenges that Australians face today.

In July, Murdoch staff presented the "Bringing science to life with a BANG!" show to hundreds of Year 7 to Year 9 students. The event spectacularly demonstrated science in action through a series of live experiments.

For National Science Week in August, around 100 academics, outreach staff and student volunteers were involved in events on campus, in the city and hosted by local schools, inspiring the wider community by showing them that science is all around them.

High school students from across WA got a taste of university science thanks to *The ConocoPhillips Science Experience* run in December. The four day camp aimed to broaden the minds of the students helping them to learn more about the Science, Technology, Engineering and Maths (STEM) subjects available to study at Murdoch.

In the winter, the School of Arts welcomed more than 250 Year 9 and 10 students onto campus for an event designed to help them see the relevance of Asia to their lives and education, and to encourage them to study an Asian language in upper-secondary school. The event was named *Open a Door to Asia*, and the program included Indonesian and Japanese cultural activities.

The School of Arts also ran its inaugural Golden Mesh awards in 2016, which rewards and encourages high school students in the creative media. Rory Dalitz, from All Saints College was picked from seven category victors as the overall winner of the award for his animated short film.



*Murdoch Outreach team members at Oberthur Primary School for National Science Week in August.*



*The Mandurah Dolphin Research Project began in 2016, generating plenty of interest via social media and traditional media coverage.*

## Regional engagement

Murdoch University continued to intensify and diversify its close relationships with schools, businesses and the communities of Mandurah and Rockingham/Kwinana in 2016.

Murdoch has been working with schools in these areas via its MAP4U (Murdoch Aspirations and Pathways for University) outreach program since 2012.

This federally-funded project (\$4.02 million from 2013 to 2016) supports programs in high schools that target student, family and community aspiration building, with activities designed and developed at the local school level to improve the number of students going to university.

In 2017, the MAP4U program will be extended through the federally-funded Murdoch Pathways to STEM program. This project will provide mathematics support and mentoring to students in selected schools in the Great Southern, Wheatbelt and Peel regions.

In January 2016, Murdoch commenced the Mandurah Dolphin Research Project (MDRP), which aims to gain a better understanding of bottlenose dolphins using the Peel-Harvey and adjacent coastal waters in Western Australia. Funded through a partnership with the City of Mandurah and Mandurah Cruises, the project has gained strong community engagement via social media and local, national and international media coverage.

A three-year research project, which aims to identify planning strategies that balance estuarine and societal health in the Peel-Harvey estuary region, commenced in 2016. The project is led by Murdoch University in collaboration with three other universities and five industry partners (City of Mandurah, Shire of Murray, Department of Water, Peel Harvey Catchment Council and the Department of Premier and Cabinet).

Affirming its reputation for corporate citizenship, lecturers and students from the chiropractic clinic completed an annual pilgrimage to the Pilbara in August, providing free chiropractic services and advice for Aboriginal communities in the region. Murdoch's chiropractic students and staff have been making this annual trip north since 2006.

## International engagement

Murdoch University's international campuses in Singapore and Dubai, continue to make a significant impact in their respective regions.

Murdoch's first offshore research centre, the Singapore Centre for Research in Innovation, Productivity and Technology (SCRIPT), won its first government research contract in 2016. The grant will fund a study on mental health and healthy ageing in Singapore.

SCRIPT is led by Dr Christopher Vas and aims to help address the productivity challenges of local industries and find new ways for Singapore to innovate. It also aims to deepen the innovation relationship between Singapore and Australia. SCRIPT is currently working with the Peel Development Commission on intensive agriculture in the region.

SCRIPT also ran the Innovate Singapore competition in 2016, encouraging Murdoch students and alumni to develop innovative solutions to business challenges and to develop these ideas as start-up businesses. Students were given a problem statement which was "*How can improved management or external collaboration approaches support the growth aspirations of SMEs (Small and medium-sized enterprises)?*" They then developed their ideas in a two day design thinking workshop conducted by the Commonwealth Bank before making their final pitches in January 2017.

The first offshore Executive Education programs were also conducted through SCRIPT in 2016. Murdoch's Executive Education Centre is a knowledge hub incorporating executive education and industry engagement. Three programs in Kuala Lumpur, Malaysia, attracted 150 participants. A program was also organised for Sarawak Civil Services in Kuching, Malaysia.

## Sustainability

It has been an exciting year for Murdoch as the University activated its commitment to sustainable operations and protecting the unique biodiversity values of its campuses.

Following the endorsement of the Environmental Sustainability Charter and Strategy in 2015, many Schools and Offices commenced integrating sustainability criteria into their operational planning, following the strategy's themes in governance, culture, community and engagement, energy and carbon, transport, water, recycling and waste, biodiversity and built form and landscapes.

The Campus Master Plan, endorsed in October 2016, embeds sustainability principles into future campus development. This will see Murdoch's built and natural spaces evolving into world-class ecologically smart spaces that reduce our carbon footprint.

The Re\* Team, which consists of volunteers from each School and Office, engaged with colleagues to promote and improve sustainability around Murdoch's campuses. Re\* projects completed in 2016 included a bimonthly themed newsletter, expanded staff participation in the University's annual 'Earth Hour', and upgrades to end-of-trip facilities for cyclists and walkers.

The University facilitated the Murdoch Environmental Restoration Group to access \$50,000 in grant funding to conduct projects in conservation reserve rehabilitation and management. Five community tree planting days on the Perth campus ensured more than 3,000 native trees and shrubs were planted, providing enhanced habitat for endangered black cockatoos and conservation-dependent quendas. More than 3,000 volunteer-hours went into preparing and maintaining our conservation sites for revegetation in the Beeliar Regional Park reserves and other conservation areas on campus. A new partnership with Conservation Volunteers Australia expanded our outreach to potential students with interests in environmental management.

## People and Culture Strategy

The People and Culture Office worked on progressing key initiatives identified as part of its strategy in 2016.

The University focused efforts on a modern approach to employment conditions and is currently in the process of negotiations on the new Enterprise Agreement to reflect this approach. The University anticipates that a new agreement will be arrived at in 2017.

Murdoch University operates with a broad Health Safety and Wellbeing (HSW) risk profile, including risks associated with contractor management, laboratory operations, and dangerous goods storage and handling. These risks are managed through the HSW Policy and a consultative framework of employees who continue to be represented by elected and trained employee health and safety representatives. There were eight health safety and wellbeing committees formed, with membership from employee and employer representatives.

In continuing with the themes identified in 2015, the People and Culture Office conducted an independent review and followed up with a very comprehensive internal review of recruitment and selection policies and procedures. The findings of the reviews are being used to update and revise the policies, procedures and processes to reflect a contemporary, effective and compliant approach to recruitment, selection and on-boarding of employees.

Raising awareness and understanding on various aspects of compliance is a key area of focus for the Organisational Capability Unit and the online compliance modules developed to address these have been rolled out to all employees in the University. The increase in completion rates shows significant progress in ensuring that employees are aware of their rights and responsibilities when it comes to risk and compliance.

The University remains committed to improving the quality of people and culture service delivery to its employees. In keeping with this commitment, the office launched its HR helpdesk services on a new technology platform that allows employees to raise tickets on queries and services related to their employment at Murdoch.

A new system was also introduced to allow schools and offices to collect evidence of qualifications, working rights and proof of identification. This system provides a new avenue for the University to ensure it is able to meet compliance and regulatory requirements with respect to employment and service delivery.



## Equity and Diversity

The University is dedicated to Equity and Diversity and has made progress on many fronts. Key achievements for the University in 2016 include:

- Development of an Indigenous Employment Strategy to achieve employment targets identified in the Reconciliation Action Plan
- Development of a new Equal Employment Opportunity Management Plan and submission to the Equal Opportunity Commission for the period from 2016-2018
- Establishment of the Aboriginal and Torres Strait Islander Staff Network facilitated by the People and Culture Office
- Launch of an academic mentoring program for women to address engagement, and promotion of female academics past Level C
- An interfaith calendar including Aboriginal dates of significance was developed and made available to staff
- Appointment of a Muslim Cleric as Imam for the University
- Incorporation of content on unconscious bias in selection panel training
- Improvements made to recruitment and on-boarding processes to facilitate attraction and retention of Aboriginal and Torres Strait Islander candidates.

The University is driving powerful initiatives to support Equity and Diversity. It is applying to join the SAGE (Science in Australia Gender Equality) Athena SWAN Charter. The University continues to develop priority initiatives for gender equity and employment of people with disabilities alongside Indigenous employment priorities. These initiatives will form part of the developing Equity and Diversity Plan for the University.

## Kulbardi Aboriginal Centre and Reconciliation Action Plan

For almost 20 years the Kulbardi Aboriginal Centre at Murdoch University has been providing Aboriginal and Torres Strait Islander students with the opportunity to engage successfully with higher education.

Through its successful enabling program, *K-Track*, and a wide range of support activities, Kulbardi is committed to seeing Indigenous students succeed at university and beyond.

In 2016, the Kulbardi Aboriginal Centre saw Indigenous enrolments reach an all-time high. Such an increase is attributed to the strong community reputation that the Kulbardi Centre holds within Western Australia's Indigenous community and the work of the centre in engaging over 1,000 Aboriginal and Torres Strait Islander secondary students and more than 1,000 community members through our student expos, school visits and NAIDOC and Reconciliation Week events.

Working with the Office of Marketing and Communications, Kulbardi facilitated the involvement of Indigenous students in the University's *Think Murdoch* campaign for 2016.

The Kulbardi Summer/Winter School enables enthusiastic and committed first year undergraduate Indigenous students to commence their studies prior to Week One. This provides students with a realistic perspective of what university study is all about at the undergraduate level.

Furthermore, the Ngoolark program provides students with a tailored first-year academic experience that recognises the difficulties all students face in acculturating to university studies. The Ngoolark program aligns its content and assessment directly to those contained within the students' mainstream undergraduate units. This enables better student preparation and engagement with their studies as well as better student outcomes in their respective majors.

A range of postgraduate initiatives were also established in 2016 to encourage more Aboriginal and Torres Strait Islander students to take up research degrees at Murdoch University.

The Indigenous Academic Fellowship is a program providing PhD students with a pathway into academia. These teaching and research positions provide mentoring and support to Indigenous doctoral students in both research and learning and teaching.

To complement this, Murdoch University, through its Reconciliation Action Plan and the Office of the Deputy Vice Chancellor Research and Innovation, established four postgraduate research scholarships for those studying at Masters or PhD level. These efforts have led to a strong improvement in the recruitment and support of Indigenous higher degree research students.





*Performers entertain attendees of the inaugural Warlang Festival.*

### Festival focuses on Indigenous health careers

Kulbardi launched a new program to encourage prospective Indigenous students into health related university courses and careers with its inaugural Warlang Festival.

*Warlang* (which means healthy in Noongar) offered a festival atmosphere with music and inspirational speeches from Australian Paralympian Brad Ness and Aboriginal leader Rishelle Hume, as well as a wealth of interactive activities and information for around 200 attendees.

*The Warlang Festival* was a joint initiative between Murdoch, UWA, Notre Dame and Curtin universities in partnership with the Department of Health, Marr Mooditj Training and the Aboriginal Health Council of WA.

### Determination drives career success and new life

Murdoch University law student Ashleigh Lindsay was rewarded for her hard work and dedication to her studies and future career in securing a highly competitive graduate position with commercial law firm Herbert Smith Freehills (HSF).

For the past three years, Ashleigh has been interning with HSF and has developed a foundation for a successful career in commercial law. A partnership between the Kulbardi Aboriginal Centre and CareerTrackers led to Ashleigh taking up this opportunity in her second year of study at Murdoch University. Her time with HSF earned her national recognition in winning the CareerTrackers' Excellence Award two years running.

A mother at 15, Ashleigh wants to prove to others that despite whatever life may throw at you, through hard work and dedication, anyone can succeed.

Ashleigh said she wants to lead by example and prove to people you can still succeed no matter how tough life gets, as long as you have the dedication and motivation to do so. Ashleigh, who now lives in Bentley, Perth with her son Shaun, said she wanted to make something of herself since becoming a parent. Her determination to create a better life for her son has helped her to break free of a disadvantaged life and the negativity that surrounds young Indigenous mothers. Ashleigh is determined to be a good role model for her son and her Indigenous community.

Ashleigh speaks highly of her time at Murdoch University and credits the Kulbardi Aboriginal Centre as being crucial to her success at university.

Braden Hill, manager of the Kulbardi Aboriginal Centre, watched Ashleigh enter into university, and was absolutely thrilled to see her graduate. He said her journey has been a wonderful example of the impact a university education can have on students.

The Dean of Murdoch's School of Law Professor Jürgen Bröhmer said he was thrilled by Ashleigh's achievement. "It just goes to show that if the right attitude is supported in the right way, great things can be achieved," he said.



*Ashleigh Lindsay with Jason Ricketts, managing partner of Herbert Smith Freehills.*

# Donors and sponsors

The University works closely with a range of private donors and corporate supporters to enhance teaching, learning and research activities.

Donors and partners have supported prizes and scholarships; student projects and programs; research; the purchase of equipment and resources; public lectures and the Murdoch University Art Collection.

This support is not only an expression of generosity, but also a clear and beneficial investment in Murdoch students, research and the wider community.

## Student Prizes

Dr Harmeet Singh Aneja

Allens

AMPLA The Resources  
and Energy Law Association

Australia-Japan Society of WA Inc

Australian Computer Society (ACS)

Australian Finance Conference

Mr Craig Bowie

Mr Malcolm Bradley

Ms Bonnie Barber

Mr Peter Brown

BMT Oceanica Consulting P/L

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Professor David Butler

Dr Janice Dudley

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Paypac Payroll Services

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### Student Scholarships

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Mr Tony Sang-Wah Chong  
City of Kwinana  
City of Mandurah  
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Ken George Group  
Mannkal Economic Education Foundation  
Mineral Research Institute of WA  
Ms Karyl Anne Nairn  
Emeritus Professor Malcolm Nairn, AM  
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Foothills Animal Hospital  
Grantham St Vet Clinic  
Harradine & Associates Veterinary Hospital  
Kenwick Veterinary Hospital  
Lancelin Veterinary Hospital  
Midland Veterinary Hospital  
Mira Mar Veterinary Hospital  
Mt Barker Veterinary Hospital  
Perth Cat Hospital  
Ranford Veterinary Hospital  
Rockingham Veterinary Clinic  
Roleystone Animal Hospital  
St Francis Veterinary Hospital  
Valley Veterinary Centre  
Veterinary Eye Referrals  
Vogue Vets

Many other donors and sponsors have supported the University, its students and the community, but have chosen to remain anonymous. In addition, some donors have previously provided funds to the Foundation to be held in perpetuity, with the income to be used each year for student prizes, scholarships, research and community projects. We thank all of our donors and sponsors for their generous support.

# Our structure



## Governance structure

Murdoch University's enabling Act, the *Murdoch University Act 1973*, provides that the governing body of the University is the Senate. The Senate has the "entire control and management of the affairs and concerns of the University". Senate approves the Strategic Plan of the University, oversees its policies and procedures, guides the programs and activities undertaken, and is ultimately responsible for all University affairs.

To assist in the effective governance of the University, the Senate has established five committees and one sub-committee:

1. Audit and Risk Committee, to help the Senate meet its governance and management control oversight responsibilities.
2. Chancellor's Committee and Remuneration Sub-Committee, which advises the Chancellor on governance issues and reviews the performance, remuneration and succession plans for the Vice Chancellor and senior officers.
3. Governance and Nominations Committee, which recommends the appointment of suitable Senate members, advises governance policy and Senate operating procedures, and ensures Senate activities are in accordance with the *Murdoch University Act 1973*. The amendments to the *Murdoch University Act 1973* provide for the establishment of a Nominations Committee to consider and recommend on appointments to Senate. This Committee will be established by the Senate in 2017.
4. Honorary Awards and Ceremonial Committee, which awards honorary degrees and Senate medals, and oversees guidelines and policies relating to honorary degrees, Senate medals, graduation ceremonies and regalia.
5. Resources Committee, which advises on a wide range of governance issues including financial control and sustainability, investment capability, campus development, commercial activities, the finances of the Guild of Students (in an advisory capacity) and other matters as relevant.

An External Review of Senate was commenced in 2016. This review considered the governance structure and arrangements of Senate including how Senate interacts with other committees within the University. The recommendations of this Review will be considered by Senate in early 2017.

The Senate appoints the Chancellor and Vice Chancellor, who in turn become Senate members. Corporate leader and philanthropist, David Flanagan, is Murdoch University's Chancellor. Mr Flanagan was re-appointed in 2016 for a second three-year term.

Professor Eeva Leinonen was appointed Vice Chancellor and commenced at the University in April 2016.

Under the organisational structure of Murdoch University, the Vice Chancellor is the chief executive officer and academic principal of the University. The Vice Chancellor is tasked with the leadership and development of the University, and the achievement of its Strategic Plan.

Senate has adopted the Voluntary Code of Best Practice for the Governance of Australian Universities ("the Code") as a best practice governance benchmark. Under the Code the University is required to disclose in its Annual Report whether or not it complies. The University complies with the protocols contained in the Code.

## Academic Council

Academic Council is the senior decision making body on academic matters, academic policies and the approval of academic offerings within the University as set out in Section 21 of the *Murdoch University Act 1973*. The current President of the Academic Council is Professor John Pluske. Following amendments to the *Murdoch University Act*, effective 2 January 2017, the President of Academic Council is an *ex-officio* member of the University's Senate.

Academic Council plays an integral part in shaping and managing the academic environment as Murdoch implements, develops and continually improves its academic offerings in line with its Strategic Plan.

Following an Academic Governance Review conducted in 2014, with resulting outcomes implemented from 1 January 2015, the Academic Council was repositioned to be more strategic. The repositioning included a reform of the subcommittees to provide for decisions to be made at more appropriate levels thus adding to the efficiency and effectiveness of the academic governance framework. A review of the sub-committees is planned for 2017.

## Risk management

The Senate, in accordance with its Statement of Governance Principles, has responsibility for setting risk management policy and critically monitoring the management of risk across the University, including commercial undertakings. The Senate has approved a Terms of Reference for the Audit and Risk Committee (ARC), which requires the Committee to confirm the University's risk management framework is appropriate.

On a quarterly basis, the ARC receives reports from Internal Audit and from management, which address the University's significant risks and systems of internal control. To facilitate assurance to Senate that risks are being appropriately addressed by management, the ARC submits its minutes to the Senate regularly in addition to an annual report on risk, internal controls and audit matters.

The Senate has also approved the University's *Risk Management Policy*, which is consistent with concepts in Standards Australia AS/NZS ISO 31000:2009, Risk Management – Principles and Guidelines, and aligns with contemporary good practice. The policy sets out the University's approach to identification, management and reporting of risks and specifies formal roles and responsibilities for these activities.

## Risk management framework

The University's risk management framework was approved by the Audit and Risk Committee in February 2016. The framework underpins the continued roll out of good practice risk management aligned with AS/NZS ISO 31000:2009 Risk Management – Principles and Guidelines.

A Risk Management Advisory Group chaired by the Chief Operating Officer has been established with the primary role of providing advice to the Vice Chancellor on the University's risk management strategy, framework, policy and operations.

## Strategic risk

The University has a strategic risk document that highlights the critical strategic risks facing the University. The critical strategic risks that have been identified are actively controlled and monitored through a suite of actual and planned mitigating controls.

## Fraud, corruption and misconduct control framework

The University has a fraud, corruption and misconduct control framework that includes the following:

- Fraud, Corruption and Misconduct Policy
- Fraud and Corruption Control Plan
- Public Interest Disclosure Policy and procedures.

The fraud, corruption and misconduct control framework represents the commitment of the University to ensure effective risk management controls and practices to mitigate fraud, corruption and misconduct.

## University continuity

The University has a University Continuity Strategy, University Continuity Guidelines and Critical Incident Management Plan. The Critical Incident Management Team meets regularly to drive the development and implementation of critical incident management plans, which form an integral part of the University continuity framework. The development of University Continuity Management Plans is progressing at Schools and Offices.

## Senate Member Terms for 2016

Senate Member	Basis of Appointment	Term of Office
<b>Barnett, Mr Russell</b>	Co-opted by Senate, section 12(1)(g)	24 May 2011 – 23 May 2014 24 May 2014 – 23 May 2017
<b>Burges, Ms Ricky</b>	Co-opted by Senate, section 12(1)(g)	11 March 2015 – 10 March 2018
<b>Dudley, Dr Janice</b>	Elected by Academic staff, section 12(1)(b)	06 November 2012 – 05 November 2015 06 November 2015 – 05 November 2018
<b>Edwards, Em Prof John</b>	Appointed by the Governor, section 12(1)(f)	30 September 2015 – 29 September 2018
<b>Feist, Mrs Fiona</b>	Elected by General Staff, section 12(1)(d)	23 December 2015 – 18 April 2017
<b>Flanagan, Mr David</b>	Ex-officio, as Chancellor, section 12(1)(a)	08 August 2013 – 07 August 2016 08 August 2016 – 07 August 2019
<b>Hall, Ms Andrea</b>	Appointed by the Governor, section 12(1)(f)	02 September 2014 – 1 September 2017
<b>Holt, Mr Ross</b>	Appointed by the Governor, section 12(1)(f)	10 June 2014 – 9 June 2017
<b>Kelly, Mr Glen</b>	Co-opted by Senate, section 12(1)(g)	24 May 2015 – 23 May 2018
<b>Kerr, Mr Peter</b>	Appointed by the Governor, section 12(1)(f)	22 December 2015 – 21 December 2018
<b>Klomp, Mr Stephen</b>	Elected by Academic Staff, section 12(1)(b)	29 December 2016 – 28 December 2019
<b>Leinonen, Professor Eeva</b>	Ex-officio, as Vice Chancellor, section 12(1)(a)	04 April 2016 - current
<b>Martin, Ms Jay</b>	Elected by Convocation, section 12(1)(e)	01 January 2015 – 31 December 2017
<b>McDonald, Mr Guy</b>	Elected by and from the students, section 12(1)(d)	01 January 2016 – 31 December 2016
<b>Sadleir, Mr Paul</b>	Appointed by the Governor, section 12(1)(f)	20 September 2011 – 19 September 2014 20 September 2014 – 19 September 2017
<b>Slaven, Mr Walter (Wal)</b>	Elected by Convocation, section 12(1)(e)	01 January 2016 – 31 December 2018
<b>Surma, Dr Anne</b>	Elected by Academic Staff, section 12(1)(b)	7 April 2015 – 28 November 2017
<b>Taggart, Professor Andrew</b>	Appointed as Interim Vice Chancellor Appointed as Acting Vice Chancellor	18 September 2014 – 23 October 2014 24 October 2014 – 03 April 2016
<b>Treeby, Mr Troy</b>	Elected by and from the students, section 12(1)(d)	01 January 2016 – 31 December 2016
<b>Trotter, Dr James (Jim)</b>	Elected by Academic staff, section 12(1)(b)	18 August 2014 – 25 November 2016



## Senate meeting information 2016

These meetings do NOT include decisions by circular resolution						Senate		Audit & Risk Committee		Chancellor's Committee		Remuneration Sub-committee		Governance & Nominations		Honorary Awards & Ceremonial		Resources Committee*	
						A	B	A	B	A	B	A	B	A	B	A	B	A	B
Barnett, Mr Russell	RC					6	1#											5	2
Burges, Ms Ricky	ARC	CC				6	5	5	4	2	2								
Dudley, Dr Janice	RC					6	5											5	4
Edwards, Em Prof John	GNC					6	6							0	0				
Feist, Mrs Fiona	HACC					6	6									1	1		
Flanagan, Mr David	CC	RemC	GNC	HACC		6	6			2	2	2	2	0	0	1	1		
Hall, Ms Andrea	ARC	CC	RemC	RC		6	5	5	5	2	2	2	2					5	5
Holt, Mr Ross	CC	RemC	GNC	HACC	RC	6	6			2	2	2	2	0	0	1	0	5	4
Kelly, Mr Glen	GNC					6	5							0	0				
Kerr, Mr Peter	RC					6	5											4	2
Klomp, Mr Stephen						0	0												
Leinonen, Professor Eeva	RemC	GNC	HACC	RC		4	4					1	1	0	0	0	0	4	4
Martin, Ms Jay	ARC					6	4	5	2										
McDonald, Mr Guy	GNC					6	6							0	0				
Sadleir, Mr Paul	CC	RemC	RC			6	5			2	1	2	1					5	5
Slaven, Mr Wal						6	4												
Surma, Assoc Prof Anne	GNC					6	6							0	0				
Taggart, Prof Andrew	RemC	GNC	HACC	RC		2	2					0	0	0	0	1	0	1	1
Treeby, Mr Troy	HACC					6	5									1	1		
Trotter, Dr Jim	HACC					5	3#									1	1		

**A** = Number of meetings held during the time the member held office or was a member of the committee during the year

**B** = Number of meetings attended

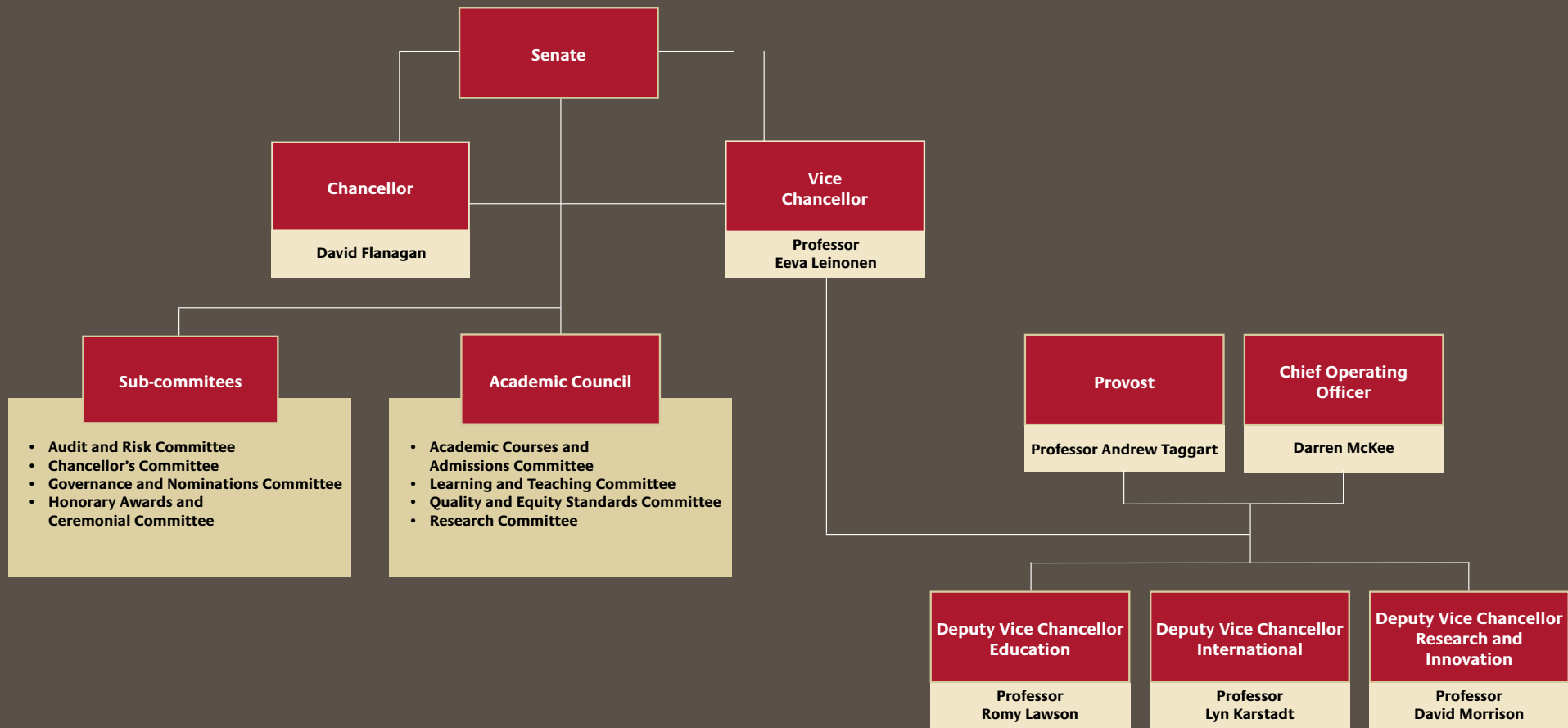
\* = Includes one special meeting

# = Leave of absence granted

**Note:** The Senate Sub-Committee members that are not Senate members have been excluded from the table above.

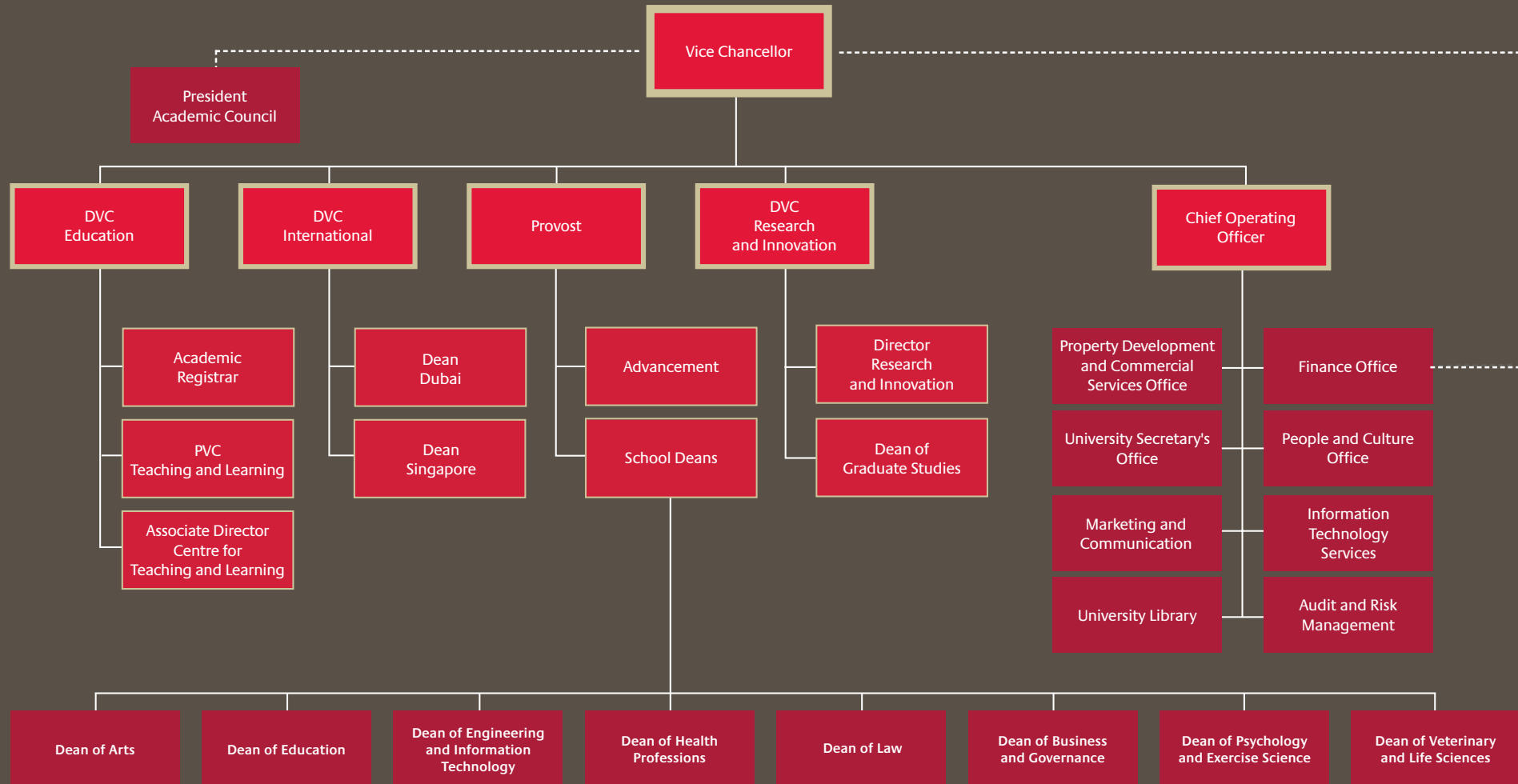
# University governance and management

(as at 31 December 2016)



# Organisational structure

(as at 31 December 2016)





# Disclosures and legal compliance

## Certification of Financial Statements

The accompanying financial statements of Murdoch University and the accompanying consolidated financial statements have been prepared in compliance with the provisions of the *Financial Management Act 2006* from proper accounts and records to present fairly the financial transactions for the financial year ended 31 December 2016 and the financial position as at 31 December 2016.

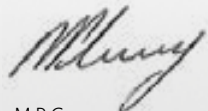
At the date of signing we are not aware of any circumstance which would render the particulars included in the financial statements misleading or inaccurate.



D N Flanagan  
Chancellor



Eeva Leinonen  
Vice Chancellor



M P Conry  
Chief Finance Officer

9 March 2017

## Certification of Financial Statements required by the Department of Education and Training

We declare that the amount of Australian Government financial assistance expended during the reporting period was for the purpose for which it was intended and Murdoch University has complied with applicable legislation, contracts, agreements and program guidelines in making expenditure.

Murdoch 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.



D N Flanagan  
Chancellor



Eeva Leinonen  
Vice Chancellor

9 March 2017

## Certification of Key Performance Indicators

We hereby certify that the 2016 Key Performance Indicators are based on proper records, are relevant and appropriate for assisting users to assess Murdoch University's performance, and fairly represent the performance of Murdoch University for the year ending 31 December 2016.



D N Flanagan  
Chancellor



Eeva Leinonen  
Vice Chancellor

9 March 2017



## Auditor General

**INDEPENDENT AUDITOR'S REPORT**

To the Parliament of Western Australia

**MURDOCH UNIVERSITY****Report on the Financial Statements****Opinion**

I have audited the financial statements of Murdoch University which comprise the Statement of Financial Position as at 31 December 2016, the Income Statement, Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows for the University and the consolidated entity for the year then ended, and Notes comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the financial statements are based on proper accounts and present fairly, in all material respects, the operating results and cash flows of Murdoch University and the consolidated entity for the year ended 31 December 2016 and the financial position at the end of that period. They are in accordance with Australian Accounting Standards, the *Financial Management Act 2006* and relevant 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 Senate for the Financial Statements**

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

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

**Auditor's Responsibility for the Audit of the Financial Statements**

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

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

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

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

**Report on Controls****Opinion**

I have undertaken a reasonable assurance engagement on the design and implementation of controls exercised by Murdoch University. The controls exercised by the University are those policies and procedures established by the University Senate 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 Murdoch 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 2016.

**The University Senate's Responsibilities**

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

#### **Auditor General's Responsibilities**

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

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

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

#### **Limitations of Controls**

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

#### **Report on the Key Performance Indicators**

##### **Opinion**

I have undertaken a reasonable assurance engagement on the key performance indicators of Murdoch University for the year ended 31 December 2016. 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 Murdoch 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 2016.

##### **The University Senate's Responsibility for the Key Performance Indicators**

The University Senate is responsible for the preparation and fair presentation of the key performance indicators in accordance with the *Financial Management Act 2006* and the Treasurer's Instructions and for such internal control as the University Senate 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 Senate 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 Murdoch University for the year ended 31 December 2016 included on the University's website. The University's management is responsible for the integrity of the University's website. This audit does not provide assurance on the integrity of the University's website. The auditor's report refers only to the financial statements and key performance indicators described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these financial statements or key performance indicators. If users of the financial statements and key performance indicators are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial statements and key performance indicators to confirm the information contained in this website version of the financial statements and key performance indicators.

  
COLIN MURPHY  
AUDITOR GENERAL  
FOR WESTERN AUSTRALIA  
Perth, Western Australia  
13 March 2017



# Financial statements and key performance indicators







# Income Statement

for the year ended 31 December 2016

	Note	Consolidated		University	
		2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's
<b>Income from continuing operations</b>					
Australian Government financial assistance					
Australian Government grants	2	121,071	113,558	121,071	113,558
HELP - Australian Government payments	2	63,617	59,954	63,617	59,954
State and Local Government financial assistance	3	2,673	3,163	2,673	3,163
HECS-HELP - student payments		5,568	6,256	5,568	6,256
Fees and charges	4	81,812	77,960	83,702	84,192
Investment revenue	5	8,194	8,189	7,131	6,427
Consultancy and contract research	6	18,650	16,299	18,650	16,143
Other revenue	7	31,875	32,744	54,427	21,562
<b>Total income from continuing operations</b>		<b>333,460</b>	<b>318,123</b>	<b>356,839</b>	<b>311,255</b>
<b>Other income from continuing operations</b>					
Gain on disposal of assets		73	57	73	57
Other investment income	5	12,510	1,097	11,089	259
Other income	7	1	123	1	123
<b>Total other income from continuing operations</b>		<b>12,584</b>	<b>1,277</b>	<b>11,163</b>	<b>439</b>
<b>Total income from continuing operations</b>		<b>346,044</b>	<b>319,400</b>	<b>368,002</b>	<b>311,694</b>
<b>Expenses from continuing operations</b>					
Employee related expenses	8	204,980	196,861	202,590	193,774
Depreciation and amortisation	9	16,466	16,179	16,352	15,844
Repairs and maintenance	10	9,830	8,965	7,005	7,463
Borrowing costs	11	430	464	430	464
Impairment of assets	12	539	206	537	206
Investment losses	5	993	5,120	403	4,035
Other expenses	13	118,010	95,247	101,243	89,647
<b>Total expenses from continuing operations</b>		<b>351,248</b>	<b>323,042</b>	<b>328,560</b>	<b>311,433</b>
<b>Net result before income tax</b>		<b>(5,204)</b>	<b>(3,642)</b>	<b>39,442</b>	<b>261</b>
Income tax expense	14	219	1,199	-	1,032
<b>Net result after income tax for the period attributable to members of Murdoch University</b>		<b>(5,423)</b>	<b>(4,841)</b>	<b>39,442</b>	<b>(771)</b>

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

# Statement of Comprehensive Income

for the year ended 31 December 2016

	Consolidated		University		
	2016	2015	2016	2015	
Note	\$000's	\$000's	\$000's	\$000's	
<b>Net result after income tax</b>	(5,423)	(4,841)	39,442	(771)	
Gain / (Loss) on revaluation of land, buildings and infrastructure, net of tax	22	(5,392)	(2,921)	(6,703)	(3,239)
Gain on value of available for sale financial assets, net of tax	28	1,829	9,188	1,829	9,188
Cash flow hedge, net of tax	28	129	(190)	129	(190)
Exchange differences on translation of foreign operations	28	122	18	-	-
<b>Total comprehensive income attributable to members of Murdoch University</b>	<b>(8,735)</b>	<b>1,254</b>	<b>34,697</b>	<b>4,988</b>	

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

# Statement of Financial Position

as at 31 December 2016

	Note	Consolidated		University	
		2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	15	50,749	93,782	28,389	55,893
Receivables	16	9,072	10,403	12,743	10,689
Inventories	17	1,435	1,708	1,428	1,703
Other financial assets	19	92,841	65,577	87,400	41,346
Prepayments	20	6,590	6,558	6,434	6,398
<b>Total current assets</b>		<b>160,687</b>	<b>178,028</b>	<b>136,394</b>	<b>116,029</b>
<b>Non-current assets</b>					
Receivables	16	-	-	3,880	4,034
Other financial assets	19	70,506	65,274	79,443	74,433
Other non-financial assets	20	31	73	31	73
Investment properties	21	243,720	234,468	243,720	234,468
Property, plant and equipment	22	639,762	630,392	622,546	614,474
Intangible assets	23	14,531	12,270	14,531	12,270
Deferred tax assets	14	23	19	-	-
<b>Total non-current assets</b>		<b>968,573</b>	<b>942,496</b>	<b>964,151</b>	<b>939,752</b>
<b>Total assets</b>		<b>1,129,260</b>	<b>1,120,524</b>	<b>1,100,545</b>	<b>1,055,781</b>
<b>Liabilities</b>					
<b>Current liabilities</b>					
Trade and other payables	24	25,862	21,331	25,316	19,521
Borrowings	25	2,491	669	2,491	669
Provisions	26	47,539	44,258	34,123	32,162
Derivative financial instruments	18	15	144	15	144
Other liabilities	27	226,728	216,618	10,349	7,523
<b>Total current liabilities</b>		<b>302,635</b>	<b>283,020</b>	<b>72,294</b>	<b>60,019</b>
<b>Non-current liabilities</b>					
Other payables	24	6	6	6	6
Borrowings	25	4,664	7,155	4,664	7,155
Provisions	26	6,337	6,021	6,304	6,021
Deferred tax liability	14	290	259	-	-
<b>Total non-current liabilities</b>		<b>11,297</b>	<b>13,441</b>	<b>10,974</b>	<b>13,182</b>
<b>Total liabilities</b>		<b>313,932</b>	<b>296,461</b>	<b>83,268</b>	<b>73,201</b>
<b>Net assets</b>		<b>815,328</b>	<b>824,063</b>	<b>1,017,277</b>	<b>982,580</b>
<b>Equity</b>					
Reserves	28	389,376	392,688	384,871	389,616
Retained earnings	28	425,952	431,375	632,406	592,964
<b>Total equity</b>		<b>815,328</b>	<b>824,063</b>	<b>1,017,277</b>	<b>982,580</b>

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

## Statement of Changes in Equity

for the year ended 31 December 2016

	Reserves	Retained Earnings	Total
	\$000's	\$000's	\$000's
<b>Consolidated</b>			
<b>Balance at 01 January 2016</b>	392,688	431,375	824,063
Net result	-	(5,423)	(5,423)
Revaluation of land, buildings and infrastructure	(5,392)	-	(5,392)
Revaluation of available-for-sale financial assets	1,829	-	1,829
Cash flow hedges	129	-	129
Gain / (Loss) on foreign exchange	122	-	122
<b>Balance at 31 December 2016</b>	<b>389,376</b>	<b>425,952</b>	<b>815,328</b>
<b>Consolidated</b>			
<b>Balance at 01 January 2015</b>	386,593	436,216	822,809
Net result	-	(4,841)	(4,841)
Revaluation of land, buildings and infrastructure	(2,921)	-	(2,921)
Revaluation of available-for-sale financial assets	9,188	-	9,188
Cash flow hedges	(190)	-	(190)
Transfer to retained earnings	18	-	18
<b>Balance at 31 December 2015</b>	<b>392,688</b>	<b>431,375</b>	<b>824,063</b>
<b>University</b>			
<b>Balance at 01 January 2016</b>	389,616	592,964	982,580
Net result	-	39,442	39,442
Revaluation of land, buildings and infrastructure	(6,703)	-	(6,703)
Revaluation of available-for-sale financial assets	1,829	-	1,829
Cash flow hedges	129	-	129
<b>Balance at 31 December 2016</b>	<b>384,871</b>	<b>632,406</b>	<b>1,017,277</b>
<b>University</b>			
<b>Balance at 01 January 2015</b>	383,857	593,735	977,592
Net result	-	(771)	(771)
Revaluation of land, buildings and infrastructure	(3,239)	-	(3,239)
Revaluation of available-for-sale financial assets	9,188	-	9,188
Cash flow hedges	(190)	-	(190)
<b>Balance at 31 December 2015</b>	<b>389,616</b>	<b>592,964</b>	<b>982,580</b>

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

# Statement of cash flows

for the year ended 31 December 2016

	Note	Consolidated		University	
		2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's
<b>Cash Flows from Operating Activities:</b>					
Australian Government grants	2	184,564	173,379	184,564	173,379
State and Local Government grants		2,673	3,163	2,673	3,163
HECS-HELP - student payments		5,568	6,256	5,568	6,256
OS-HELP (net)	2	62	(53)	62	(53)
Receipts from student fees and other customers		133,273	126,564	158,485	123,168
Dividends received		1,136	442	1,016	461
Interest received		4,617	5,041	2,914	3,329
Payments to suppliers and employees		(315,808)	(298,398)	(304,434)	(292,665)
Interest and other costs of finance paid		(448)	(471)	(448)	(471)
Income taxes (paid)/refund		(806)	(1,268)	(709)	(865)
<b>Net cash provided by operating activities</b>	29	<b>14,831</b>	<b>14,655</b>	<b>49,691</b>	<b>15,702</b>
<b>Cash Flows from Investing Activities:</b>					
Proceeds from sale of property, plant and equipment		248	242	248	242
Payments for property, plant and equipment, intangibles and investment property		(30,820)	(17,726)	(30,720)	(17,704)
Proceeds from sale of financial assets		214	473	-	-
Repayment of loans by related parties		-	-	-	1,019
Payments for financial assets		(26,837)	(63,385)	(46,054)	(41,346)
<b>Net cash used in investing activities</b>		<b>(57,195)</b>	<b>(80,396)</b>	<b>(76,526)</b>	<b>(57,789)</b>
<b>Cash Flows from Financing Activities:</b>					
Repayment of borrowings		(585)	(1,696)	(585)	(610)
Repayment of finance leases		(84)	(190)	(84)	(148)
Initial resident loans received		-	1,575	-	-
<b>Net cash used in financing activities</b>		<b>(669)</b>	<b>(311)</b>	<b>(669)</b>	<b>(758)</b>
Net (decrease)/increase in cash and cash equivalents held		(43,033)	(66,052)	(27,504)	(42,845)
Cash and cash equivalents at beginning of year		93,782	159,834	55,893	98,738
<b>Cash and cash equivalents at end of financial year</b>	15	<b>50,749</b>	<b>93,782</b>	<b>28,389</b>	<b>55,893</b>
Financing arrangements	25				
Non-cash financing and investing activities	29				

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

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# 1 Summary of significant accounting policies

## General Statement

Murdoch University is a not for profit reporting entity that prepares general purpose financial statements in accordance with Australian Accounting Standards, the Framework, applicable sections of the Financial Management Act 2006 and relevant Treasurer's Instructions, Statements of Accounting Concepts and other authoritative pronouncements of the AASB.

The principal address of Murdoch University is 90 South Street, Murdoch WA 6150, Australia.

Murdoch University applies Tier 1 reporting requirements.

The Financial Management Act 2006 and the Treasurer's instructions impose legislative provisions that govern the preparation of financial statements and take precedence over Australian Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the AASB.

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

## (a) Basis of preparation

The financial statements have been prepared on the accrual basis of accounting using the historical cost convention, except for financial assets and liabilities, land, buildings, infrastructure, artworks and investment properties which have been measured at fair value.

The accounting policies adopted in the preparation of the financial statements have been consistently applied throughout all periods presented unless otherwise stated.

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

Note 1 (x) 'Critical accounting estimates and judgements' discloses estimates and judgements made in the process of applying the Group's accounting policies resulting in the most significant effect on the amounts recognised in the financial statements. It also discloses key assumptions made concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

The University is a not-for-profit entity and the financial statements have been prepared on that basis. Some of the Australian Accounting Standards requirements for not-for-profit entities are inconsistent with the International Financial Reporting Standards requirements.

## Date of authorisation for issue

The financial statements were authorised for issue by Murdoch University's Senate members on 9 March 2017.

## (b) Basis of consolidation

### Subsidiaries

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of the University as at 31 December 2016 and the results of all subsidiaries for the year then ended. The University and its subsidiaries together are referred to in this financial report as the Group or the consolidated entity.

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

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

The acquisition method of accounting is used to account for the acquisition of subsidiaries by the Group.

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



## (c) Revenue and income recognition

### Revenue recognition

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

Revenue is recognised for the major business activities as follows:

#### *Grants (including research grants), donations, gifts and other nonreciprocal contributions*

Revenue is recognised at fair value when the Group obtains control over the assets comprising the contributions, usually when cash is received.

Research grants are recognised at their fair value when the Group obtains control of the right to receive the grant, it is probable that economic benefits will flow to the Group and it can be measured reliably.

Other non-reciprocal contributions 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.

#### *HELP payment*

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

#### *Student fees and charges*

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

#### *Interest revenue*

Interest revenue is recognised as it accrues. The effective interest rate, which is the rate that discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset is used where applicable.

#### *Sale of goods*

Revenue is recognised from the sale of goods and disposal of other assets when the significant risks and rewards of ownership control transfer to the purchaser and can be measured reliably.

#### *Dividends*

Dividend revenue is recognised net of any franking credits.

Revenue from distributions from subsidiaries is recognised by the University when the distributions are declared by the subsidiaries. As the University is a tax exempt entity, the University is entitled to claim the franking credits associated with the distributions from the taxation authority.

#### *Lease income*

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

#### *Deferred management fees*

Deferred management fees (DMF), relating to the retirement village, are earned whilst the resident occupies the independent living unit or serviced apartment. The DMF revenue on the original loan from the resident is recognised as income on a straight line basis over the resident's expected tenure. Expected tenure is calculated by reference to information issued by the Australian Bureau of Statistics for life expectancy and industry trends regarding rollovers.

The DMF revenue on increases in the market value of the independent living unit or serviced apartment is recognised on an emerging basis.

Where a rollover occurs prior to estimated tenure duration, the difference between the cash received and the accrued DMF is brought to account as revenue immediately.

### Income recognition

#### *Gains*

Realised and unrealised gains are usually recognised on a net basis. These include gains arising on the disposal of non-current assets and some revaluations of non-current assets.

## (d) Property, plant and equipment

### Capitalisation/expensing of assets

Items of property, plant and equipment costing \$5,000 or more are recognised as assets and the cost of utilising assets is expensed (depreciated) over their useful lives. Items of property, plant and equipment costing less than \$5,000 are immediately expensed direct to the income statement (other than where the cost forms part of a group of similar items which are significant in total). Land, buildings, infrastructure, library books, motor vehicles and artworks have no minimum capitalisation limit.

### Initial recognition and measurement

All items of property, plant and equipment are initially recognised at cost. For items of property, plant and equipment acquired at no cost or for nominal cost, the cost is their fair value at the date of acquisition.

### Subsequent measurement

Subsequent to initial recognition as an asset, the revaluation model is used for the measurement of land, buildings, infrastructure and art works and the cost model for all other property, plant and equipment. Land and art works are carried at fair value. Buildings and infrastructure are carried at fair value less accumulated depreciation. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses.

### Fair value

Classes of non-current assets including land, buildings, infrastructure and art works, measured at fair value, are revalued with sufficient regularity to ensure the carrying amount of each asset in the class does not differ materially from fair value at reporting date.

Land has been determined on the basis of current use land value for the Murdoch University campus and market land value for all other land.

Buildings and infrastructure are valued at estimated current replacement costs less accumulated depreciation (depreciated replacement cost).

Art works are valued at market value.

Revaluation increments, on a class of assets basis, are recognised in the asset revaluation reserve except that amounts reversing a decrement previously recognised as an expense are recognised as income. Revaluation decrements are only offset against revaluation increments in reserves relating to the same class of asset and any excess is recognised as an expense. At the date of revaluation accumulated depreciation are eliminated against the gross carrying amount of the building or infrastructure.

Upon disposal or derecognition of an item of land, buildings, infrastructure or art works, any revaluation surplus relating to that asset is transferred directly to retained earnings.

### Cost

The net book value of library books is based on the cost of acquisitions for three years to the end of the current financial year. The University has adopted a 'rolling depreciation' methodology for library books, whereby acquisitions in the fourth year preceding the reporting year are charged to depreciation.

All other plant and equipment assets are presented at cost less accumulated depreciation and accumulated impairment losses where appropriate.

The Group recognises in the carrying amount of an item of property, plant and equipment the cost of replacing part of such an item when that cost is incurred if it is probable that the future economic benefits embodied with the item will flow to the Group and the cost of the item can be measured reliably. All other costs are recognised in the income statement as an expense.

### Gain or loss on disposal

The gain or loss on disposal of non-current assets is recognised as income/expense at the date control of the asset passes to the buyer, usually when an unconditional contract of sale is signed.

The gain or loss on disposal is calculated as the difference between the carrying amount of the asset at the time of disposal and the net proceeds on disposal (including incidental costs).

### Depreciation

All non-current assets having a limited useful life are systematically depreciated over their estimated useful lives in a manner that reflects the consumption of their future economic benefits. Land is not depreciated.

The depreciation rates used are as follows:

Computer equipment	25%
Other equipment	12.5%
Buildings and infrastructure	2%
Plant	5%
Motor vehicles	16.67%
Leased plant & equipment	12.5%
Leasehold improvements	Over the lease terms
Furniture and fittings	5% - 20%

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

Depreciation is calculated using the straight line method and the rates are reviewed at the end of each reporting period.

## (e) Intangible assets

### Capitalisation/expensing of assets

Acquisition of computer software and software licences costing \$5,000 or more and internally generated software costing \$10,000 or more are capitalised. The cost of utilising the assets is expensed (amortised) over their useful life. Computer software and software licences have an expected useful life of four years. Costs incurred below these thresholds are immediately expensed directly to the Income Statement.

Electronic library materials have no minimum capitalisation limit. The cost of utilising the assets is expensed (amortised) over their useful life. Electronic library materials have an expected useful life of 10 years.

Intangible assets are initially recognised at cost. For assets acquired at no cost or for nominal cost, the cost is their fair value at the date of acquisition.

The cost model is applied for subsequent measurement requiring the asset to be carried at cost less any accumulated amortisation and accumulated impairment losses.

Amortisation for intangible assets with finite useful lives is calculated for the period of the expected benefit (estimated useful life which is reviewed annually) on the straight line basis. All intangible assets controlled by the Group have a finite useful life and zero residual value.

## (f) Impairment of assets

Property, plant and equipment, intangibles, investment properties and financial assets are tested for any indication of impairment at the end of each reporting period. Where there is an indication of impairment, the recoverable amount is estimated. Where the recoverable amount is less than the carrying amount, the asset is considered impaired and is written down to the recoverable amount and an impairment loss is recognised. Where an asset measured at cost is written down to recoverable amount, an impairment loss is recognised in profit or loss. Where a previously revalued asset is written down to recoverable amount, the loss is recognised as a revaluation decrement in other comprehensive income. As the University is a not-for-profit entity, unless an asset has been identified as a surplus asset, the recoverable amount is the higher of an asset's fair value less costs to sell and depreciated replacement cost.

The risk of impairment is generally limited to circumstances where an asset's depreciation is materially understated, where the replacement cost is falling or where there is a significant change in useful life. Each relevant class of assets is reviewed annually to verify that the accumulated depreciation/amortisation reflects the level of consumption or expiration of the asset's future economic benefits and to evaluate any impairment risk from falling replacement costs.

The recoverable amount of assets identified as surplus assets is the higher of fair value less costs to sell and the present value of future cash flows expected to be derived from the asset. Surplus assets carried at fair value have no risk of material impairment where fair value is determined by reference to market-based evidence. Where fair value is determined by reference to depreciated replacement cost, surplus assets are at risk of impairment and the recoverable amount is measured. Surplus assets at cost are tested for indications of impairment at the end of each reporting period.

## (g) Investment property

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

Initially, investment property is measured at cost including transaction costs. Costs of enhancement to an existing investment property are capitalised. Costs of day-to-day servicing of an investment property are expensed.

Subsequent to initial recognition, investment property is stated at fair value. Fair value is determined by reference to market-based evidence, which is the amount for which the asset could be exchanged between a knowledgeable willing buyer and a knowledgeable willing seller in an arm's length transaction as at the valuation date.

Gains or losses arising from changes in the fair value of investment property are included as income in the income statement in the period in which they arise.

Investment property is de-recognised when it has either been disposed of or when the investment property is permanently withdrawn from use and no future benefit is expected from its disposal. Any gains or losses on derecognition of an investment property are recognised in the income statement in the period of derecognition.

Land held for development purposes is also classified as investment property.

When an item of property, plant and equipment is transferred to investment property following a change in its use, any differences arising at the date of transfer between the carrying amount of the item immediately prior to transfer and its fair value is recognised in the income statement.

If an investment property becomes owner-occupied, it is reclassified as property, plant and equipment and its fair value at the date of reclassification becomes its cost for accounting purposes of subsequent recording.

## (h) Investments and other financial assets

### Classification

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

#### *Financial assets at fair value through profit or loss*

This category has two sub-categories: financial assets held for trading, and those designated at fair value through profit or loss on initial recognition. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management. The policy of management is to designate a financial asset if there exists the possibility it will be sold in the short term or the asset is subject to frequent changes in fair value. Assets in this category are classified as current assets if they are either held for trading or are expected to be realised within 12 months of the year end date.

#### *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Group provides money, goods or services directly to a debtor with no intention of selling the receivable. They are included in current assets, except for those with maturities greater than 12 months after the end of the reporting period which are classified as noncurrent assets. Loans and receivables are included in receivables in the statement of financial position.

#### *Held-to-maturity investments*

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Group's management has the positive intention and ability to hold to maturity.

#### *Available-for-sale financial assets*

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

Regular purchases and sales of financial assets are recognised on the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value and transaction costs are expensed in the income statement. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

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

#### *Subsequent measurement*

Loans and receivables and held-to-maturity investments are carried at amortised cost using the effective interest method. Realised and unrealised gains and losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are included in the income statement in the period in which they arise. Changes in fair value of other monetary and non-monetary securities classified as available-for-sale are recognised in equity.

#### *Subsidiaries*

Investments in subsidiaries are carried in the University's financial statements at cost less any impairment in value.

## (i) Inventories

Inventories are measured at the lower of cost and net realisable value with provisions being made for obsolescence where considered necessary. Costs are assigned by the method most appropriate to each particular class of inventory, with the majority being measured on a weighted average basis. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

## (j) Provisions

Provisions are liabilities of uncertain timing or amount and are recognised where there is a present legal or constructive obligation as a result of a past event and when the outflow of resources embodying economic benefits is probable and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at the end of each reporting period.

## (k) Employee benefits

All annual leave and long service leave provisions are in respect of employees' services up to the end of the reporting period.

### Annual leave

Annual leave is not expected to be settled wholly within twelve months after the end of the reporting period and is therefore considered to be 'other long-term employee benefits'. The annual leave liability is recognised and measured at the present value or amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

When assessing expected future payments consideration is given to expected future wage and salary levels including non-salary components such as employer superannuation contributions, as well as the experience of employee departures and periods of service. The expected future payments are discounted using market yields at the end of the reporting period on national government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

The provision for annual leave is classified as a current liability as the Group 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 and is recognised and measured at the present value of amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

When assessing expected future payments consideration is given to expected future wage and salary levels including nonsalary components such as employer superannuation contributions, as well as the experience of employee departures and periods of service. The expected future payments are discounted

using market yields at the end of the reporting period on national government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

A liability for long service leave is recognised after an employee has completed four years of service based on remuneration rates current as at the end of the reporting period.

An actuarial assessment of long service leave undertaken by Pricewaterhouse Coopers Actuaries at 31 December 2014 determined that the liability measured using the short hand measurement technique above was not materially different from the liability determined using the present value of expected future payments. This calculation is consistent with the Group's experience of employee retention and leave taken.

Unconditional long service leave provisions are classified as current liabilities as the Group does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period. Pre-conditional and conditional long service leave provisions are classified as non-current liabilities because the Group has an unconditional right to defer the settlement of the liability until the employee has completed the requisite years of service.

### Retirement benefit obligations

The employees of the Group are entitled to benefits on retirement from superannuation plans elected by the employees. These plans incorporate defined contribution sections only as per AASB 119 'Employee benefits'.

Obligations for contributions to defined contribution plans are recognised as an expense in the income statement as incurred.

### Employee on-costs

Employee on-costs, including workers' compensation insurance, are not employee benefits and are recognised separately as liabilities and expenses when the employment to which they relate has occurred.

## (l) Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership that are transferred to entities in the Group, are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leases of property, plant and equipment where the Group, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases.

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

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases (note 33). Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

### (m) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Trade receivables are due for settlement in no more than 30 days.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for impairment of receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate.

Cash flows relating to short-term receivable are not discounted if the effect of discounting is immaterial. The amount of the provision is recognised in the income statement.

### (n) Borrowings

Borrowings are recognised initially at the fair value, being the proceeds received, net of transaction costs incurred. Subsequent to initial recognition, borrowings are stated at amortised cost with any difference between the proceeds (net of transaction costs) and redemption value being recognised in the income statement over the period of the borrowings on an effective interest basis.

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

### (o) Borrowing costs

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

Qualifying assets are assets that take more than 12 months to get ready for their intended use or sale. In these circumstances, borrowing costs are capitalised to the cost of the assets.

Where funds are borrowed specifically for the acquisition, construction or production of a qualifying asset, the amount of borrowing costs capitalised is those incurred in relation to those borrowings, net of any interest earned on those borrowings. Where funds are borrowed generally, borrowing costs are capitalised using a weighted average capitalisation rate.

### (p) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year, which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

### (q) Goods and Services Tax (GST)

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

Receivables and payables are stated inclusive of the amount of GST receivable or payable.

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

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

### (r) Taxation

#### University

The University is an income tax exempt body in Australia. It is subject to foreign income tax for overseas operations.

#### Consolidated entity

Certain subsidiaries of the University are also tax exempt bodies. Other subsidiaries are taxable entities.

The income tax expense or revenue for the period is the tax payable/receivable on the current period's taxable income based on the national income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction (other than a business combination) that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses, only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Current and deferred tax assets and liabilities relating to the same taxation authority are offset when there is a legally enforceable right to offset current tax assets and liabilities and they are intended to be settled on a net basis, or the asset is to be realised and the liability settled simultaneously.

Current and deferred tax balances attributable to amounts recognised outside profit or loss are also recognised outside profit or loss.

### (s) Resident loans

Resident loans, relating to the retirement village, are measured at the principal amount, plus the residents' share of any increase in the market value of the underlying property at year end date less the value of the deferred management fee receivable.

Resident loans are non-interest bearing and are payable at the end of the resident contract. In most cases this is greater than 12 months, however, they are classified as current liabilities because the company does not have an unconditional right to defer settlement.

In practice, the rate at which the company's retirement residents vacate their units, and hence the rate at which the resident loans will fall due for repayment can be estimated on the basis of statistical tables.

### Deferred management fee (DMF) receivable

DMF receivable represents the contractual amount receivable with reference to the underlying resident contract. The company has a contractual right of offset of the DMF receivable against the relevant resident loan.

### (t) Cash and cash equivalents

For statement of cash flows presentation purposes, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

### (u) Financial instruments

In addition to cash and bank overdraft, the Group has the following classes of financial instruments:

- Receivables and payables;
- Investments; and
- Interest bearing liabilities.

Financial instruments have been disaggregated into the following classes:

- Financial Assets
  - (i) Cash and cash equivalents
  - (ii) Receivables
  - (iii) Listed securities
  - (iv) Unlisted securities
  - (v) Managed funds
- Financial Liabilities
  - (i) Payables
  - (ii) Borrowings
  - (iii) Lease liabilities

Initial recognition and measurement of financial instruments is at fair value which normally equates to the transaction cost or the face value. Subsequent measurement is at amortised cost using the effective interest method or at fair value as applicable.

The fair value of short-term receivables and payables is the transaction cost or the face value because there is no interest rate applicable and subsequent measurement is not required as the effect of discounting is not material.

### (v) Foreign currency translation and hedge accounting

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

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement. Qualifying cash flow hedges and qualifying net investment hedges in a foreign operation shall be accounted for by recognising the portion of the gain or loss determined to be an effective hedge in other comprehensive income and the ineffective portion in profit or loss.

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

Forward foreign exchange contracts are entered into as hedges to avoid or minimise possible adverse financial effects of movements in exchange rates. Such derivative financial instruments are stated at fair value. Changes in the fair value of derivative financial instruments that are designated and effective as hedges of future cash flows are recognised directly in equity and the ineffective portion is recognised immediately in the income statement.

When the hedged firm commitment results in the recognition of an asset or a liability, then, at the time the asset or liability is recognised, the associated gains or losses that had previously been recognised in equity are included in the initial measurement of the acquisition cost or other carrying amount of the asset or liability. For all other cash flow hedges, the gains or losses that are recognised in equity are transferred to the income statement in the same year in which the hedged firm commitment affects the net profit or loss, for example when the future sale actually occurs.

### Group companies

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the end of the reporting period
- income and expenses for each income statement are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions)
- all resulting exchange differences are recognised as a separate component of equity.

### (w) Comparative figures

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

### (x) Critical accounting estimates and judgments

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

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:

#### a) Critical accounting estimates and assumptions

##### (i) Impairment of assets

The Group assesses impairment at each reporting date by evaluating conditions specific to the Group that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the assets is determined.

##### (ii) Art works, land, buildings and infrastructure

Artworks, land, buildings and infrastructure are measured on a fair value basis and the valuation is determined based on market value for art works, current use land value for the Murdoch University campus, market land value for all other land and estimated current replacement costs less accumulated depreciation for buildings and infrastructure.

##### (iii) Investment properties

Commercial building is measured annually on a fair value basis based on market based evidence.

The St Ives Retirement Village is fair valued using an industry specific valuation model updated with assumptions and advice on an annual basis. The key assumptions in this model include growth rates, life expectancies and discount rates applicable to the Retirement Village industry.

##### (iv) Leave provisions

Annual leave provision not expected to be settled wholly within twelve months after the end of the reporting date is discounted based on appropriate market yields on government bonds.

The assessment of the Group's long service leave provision is based on the appropriate inflation rates, discounting rates, probability and rates for employees leaving service and taking leave while in service.

##### (v) Available for sale investment

Available for sale investment consists of the Group's investment in unlisted securities which are measured annually on a fair value basis and the valuation is determined by applying a discounting factor to the value of the unlisted securities.

#### b) Critical judgements in applying the Group's accounting policies

##### (i) Useful life of assets

The Group determines the useful life of property, plant and equipment (with the exception of land and art works) and intangible assets to ensure the assets are depreciated in a manner that reflects the consumption of their future economic benefits.

##### (ii) Resident loans

Residents are entitled to a portion of the revaluation gain on their unit in accordance with their resident contract. The revaluation of the unit is based on expected entry values for each unit as at year end.

##### (iii) Deferred management fees (DMF)

The DMF is calculated using variables including the average length of stay for units and serviced apartments and an estimate of the average period for a new tenancy.



(y) Initial application of an  
Australian Accounting Standard

The Group has applied the following Australian Accounting Standards effective for annual reporting periods beginning on or after 1 January 2016 that impacted on the Group.

AASB 1057	Application of Australian Accounting Standards	This Standard lists the application paragraphs for each other Standard (an Interpretation), grouped where they are the same. There is no financial impact.
AASB 2014-3	Amendments to Australian Accounting Standards Accounting for Acquisition of Interest in Joint Operations [AASB 1 & 11]	The Group establishes Joint Operations in pursuit of its objectives and does not routinely acquire interests in Joint Operations. Therefore, there is no financial impact on application of the Standard.
AASB 2014-4	Amendments to Australian Accounting Standards-Clarification of Acceptable Methods of Depreciation and Amortisation [AASB 116 & 138]	The adoption of this Standard has no financial impact for the Group as depreciation and amortisation is not determined by reference to revenue generation, but by reference to consumption of future economic benefits.
AASB 2014-9	Amendments to Australia Accounting Standards-Equity Method in Separate Financial Statements [AASB 1, 127 & 128]	This Standard amends AASB 127, and consequently amends AASB 1 and AASB 128, to allow entities to use the equity method of accounting for investments in subsidiaries, joint ventures and associates in their separate financial statements. All subsidiaries incorporated in the consolidated financial statements are fully owned by the Group, therefore, there is no need to determine whether to adopt the accounting policy choice.

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AASB 2015-1 Amendments to Australian Accounting Standards-Annual Improvements to Australian Accounting Standards 2012 2014 Cycle [AASB 1, 2, 3, 5, 7, 11, 110, 119, 121, 133, 134, 137 & 140]

These amendments arise from the issuance of International Financial Reporting Standard Annual Improvements to IFRSs 2012 2014 Cycle in September 2014, and editorial corrections. The Standard has no financial impact for the Group.

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AASB 2015-2 Amendments to Australian Accounting Standards-Disclosure Initiative: Amendments to AASB 101 [AASB 7, 101, 134 & 1049]

This Standard amends AASB 101 to provide clarification regarding the disclosure requirements in AASB 101. Specifically, the Standard proposes narrowfocus amendments to address some of the concerns expressed about existing presentation and disclosure requirements and to ensure entities are able to use judgement when applying a Standard in determining what information to disclose in their financial statements. There is no financial impact.

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AASB 2015-3 Amendments to Australian Accounting Standards arising from the Withdrawal of AASB 1031 Materiality

This Standard completes the withdrawal of references to AASB 1031 in all Australian Accounting Standards and Interpretations, allowing that Standard to effectively be withdrawn. There is no financial impact.

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AASB 2015-10 Amendments to Australian Accounting Standards-Effective Date of Amendments to AASB 10 & 128

This Standard defers the mandatory effective date (application date) of amendments to AASB 10 & 128 that were originally made in AASB 2014-10 so that the amendments are required to be applied for annual reporting periods beginning on or after 1 January 2018 instead of 1 January 2016. There is no financial impact.

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

The Group cannot early adopt an Australian Accounting Standard unless specifically permitted by TI 1101 Application of Australian Accounting Standards and Other Pronouncements. Consequently, the Group has not applied early any of the following Australian Accounting Standards that have been issued that may impact the Group. Where applicable, the Group plans to apply these Australian Accounting Standards from their application date.

		Operative for reporting period beginning on/after
AASB 9	Financial Instruments  This Standard supersedes AASB 139 Financial Instruments: Recognition and Measurement, introducing a number of changes to accounting treatments.  The mandatory application date of this Standard is currently 1 January 2018 after being amended by AASB 2012-6, AASB 2013-9 and AASB 2014-1 Amendments to Australian Accounting Standards. The Group has not yet determined the application or the potential impact of the Standard.	1 Jan 2018
AASB 15	Revenue from Contracts with Customers  This Standard establishes the principles that the Group shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer. The mandatory application date of this Standard has been amended by AASB 2015-8 to 1 January 2018. The Group has not yet determined the application or the potential impact of the Standard.  The AASB has made tentative decision to defer the effective date of AASB 15 and AASB 1058 for not for profit entities from annual reporting periods beginning on or after 1 January 2018 to 1 January 2019.	1 Jan 2019
AASB 16	Leases  This Standard introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. The Group has not yet determined the application or the potential impact of the Standard.	1 Jan 2019
AASB 1058	Income of Not for Profit Entities  This Standard clarifies and simplifies the income recognition requirements that apply to not-for-profit (NFP) entities, in conjunction with AASB 15 Revenue from Contracts with Customers. These Standards supersede all the income recognition requirements relating to private sector NFP entities, and the majority of income recognition requirements relating to public sector NFP entities, previously in AASB 1004 Contributions. The Group has not yet determined the application or the potential impact of this recently issued Standard.	1 Jan 2019

		Operative for reporting period beginning on/after			Operative for reporting period beginning on/after
AASB 2010-7	Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Int 2, 5, 10, 12, 19 & 127]	1 Jan 2018		AASB 2015-6	Amendments to Australian Accounting Standards – Extending Related Party Disclosures to Not for Profit Public Sector Entities [AASB 10, 124 & 1049]
	Part E makes amendments to AASB 9 and consequential amendments to other Standards. It has not yet been assessed by the Group to determine the application or potential impact of the Standard.				The amendments extend the scope of AASB 124 to include application by not-for-profit public sector entities. Implementation guidance is included to assist application of the Standard by not-for-profit public sector entities. The Group will be required to make related party disclosures, though there is no financial impact.
AASB 2014-1	Amendments to Australian Accounting Standards	1 Jan 2018		AASB 2015-8	Amendments to Australian Accounting Standards – Effective Date of AASB 15
	Part E makes amendments to AASB 9 and consequential amendments to other Standards. It has not yet been assessed by the Group to determine the application or potential impact of the Standard.				The Standard amends the mandatory effective date of AASB 15, consequential amendments originally set out in AASB 2014 5, and, Interpretation 1052 Tax Consolidation Accounting. There is no financial impact.
AASB 2014-5	Amendments to Australian Accounting Standards arising from AASB 15	1 Jan 2018		AASB 2016-2	Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 107
	This Standard gives effect to the consequential amendments to Australian Accounting Standards (including Interpretations) arising from the issuance of AASB 15. The Group has not yet determined the application or the potential impact of the Standard.				This Standard amends AASB 107 Statement of Cash Flows (August 2015) to require disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and noncash changes. There is no financial impact.
AASB 2014-7	Amendments to Australian Accounting Standards arising from AASB 9 (December 2014)	1 Jan 2018		AASB 2016-3	Amendments to Australian Accounting Standards – Clarifications to AASB 15
	This Standard gives effect to the consequential amendments to Australian Accounting Standards (including Interpretations) arising from the issuance of AASB 9 (December 2014). The Group has not yet determined the application or the potential impact of the Standard.				This Standard clarifies identifying performance obligations, principal versus agent considerations, timing of recognising revenue from granting a licence, and, provides further transitional provisions to AASB 15. The Group has not yet determined the application or the potential impact.
AAASB 2014-10	Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture [AASB 10 & 128]	1 Jan 2018			
	This Standard amends AASB 10 and AASB 128 to address an inconsistency between the requirements in AASB 10 and those in AASB 128 (August 2011), in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The Group has not yet determined the application or the potential impact of the Standard.				

		Operative for reporting period beginning on/after
AASB 2016-4	Amendments to Australian Accounting Standards –  Recoverable Amount of Non-Cash-Generating Specialised Assets of Not-for-Profit Entities  This Standard clarifies that the recoverable amount of primarily non-cash-generating assets of not-for-profit entities, which are typically specialised in nature and held for continuing use of their service capacity, is expected to be materially the same as fair value determined under AASB 13 Fair Value Measurement. The Group has not yet determined the application or the potential impact.	1 Jan 2017
AASB 2016-7	Amendments to Australian Accounting Standards – Deferral of AASB 15 for Not-for-Profit Entities  This Standard amends the mandatory effective date of AASB 15 for not-for-profit entities so that AASB 15 is required to be applied by such entities for annual reporting periods beginning on or after 1 January 2019 instead of 1 January 2018. There is no financial impact.	1 Jan 2017
AASB 2016-8	Amendments to Australian Accounting Standards – Australian Implementation  Guidance for Not-for-Profit Entities This Standard inserts Australian requirements and authoritative implementation guidance for not-for-profit entities into AASB 9 and AASB 15. There is no financial impact.	1 Jan 2019

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

### (a) Commonwealth Grants Scheme and Other Grants

	Consolidated		University	
	2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's
Commonwealth Grants Scheme (CGS) <sup>#1</sup>	91,829	83,112	91,829	83,112
Disability Support Program	127	76	127	76
Indigenous Support Program	547	502	547	502
Higher Education Participation Program <sup>#2</sup>	2,930	2,696	2,930	2,696
Promotion of Excellence in Learning and Teaching	105	461	105	461
<b>Total Commonwealth Grants Scheme and Other Grants</b>	<b>95,538</b>	<b>86,847</b>	<b>95,538</b>	<b>86,847</b>

### (b) Higher Education Loan Programs

	Consolidated		University	
	2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's
HECS - HELP	52,685	50,970	52,685	50,970
FEE - HELP <sup>#3</sup>	9,477	7,610	9,477	7,610
SA - HELP	1,455	1,374	1,455	1,374
<b>Total Higher Education Loan Programs</b>	<b>63,617</b>	<b>59,954</b>	<b>63,617</b>	<b>59,954</b>

### (c) Scholarships

	Consolidated		University	
	2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's
Australian Postgraduate Awards	3,350	3,204	3,350	3,204
Commonwealth Accommodation Scholarships <sup>#4</sup>	52	33	52	33
Commonwealth Education Costs Scholarships <sup>#4</sup>	138	107	138	107
International Postgraduate Research Scholarships	236	251	236	251
Indigenous Access Scholarships	94	77	94	77
<b>Total Scholarships</b>	<b>3,870</b>	<b>3,672</b>	<b>3,870</b>	<b>3,672</b>

### (d) Education Research

	Consolidated		University	
	2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's
Research Training Scheme	7,504	7,767	7,504	7,767
Sustainable Research Excellence in Universities	1,506	1,481	1,506	1,481
Research Infrastructure Block Grants	1,647	1,565	1,647	1,565
Joint Research Engagement Program	4,921	5,070	4,921	5,070
<b>Total Education Research</b>	<b>15,578</b>	<b>15,883</b>	<b>15,578</b>	<b>15,883</b>

### (e) Australian Research Council (ARC)

	Consolidated		University	
	2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's
<b>(i) Discovery</b>				
Fellowships	(28)	-	(28)	-
Projects <sup>#5</sup>	830	934	830	934
<b>Total Discovery</b>	<b>802</b>	<b>934</b>	<b>802</b>	<b>934</b>
<b>(ii) Linkages</b>				
Project	925	936	925	936
<b>Total ARC</b>	<b>1,727</b>	<b>1,870</b>	<b>1,727</b>	<b>1,870</b>

#### (f) Other Australian Government financial assistance

	Consolidated		University	
	2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's
Non research funding	3,253	4,915	3,253	4,915
Research funding	1,105	371	1,105	371
<b>Total Other Australian Government financial assistance</b>	<b>4,358</b>	<b>5,286</b>	<b>4,358</b>	<b>5,286</b>
<b>Total Australian Government financial assistance</b>	<b>184,688</b>	<b>173,512</b>	<b>184,688</b>	<b>173,512</b>

<sup>#1</sup> Includes the basic CGS grant amount, CGS-Regional Loading, CGS-Enabling Loading, CGS-Medical Student Loading and CGS-Special Advances from Future Years.

<sup>#2</sup> Includes Access and Participation Fund and National Priorities Pool.

<sup>#3</sup> Program is in respect of FEE-HELP for Higher Education only and excludes funds received in respect of VET FEE-HELP.

<sup>#4</sup> Includes Grandfathered Scholarships, National Priority and National Accommodation Priority Scholarships respectively.

<sup>#5</sup> Includes Early Career Researcher Award.

#### Reconciliation

	Consolidated		University	
	2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's
Australian Government grants	121,071	113,558	121,071	113,558
HECS - HELP	52,685	50,970	52,685	50,970
FEE - HELP	9,477	7,610	9,477	7,610
SA - HELP	1,455	1,374	1,455	1,374
<b>Total Australian Government financial assistance</b>	<b>184,688</b>	<b>173,512</b>	<b>184,688</b>	<b>173,512</b>

#### (g) Australian Government grants received - Cash Basis

	Consolidated		University	
	2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's
CGS and other Education grants	95,616	86,847	95,616	86,847
Higher Education Loan Programs	63,502	60,030	63,502	60,030
Scholarships	3,486	3,433	3,486	3,433
Education Research	15,578	15,883	15,578	15,883
ARC grants - Discovery	887	964	887	964
ARC grants - Linkages	1,137	936	1,137	936
Other Australian Government financial assistance	4,358	5,286	4,358	5,286
Total Australian Government grants received - cash basis	184,564	173,379	184,564	173,379
OS-Help (net)	62	(53)	62	(53)
<b>Total Australian Government funding received - cash basis</b>	<b>184,626</b>	<b>173,326</b>	<b>184,626</b>	<b>173,326</b>

### 3. State and Local Government financial assistance

#### Non-Capital

	Consolidated		University	
	2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's
State Government	2,494	2,629	2,494	2,629
Local Government	179	534	179	534
<b>Total State and Local Government financial assistance</b>	<b>2,673</b>	<b>3,163</b>	<b>2,673</b>	<b>3,163</b>

### 4. Fees and charges

#### Course fees and charges

	Consolidated		University	
	2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's
Fee-paying onshore overseas students	39,347	40,289	39,347	40,289
Fee-paying offshore overseas students	18,046	16,525	1,654	15,142
Continuing education	66	58	66	58
Fee-paying domestic postgraduate students	2,656	2,726	2,656	2,726
Other domestic course fees and charges	3,574	4,071	3,574	4,070
<b>Total course fees and charges</b>	<b>63,689</b>	<b>63,669</b>	<b>47,297</b>	<b>62,285</b>

#### Other non-course fees and charges

	Consolidated		University	
	2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's
Student services and amenities fees from students	1,273	1,229	1,273	1,229
Facilities fees	727	843	727	843
Service and management fees	-	-	13,850	-
Other fees and charges	7,329	3,767	7,808	4,634
Recovery charges	3,339	2,688	3,400	2,488
Parking fees	1,740	1,354	1,740	1,354
Rental and lease charges	3,715	4,410	7,607	11,359
Total other fees and charges	18,123	14,291	36,405	21,907

#### Total fees and charges

<b>81,812</b>	<b>77,960</b>	<b>83,702</b>	<b>84,192</b>
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## 5. Investment income and losses

	Consolidated		University	
	2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's
<b>(i) Investment revenue and income</b>				
<i>Investment revenue</i>				
Interest from bank bills and deposits	4,337	5,106	2,840	3,352
Dividends and franking credits received	1,136	442	1,586	461
Income distributions from managed funds	2,721	2,641	2,705	2,614
<b>Total investment revenue</b>	<b>8,194</b>	<b>8,189</b>	<b>7,131</b>	<b>6,427</b>
<i>Other investment income</i>				
Change in fair value of financial assets designated as at fair value through profit & loss	2,509	1,097	1,088	259
Fair value adjustment on investment property	10,001	-	10,001	-
<b>Total other investment income</b>	<b>12,510</b>	<b>1,097</b>	<b>11,089</b>	<b>259</b>
<b>Total investment revenue and income</b>	<b>20,704</b>	<b>9,286</b>	<b>18,220</b>	<b>6,686</b>
<b>(ii) Investment losses</b>				
<i>Other investment losses</i>				
Change in fair value of financial assets designated as at fair value through profit & loss	993	2,540	403	1,455
Fair value adjustment on investment property	-	2,580	-	2,580
<b>Total other investment losses</b>	<b>993</b>	<b>5,120</b>	<b>403</b>	<b>4,035</b>
<b>Total investment losses</b>	<b>993</b>	<b>5,120</b>	<b>403</b>	<b>4,035</b>
<b>Net investment revenue and income</b>	<b>19,711</b>	<b>4,166</b>	<b>17,817</b>	<b>2,651</b>

## 6. Consultancy and contract research

	Consolidated		University	
	2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's
<b>Research</b>				
Contracts	18,181	15,749	18,181	15,593
<b>Other</b>				
Consultancy	469	550	469	550
<b>Total consultancy and contract research</b>	<b>18,650</b>	<b>16,299</b>	<b>18,650</b>	<b>16,143</b>

## 7. Other revenue and other income

	Consolidated		University	
	2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's
<b>Other revenue</b>				
Deferred management fee	8,146	5,833	-	-
Donations and bequests	1,338	3,505	35,735	1,933
Non-government grants	118	262	118	262
Subscriptions	72	330	72	330
Common service fees and electives	2,488	2,555	-	-
Statutory refunds	-	31	-	-
Other revenue	2,075	2,555	1,328	1,764
Scholarships and prizes	699	296	699	296
Sponsorships income	239	214	239	214
Trading income	16,700	17,163	16,236	16,763
<b>Total other revenue</b>	<b>31,875</b>	<b>32,744</b>	<b>54,427</b>	<b>21,562</b>
<b>Other income</b>				
Bad debts recovered or written back	1	123	1	123
<b>Total other income</b>	<b>1</b>	<b>123</b>	<b>1</b>	<b>123</b>

The University received a \$34m cash donation from its subsidiary Murdoch Retirement Services Pty Ltd, and this is also reflected in note 38.

## 8. Employee related expenses

	Consolidated		University	
	2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's
<b>Academic</b>				
Salaries	79,873	76,872	78,470	75,749
Contribution to superannuation and pension schemes	11,774	11,186	11,735	11,161
Payroll tax	4,948	4,730	4,948	4,730
Workers compensation	435	451	435	451
Annual leave	970	121	964	100
Long service leave	2,386	2,328	2,386	2,328
<b>Total academic</b>	<b>100,386</b>	<b>95,688</b>	<b>98,938</b>	<b>94,519</b>
<b>Non-academic</b>				
Salaries	83,767	82,377	82,970	80,742
Contribution to superannuation and pension schemes	11,742	11,370	11,645	11,207
Payroll tax	5,195	5,063	5,163	4,976
Workers compensation	440	463	440	455
Annual leave	1,040	(354)	1,032	(366)
Long service leave	2,410	2,254	2,402	2,241
<b>Total non-academic</b>	<b>104,594</b>	<b>101,173</b>	<b>103,652</b>	<b>99,255</b>
<b>Total employee related expenses</b>	<b>204,980</b>	<b>196,861</b>	<b>202,590</b>	<b>193,774</b>



## 9. Depreciation and amortisation

	Consolidated		University	
	2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's
<b>Depreciation</b>				
Buildings	6,411	6,777	6,129	6,459
Infrastructure	576	482	510	482
Computing equipment	809	1,517	792	1,514
Other equipment	3,997	3,745	3,994	3,743
Library books	616	645	616	645
Motor vehicles	354	332	354	332
Plant	678	624	664	624
Furniture and Fittings	93	7	86	7
Leased plant and equipment	45	78	45	66
<b>Total depreciation</b>	<b>13,579</b>	<b>14,207</b>	<b>13,190</b>	<b>13,872</b>
<b>Amortisation</b>				
Leasehold improvements	208	129	483	129
Electronic library materials	2,193	1,755	2,193	1,755
Software and Software Licences	486	88	486	88
<b>Total amortisation</b>	<b>2,887</b>	<b>1,972</b>	<b>3,162</b>	<b>1,972</b>
<b>Total depreciation and amortisation</b>	<b>16,466</b>	<b>16,179</b>	<b>16,352</b>	<b>15,844</b>

## 10. Repairs and maintenance

	Consolidated		University	
	2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's
Buildings and grounds	8,016	7,392	5,487	6,219
Other	1,814	1,573	1,518	1,244
<b>Total repairs and maintenance</b>	<b>9,830</b>	<b>8,965</b>	<b>7,005</b>	<b>7,463</b>

## 11. Borrowing costs

	Consolidated		University	
	2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's
Finance lease charges in respect of finance leases	50	47	50	47
Interest expense	380	417	380	417
<b>Total borrowing costs</b>	<b>430</b>	<b>464</b>	<b>430</b>	<b>464</b>

## 12. Impairment of assets

	Consolidated		University	
	2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's
Bad debts	5	6	3	6
Doubtful debts	534	217	534	217
Impairment losses	-	(17)	-	(17)
<b>Total impairment of assets</b>	<b>539</b>	<b>206</b>	<b>537</b>	<b>206</b>

## 13. Other expenses

	Consolidated		University	
	2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's
Administration expenses	8,809	7,859	7,556	7,445
Advertising, marketing and promotions	5,032	4,120	4,677	4,067
Audit fees, bank charges, legal costs, insurance and taxes	6,201	4,775	3,914	2,944
Consulting fees - other	13,156	11,428	13,540	11,797
Consulting fees - teaching	2,614	1,036	2,614	934
Consulting fees - research	5,321	3,848	5,321	3,848
Cost of sales	6,161	6,266	6,155	6,262
Donations and sponsorships	702	856	700	773
Fair value movement in resident loans	12,994	2,539	-	-
General consumables	4,590	4,300	4,366	4,014
Licence and royalty fees	4,298	3,994	4,290	3,989
Non-capitalised equipment	2,471	2,175	2,456	2,153
Occupancy costs	5,682	5,431	5,445	5,144
Operating lease payments	3,652	2,952	4,057	2,700
Other expenses	4,861	4,155	4,852	4,140
Productivity improvement program costs	1,621	770	1,621	770
Scholarships, grants and prizes	18,544	18,389	18,544	18,389
Telecommunications	1,108	957	1,097	948
Travel and related staff development and training	10,193	9,397	10,038	9,330
<b>Total other expenses</b>	<b>118,010</b>	<b>95,247</b>	<b>101,243</b>	<b>89,647</b>

## 14. Income tax

### (a) Income tax expense

	Consolidated		University	
	2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's
Current tax	192	1,338	-	1,308
Deferred tax	27	137	-	-
Adjustments for current tax of prior periods	-	(276)	-	(276)
<b>Total</b>	<b>219</b>	<b>1,199</b>	<b>-</b>	<b>1,032</b>

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

	Consolidated		University	
	2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's
Net result before income tax from continuing operations:	(5,204)	(3,642)	39,442	261
Add: Nontaxable operating result from Australian operations	6,237	13,514	-	7,432
	1,033	9,872	39,442	7,693
Tax at the Australian tax rate of 30% (2015: 30%)	310	2,963	-	2,308
Tax effect of amounts which are not taxable in calculating taxable income:	(27)	(655)	-	-
Sub total	283	2,308	-	2,308
Difference in overseas tax rate	(42)	(1,000)	-	(1,000)
Adjustment for current tax of prior periods	-	(276)	-	(276)
Adjustment in respect of deferred income tax of previous years not previously brought to account	-	127	-	-
Previously unrecognised tax losses now recouped to reduce current tax expense	(22)	(17)	-	-
Unrecognised overseas tax losses	-	57	-	-
<b>Income tax expense</b>	<b>219</b>	<b>1,199</b>	<b>-</b>	<b>1,032</b>

### (c) Deferred tax assets

The balance comprises temporary differences attributable to:

#### Amounts recognised in net result

Accruals	4	4	-	-
Provisions	19	15	-	-
Total deferred tax assets	23	19	-	-
Deferred tax assets to be recovered within 12 months	23	19	-	-
<b>Net deferred tax assets</b>	<b>23</b>	<b>19</b>	<b>-</b>	<b>-</b>

Consolidated		University	
2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's
4	4	-	-
19	15	-	-
23	19	-	-
23	19	-	-
<b>23</b>	<b>19</b>	<b>-</b>	<b>-</b>

#### Movements - Consolidated

##### At 1 January 2015

(Charged)/credited to the income statement

##### At 31 December 2015

(Charged)/credited to the income statement

##### At 31 December 2016

PP&E \$000's	Accruals \$000's	Provisions \$000's	Total \$000's
3	4	18	25
(3)	-	(3)	(6)
-	<b>4</b>	<b>15</b>	<b>19</b>
-	-	4	4
-	<b>4</b>	<b>19</b>	<b>23</b>

#### (d) Deferred tax liability

The balance comprises temporary differences attributable to:

	Consolidated		University	
	2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's
Property, plant and equipment	168	138	-	-
Unrealised gain on investment	121	121	-	-
Interest income	1	-	-	-
Net deferred tax liabilities	290	259	-	-
Deferred tax liabilities to be settled after more than 12 months	289	259	-	-
Deferred tax liabilities to be recovered within 12 months	1	-	-	-
<b>Total deferred tax liabilities</b>	<b>290</b>	<b>259</b>	<b>-</b>	<b>-</b>

#### Movements - Consolidated

	2016 \$000's
<b>At 1 January 2015</b>	<b>(127)</b>
Credited to the income statement	(132)
<b>At 31 December 2015</b>	<b>(31)</b>
Credited to the income statement	(31)
<b>At 31 December 2016</b>	<b>(290)</b>

## 15. Cash and cash equivalents

#### Current

	Consolidated		University	
	2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's
Cash at bank and on hand	24,734	15,774	14,389	9,993
Bank bills and deposits	26,015	78,008	14,000	45,900
<b>Total cash and cash equivalents</b>	<b>50,749</b>	<b>93,782</b>	<b>28,389</b>	<b>55,893</b>

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

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

Balances as above

	Consolidated		University	
	2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's
<b>Balance as per statement of cash flows</b>	<b>50,749</b>	<b>93,782</b>	<b>28,389</b>	<b>55,893</b>

#### (b) Cash at bank and on hand

These are interest bearing at an average floating interest rate of 0.71% as at 31 December 2016 (2015 : 1.22%).

#### (c) Bank bills and deposits

The bank bills and deposits are bearing average fixed interest rates of 2.62% as at 31 December 2016 (2015 : 2.97%). These deposits have an average maturity of 58 days.

## 16. Receivables

#### Current

	Consolidated		University	
	2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's
Trade receivables	8,034	10,571	11,818	10,604
Less: Provision for impaired receivables	(647)	(668)	(633)	(654)
	7,387	9,903	11,185	9,950
Other	1,685	500	1,558	739
<b>Total current receivables</b>	<b>9,072</b>	<b>10,403</b>	<b>12,743</b>	<b>10,689</b>

#### Non-current

Loans receivable	-	-	3,880	4,034
Total non-current receivables	-	-	<b>3,880</b>	<b>4,034</b>
<b>Total receivables</b>	<b>9,072</b>	<b>10,403</b>	<b>16,623</b>	<b>14,723</b>

### (a) Impaired receivables

#### Impaired:

Movements in the provision for impaired receivables are as follows:

	Consolidated		University	
	2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's
At 1 January	668	1,430	654	1,416
Provision for impairment recognised during the year	534	217	534	217
Receivables written off during the year as uncollectible	(554)	(856)	(554)	(856)
Amounts recovered or written back during the year	(1)	(123)	(1)	(123)
<b>At 31 December</b>	<b>647</b>	<b>668</b>	<b>633</b>	<b>654</b>

Any additional provisions for impaired receivables are included in 'Impairment of assets' in the income statement. Assets impaired include trade debtors and student fees.

Amounts charged to the provision account are generally written off when there is no prospect of further recovery.

Past due date:

As at 31 December 2016 trade receivables of \$1,064K (2015: \$1,046K) were 90 or more days past due but not impaired. These relate mainly to student debt and to a number of customers for whom there is no recent history of default. The ageing analysis of these receivables is as follows:

	Consolidated		University	
	2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's
Not past due	5,383	7,136	9,167	7,285
Past due 30 days	293	1,222	293	1,223
Past due 60 days	647	499	647	499
Past due 90 days or more	1,711	1,714	1,711	1,597
<b>Total trade receivables due</b>	<b>8,034</b>	<b>10,571</b>	<b>11,818</b>	<b>10,604</b>

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

### (b) Foreign exchange risk

**The carrying amount of the Group's and University's current and non-current receivables are denominated in the following currencies:**

	Consolidated		University	
	2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's
Euro	17	22	17	22
US Dollars	202	32	202	32
Singapore Dollars	2	-	2,568	-
South African Rand	2	-	2	-
	<b>223</b>	<b>54</b>	<b>2,789</b>	<b>54</b>
Current receivables	223	54	2,789	54
	<b>223</b>	<b>54</b>	<b>2,789</b>	<b>54</b>

A summarised analysis of the sensitivity of receivables to foreign exchange risk can be found in note 35.

### (c) Fair value and credit risk

#### Current receivables

Due to the short term nature of current receivables, the carrying value approximates fair value.

#### Non-current receivables

The maximum exposure to credit risk at the reporting date is the higher of the carrying value and fair value of each class of receivables mentioned above. The Group does not hold any collateral as security.

## 17. Inventories

	Consolidated		University	
	2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's
<b>Current</b>				
Bookshop	808	1,093	808	1,093
Veterinary Hospital	620	610	620	610
Other	7	5	-	-
<b>Total current inventories</b>	<b>1,435</b>	<b>1,708</b>	<b>1,428</b>	<b>1,703</b>

## 18. Derivative financial instruments

	Consolidated		University	
	2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's
<b>Current liability</b>				
Derivative financial instruments	15	144	15	144

Instruments used by the Group

The Group is party to derivative financial instruments in the normal course of business in order to hedge exposure to fluctuations in foreign exchange rates in accordance with note 35.

Forward exchange contract - cash flow hedge

In order to protect against exchange rate movements, the University has entered into a forward exchange contract to purchase United States Dollars.

This contract is a hedging obligation for payments for the ensuing financial year. The contract is timed to mature when payments for international purchases are scheduled to be made.

The portion of the gain or loss on the hedging instrument that is determined to be an effective hedge is recognised directly in equity. When the cash flows occur, the University adjusts the initial measurement of the component recognised in the statement of financial position by the related amount deferred in equity.

## 19. Other financial assets

	Consolidated		University	
	2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's
<b>Current</b>				
Bank deposits	89,154	62,744	87,400	41,346
Financial assets at fair value through profit & loss - Listed securities	3,687	2,833	-	-
Total current other financial assets	92,841	65,577	87,400	41,346
<b>Non-current</b>				
Shares in subsidiaries - cost	-	-	9,278	9,278
Available for sale investment	11,027	9,198	11,027	9,198
Managed funds	59,479	56,076	59,138	55,957
Total non-current other financial assets	70,506	65,274	79,443	74,433
<b>Total other financial assets</b>	<b>163,347</b>	<b>130,851</b>	<b>166,843</b>	<b>115,779</b>

Changes in fair values of other financial assets at fair value through profit or loss are recorded in investment income and investment losses in the income statement (note 5).

## 20. Other non-financial assets

	Consolidated		University	
	2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's
<b>Current</b>				
Prepayments	6,590	6,558	6,434	6,398
<b>Non-current</b>				
Other non-financial assets	31	73	31	73
<b>Total other non-financial assets</b>	<b>6,621</b>	<b>6,631</b>	<b>6,465</b>	<b>6,471</b>

## 21. Investment properties

	Consolidated		University	
	2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's
<b>Non-current</b>				
Opening balance at 1 January	234,468	236,818	234,468	236,818
Fair value adjustment on investment property	10,001	(2,580)	10,001	(2,580)
Transfer (from)/to investment property	(749)	230	(749)	230
<b>Closing balance at 31 December</b>	<b>243,720</b>	<b>234,468</b>	<b>243,720</b>	<b>234,468</b>

Investment property includes a commercial building that is leased to a third party under an operating lease and the St Ives Retirement Village Murdoch.

For fair value hierarchy categorisation of investment properties see note 36.

### (a) Amounts recognised in the income statement for the commercial building

	Consolidated		University	
	2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's
Rental income	1,187	1,364	1,187	1,364
Direct operating expenses	(168)	(165)	(168)	(165)
Fair value adjustment on investment property	400	(3,100)	400	(3,100)
<b>Total recognised in profit or loss</b>	<b>1,419</b>	<b>(1,901)</b>	<b>1,419</b>	<b>(1,901)</b>

### (b) Amounts recognised in the income statement for St Ives Retirement Village Murdoch

	Consolidated		University	
	2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's
Fair value adjustment on investment property	9,601	520	9,601	520
<b>Total recognised in profit or loss</b>	<b>9,601</b>	<b>520</b>	<b>9,601</b>	<b>520</b>

### (c) Operating lease (as lessor) - commercial building

#### The future minimum lease payments under non-cancellable leases are as follows:

	Consolidated		University	
	2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's
Within one year	1,178	1,132	1,178	1,132
Later than one year but not later than five years	3,595	4,773	3,595	4,773
	<b>4,773</b>	<b>5,905</b>	<b>4,773</b>	<b>5,905</b>

## 22. Property, plant and equipment

	Land	Buildings	Infrastructure	Construction in progress	Plant	Computing Equipment	Other Equipment	Motor Vehicles	Artworks	Library Books	Leased Plant and Equipment	Furniture and Fittings	Leasehold Improvement	Total
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
<b>University</b>														
<b>At 01 January 2015</b>														
- Cost	-	-	-	4,549	11,732	11,446	50,200	2,474	-	2,509	518	-	-	83,428
- Independent Valuation	229,335	311,659	15,182	-	-	-	-	-	-	-	-	-	-	556,176
- Murdoch Valuation	-	10,922	8,427	-	-	-	-	-	5,673	-	-	-	-	25,022
Accumulated depreciation and impairment	-	(164)	(198)	-	(2,357)	(9,139)	(32,635)	(1,282)	-	(666)	(225)	-	-	(46,666)
<b>Net book amount</b>	<b>229,335</b>	<b>322,417</b>	<b>23,411</b>	<b>4,549</b>	<b>9,375</b>	<b>2,307</b>	<b>17,565</b>	<b>1,192</b>	<b>5,673</b>	<b>1,843</b>	<b>293</b>	-	-	<b>617,960</b>
<b>Year ended 31 December 2015</b>														
Opening net book amount	229,335	322,417	23,411	4,549	9,375	2,307	17,565	1,192	5,673	1,843	293	-	-	617,960
Revaluation increment/(decrement)	9,942	(14,115)	660	-	-	-	-	-	274	-	-	-	-	(3,239)
Additions	-	186	139	9,042	17	797	2,551	597	275	496	276	174	-	14,550
Disposals	-	-	-	-	-	(11)	(292)	(147)	(9)	-	-	-	-	(459)
Transfers in / (out)	-	1,308	1,246	(6,097)	1,340	-	1,178	-	-	-	(131)	73	1,083	-
Transfers to investment property	-	-	-	(230)	-	-	-	-	-	-	-	-	-	(230)
Transfer to profit and loss	-	-	-	(107)	-	-	-	-	-	-	-	-	-	(107)
Depreciation charge	-	(6,459)	(482)	-	(624)	(1,514)	(3,743)	(332)	-	(645)	(66)	(7)	(129)	(14,001)
<b>Closing net book amount</b>	<b>239,277</b>	<b>303,337</b>	<b>24,974</b>	<b>7,157</b>	<b>10,108</b>	<b>1,579</b>	<b>17,259</b>	<b>1,310</b>	<b>6,213</b>	<b>1,694</b>	<b>372</b>	<b>240</b>	<b>954</b>	<b>614,474</b>
<b>At 31 December 2015</b>														
- Cost	-	-	-	7,157	13,089	11,973	50,206	2,674	29	2,338	452	247	1,083	89,248
- Independent Valuation	239,277	302,559	24,353	-	-	-	-	-	6,135	-	-	-	-	572,324
- Murdoch Valuation	-	778	621	-	-	-	-	-	49	-	-	-	-	1,448
Accumulated depreciation and impairment	-	-	-	-	(2,981)	(10,394)	(32,947)	(1,364)	-	(644)	(80)	(7)	(129)	(48,546)
<b>Net book amount</b>	<b>239,277</b>	<b>303,337</b>	<b>24,974</b>	<b>7,157</b>	<b>10,108</b>	<b>1,579</b>	<b>17,259</b>	<b>1,310</b>	<b>6,213</b>	<b>1,694</b>	<b>372</b>	<b>240</b>	<b>954</b>	<b>614,474</b>
<b>Year ended 31 December 2016</b>														
Opening net book amount	239,277	303,337	24,974	7,157	10,108	1,579	17,259	1,310	6,213	1,694	372	240	954	614,474
Revaluation increment/(decrement)	(567)	(6,026)	(110)	-	-	-	-	-	-	-	-	-	-	(6,703)
Additions	-	79	143	23,922	61	224	2,563	504	321	461	-	1,033	-	29,311
Disposals	-	-	-	-	(8)	(11)	(16)	(136)	(4)	-	-	-	-	(175)
Transfers in / (out)	-	5,565	1,285	(14,104)	583	1,356	878	33	-	-	(65)	2,063	2,406	-
Transfers from investment property	-	-	-	749	-	-	-	-	-	-	-	-	-	749
Transfers to profit or loss	-	-	-	(211)	-	-	-	-	-	-	-	-	-	(211)
Transfer to software	-	-	-	(1,226)	-	-	-	-	-	-	-	-	-	(1,226)
Depreciation charge	-	(6,129)	(510)	-	(664)	(792)	(3,994)	(354)	-	(616)	(45)	(86)	(483)	(13,673)
<b>Closing net book amount</b>	<b>238,710</b>	<b>296,826</b>	<b>25,782</b>	<b>16,287</b>	<b>10,080</b>	<b>2,356</b>	<b>16,690</b>	<b>1,357</b>	<b>6,530</b>	<b>1,539</b>	<b>262</b>	<b>3,250</b>	<b>2,877</b>	<b>622,546</b>
<b>At 31 December 2016</b>														
- Cost	-	-	-	16,287	13,723	13,427	53,402	2,828	-	2,155	337	3,344	3,489	115,522
- Independent Valuation	238,710	296,485	25,270	-	-	-	-	-	6,135	-	-	-	-	560,465
- Murdoch Valuation	-	341	512	-	-	-	-	-	395	-	-	-	-	853
Accumulated depreciation and impairment	-	-	-	-	(3,643)	(11,071)	(36,712)	(1,471)	-	(616)	(75)	(94)	(612)	(54,294)
<b>Net book amount</b>	<b>238,710</b>	<b>296,826</b>	<b>25,782</b>	<b>16,287</b>	<b>10,080</b>	<b>2,356</b>	<b>16,690</b>	<b>1,357</b>	<b>6,530</b>	<b>1,539</b>	<b>262</b>	<b>3,250</b>	<b>2,877</b>	<b>622,546</b>

## 22. Property, plant and equipment (continued)

	Land	Buildings	Infrastructure	Construction in progress	Plant	Computing Equipment	Other Equipment	Motor Vehicles	Artworks	Library Books	Leased Plant and Equipment	Furniture and Fittings	Leasehold Improvement	Total
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
<b>Consolidated</b>														
<b>At 01 January 2014</b>														
- Cost	-	-	-	4,549	11,732	11,446	50,239	2,474	-	2,509	518	-	-	83,467
- Independent Valuation	229,335	327,532	15,182	-	-	-	-	-	-	-	-	-	-	572,049
- Murdoch Valuation	-	10,922	8,427	-	-	-	-	-	5,673	-	-	-	-	25,022
Accumulated depreciation and impairment	-	(164)	(198)	-	(2,357)	(9,139)	(32,674)	(1,282)	-	(666)	(225)	-	-	(46,705)
<b>Net book amount</b>	<b>229,335</b>	<b>338,290</b>	<b>23,411</b>	<b>4,549</b>	<b>9,375</b>	<b>2,307</b>	<b>17,565</b>	<b>1,192</b>	<b>5,673</b>	<b>1,843</b>	<b>293</b>	-	-	<b>633,833</b>
<b>Year ended 31 December 2015</b>														
Opening net book amount	229,335	338,290	23,411	4,549	9,375	2,307	17,565	1,192	5,673	1,843	293	-	-	633,833
Revaluation increment/(decrement)	9,942	(13,797)	660	-	-	-	-	-	274	-	-	-	-	(2,921)
Additions	-	186	139	9,042	17	804	2,558	597	275	495	319	180	-	14,612
Disposals	-	-	-	-	-	(11)	(292)	(147)	(9)	-	-	-	-	(459)
Transfers in / (out)	-	1,308	1,246	(6,097)	1,340	-	1,178	-	-	-	(131)	73	1,083	-
Transfer to investment property	-	-	-	(230)	-	-	-	-	-	-	-	-	-	(230)
Transfer to profit and loss	-	-	-	(107)	-	-	-	-	-	-	-	-	-	(107)
Depreciation charge	-	(6,777)	(482)	-	(624)	(1,517)	(3,745)	(332)	-	(645)	(78)	(7)	(129)	(14,336)
<b>Closing net book amount</b>	<b>239,277</b>	<b>319,210</b>	<b>24,974</b>	<b>7,157</b>	<b>10,108</b>	<b>1,583</b>	<b>17,264</b>	<b>1,310</b>	<b>6,213</b>	<b>1,693</b>	<b>403</b>	<b>246</b>	<b>954</b>	<b>630,392</b>
<b>At 31 December 2015</b>														
- Cost	-	-	-	7,157	13,089	11,979	50,213	2,674	29	2,338	495	253	1,083	89,310
- Independent Valuation	239,277	318,432	24,353	-	-	-	-	-	6,135	-	-	-	-	588,197
- Murdoch Valuation	-	778	621	-	-	-	-	-	49	-	-	-	-	1,448
Accumulated depreciation and impairment	-	-	-	-	(2,981)	(10,396)	(32,949)	(1,364)	-	(645)	(92)	(7)	(129)	(48,563)
<b>Net book amount</b>	<b>239,277</b>	<b>319,210</b>	<b>24,974</b>	<b>7,157</b>	<b>10,108</b>	<b>1,583</b>	<b>17,264</b>	<b>1,310</b>	<b>6,213</b>	<b>1,693</b>	<b>403</b>	<b>246</b>	<b>954</b>	<b>630,392</b>
<b>Year ended 31 December 2016</b>														
Opening net book amount	239,277	319,210	24,974	7,157	10,108	1,583	17,264	1,310	6,213	1,693	403	246	954	630,392
Revaluation increment/(decrement)	(567)	(4,981)	156	-	-	-	-	-	-	-	-	-	-	(5,392)
Additions	-	80	143	23,922	61	257	2,565	504	321	462	5	1,040	53	29,413
Disposals	-	-	-	-	(8)	(11)	(16)	(136)	(4)	-	-	-	-	(175)
Transfers in / (out)	-	4,234	4,590	(14,103)	954	1,356	878	33	-	-	(101)	2,063	96	-
Transfers from investment property	-	-	-	749	-	-	-	-	-	-	-	-	-	749
Transfer to profit or loss	-	-	-	(212)	-	-	-	-	-	-	-	-	-	(212)
Transfer to software	-	-	-	(1,226)	-	-	-	-	-	-	-	-	-	(1,226)
Depreciation charge	-	(6,411)	(576)	-	(678)	(809)	(3,997)	(354)	-	(616)	(45)	(93)	(208)	(13,787)
<b>Closing net book amount</b>	<b>238,710</b>	<b>312,132</b>	<b>29,287</b>	<b>16,287</b>	<b>10,437</b>	<b>2,376</b>	<b>16,694</b>	<b>1,357</b>	<b>6,530</b>	<b>1,539</b>	<b>262</b>	<b>3,256</b>	<b>895</b>	<b>639,762</b>
<b>At 31 December 2016</b>														
- Cost	-	-	-	16,287	14,095	13,467	53,449	2,828	-	2,155	337	3,356	1,244	113,748
- Independent Valuation	238,710	311,626	28,775	-	-	-	-	-	6,135	-	-	-	-	579,111
- Murdoch Valuation	-	506	512	-	-	-	-	-	395	-	-	-	-	1,018
Accumulated depreciation and impairment	-	-	-	-	(3,658)	(11,091)	(36,755)	(1,471)	-	(616)	(75)	(100)	(349)	(54,115)
<b>Net book amount</b>	<b>238,710</b>	<b>312,132</b>	<b>29,287</b>	<b>16,287</b>	<b>10,437</b>	<b>2,376</b>	<b>16,694</b>	<b>1,357</b>	<b>6,530</b>	<b>1,539</b>	<b>262</b>	<b>3,256</b>	<b>895</b>	<b>639,762</b>



## 23. Intangible assets

	Consolidated		University	
	2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's
Electronic library materials	11,865	10,692	11,865	10,692
Software and software licences	2,666	1,578	2,666	1,578
<b>Total intangible assets</b>	<b>14,531</b>	<b>12,270</b>	<b>14,531</b>	<b>12,270</b>

	Software & Software Licences	Electronic Library Materials	Total
	\$000's	\$000's	\$000's
<b>At 1 January 2015</b>			
- Cost	-	18,887	<b>18,887</b>
- Accumulated amortisation and impairment	-	(9,173)	<b>(9,173)</b>
<b>Net book amount</b>	<b>-</b>	<b>9,714</b>	<b>9,714</b>
<b>Year ended 31 December 2015</b>			
Opening net book amount	-	9,714	<b>9,714</b>
Additions	1,666	2,733	<b>4,399</b>
Amortisation charge	(88)	(1,755)	<b>(1,843)</b>
<b>Closing net book amount</b>	<b>1,578</b>	<b>10,692</b>	<b>12,270</b>
<b>At 31 December 2015</b>			
- Cost	1,666	21,620	<b>23,286</b>
- Accumulated amortisation and impairment	(88)	(10,928)	<b>(11,016)</b>
<b>Net book amount</b>	<b>1,578</b>	<b>10,692</b>	<b>12,270</b>
<b>Year ended 31 December 2016</b>			
Opening net book amount	1,578	10,692	<b>12,270</b>
Additions	348	3,366	<b>3,714</b>
Transfer from Construction in Progress	1,226	-	<b>1,226</b>
Amortisation charge	(486)	(2,193)	<b>(2,679)</b>
<b>Closing net book amount</b>	<b>2,666</b>	<b>11,865</b>	<b>14,531</b>
<b>At 31 December 2016</b>			
- Cost	3,240	22,246	<b>25,486</b>
- Accumulated amortisation and impairment	(574)	(10,381)	<b>(10,955)</b>
<b>Net book amount</b>	<b>2,666</b>	<b>11,865</b>	<b>14,531</b>

## 24. Trade and other payables

	Consolidated		University	
	2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's
<b>Current</b>				
Trade payables	5,415	1,976	5,531	547
Current tax liability	3,320	3,675	3,189	3,666
Accruals and other payables	17,127	15,680	16,596	15,308
<b>Total current trade and other payables</b>	<b>25,862</b>	<b>21,331</b>	<b>25,316</b>	<b>19,521</b>
Other payables	6	6	6	6
<b>Total non current trade and other payables</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>

### (a) Foreign exchange risk

The carrying amounts of the Group's and the University's current payables are denominated in Australian currency only.

### (b) Fair value

Current payables

Due to the short term nature of the current payables, their carrying value approximates their fair value.

## 25. Borrowings

	Consolidated		University	
	2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's
<b>Current</b>				
<i>Secured</i>				
Finance lease liabilities	74	84	74	84
Western Australian Treasury Corporation *	2,358	438	2,358	438
<b>Total current secured borrowings</b>	<b>2,432</b>	<b>522</b>	<b>2,432</b>	<b>522</b>
<i>Unsecured</i>				
Western Australian Treasury Corporation *	59	147	59	147
<b>Total current borrowings</b>	<b>2,491</b>	<b>669</b>	<b>2,491</b>	<b>669</b>
<b>Non-current</b>				
<i>Secured</i>				
Finance lease liabilities	156	230	156	230
Western Australian Treasury Corporation *	4,459	6,817	4,459	6,817
<b>Total non-current secured borrowings</b>	<b>4,615</b>	<b>7,047</b>	<b>4,615</b>	<b>7,047</b>
<i>Unsecured</i>				
Western Australian Treasury Corporation *	49	108	49	108
<b>Total non-current unsecured borrowings</b>	<b>49</b>	<b>108</b>	<b>49</b>	<b>108</b>
<b>Total non-current borrowings</b>	<b>4,664</b>	<b>7,155</b>	<b>4,664</b>	<b>7,155</b>
<b>Total borrowings</b>	<b>7,155</b>	<b>7,824</b>	<b>7,155</b>	<b>7,824</b>

\* The loans from Western Australian Treasury Corporation are as follows:

- (i) Law building loan of \$94,692 (2015: \$138,018) which is unsecured, interest bearing at a fixed rate of 5.93% and repayable in quarterly instalments by October 2018.
- (ii) Student Village loan of \$13,055 (2015: \$116,738) which is unsecured, interest bearing at a fixed rate of 5.25% and repayable in quarterly instalments by January 2017.
- (iii) Peel Campus loan 1 of \$4,784,498 (2015: \$5,089,498) which is secured by a Guarantee of the Treasurer of the State, interest bearing at a fixed rate of 6.69% and repayable in quarterly instalments by April 2027.
- (iv) Peel Campus loan 2 of \$2,032,451 (2015: \$2,165,691) which is secured by a Guarantee of the Treasurer of the State, interest bearing at a weighted average interest rate of 1.63% and repayable in quarterly instalments by July 2017.

### (a) Assets pledged as security

The carrying amounts of assets pledged as security for current and non-current borrowings are:

	Consolidated		University	
	2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's
<b>Non-current assets</b>				
<i>Finance leases</i>				
Plant and equipment	262	372	262	372
<b>Total assets pledged as security</b>	<b>262</b>	<b>372</b>	<b>262</b>	<b>372</b>

### (b) Financing arrangements

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

	Consolidated		University	
	2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's
<i>Bank facilities</i>				
Hire purchase facility	2,000	2,000	2,000	2,000
<b>Total</b>	<b>2,000</b>	<b>2,000</b>	<b>2,000</b>	<b>2,000</b>
<i>Facilities utilised at reporting date</i>				
Asset finance (Finance leases)	230	314	230	314
<b>Total</b>	<b>230</b>	<b>314</b>	<b>230</b>	<b>314</b>
<i>Facilities not utilised at reporting date</i>				
Asset finance (Finance Leases)	1,770	1,686	1,770	1,686
<b>Total</b>	<b>1,770</b>	<b>1,686</b>	<b>1,770</b>	<b>1,686</b>

### (c) Risk exposures

The exposure of the Group's borrowings that is subject to floating interest rates and the contractual repricing dates at the reporting dates are as follows:

	Consolidated		University	
	2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's
Within one year	2,032	-	2,032	-
Between one and five years	-	2,166	-	2,166
<b>Total borrowings</b>	<b>2,032</b>	<b>2,166</b>	<b>2,032</b>	<b>2,166</b>
Current borrowings	2,032	-	2,032	-
Noncurrent borrowings	-	2,166	-	2,166
<b>Total borrowings</b>	<b>2,032</b>	<b>2,166</b>	<b>2,032</b>	<b>2,166</b>

The carrying amounts of the Group's borrowings are denominated in the following currencies:

	Consolidated		University	
	2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's
Australian dollar	6,925	7,510	6,925	7,510

For an analysis of the sensitivity of borrowings to interest rate risk and foreign exchange risk refer to note 35.

## 26. Provisions

### Current

#### Employee benefits:

	Consolidated		University	
	2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's
Annual leave	13,695	12,981	13,616	12,916
Long service leave	17,391	16,344	17,378	16,306
<i>Other provisions</i>				
Employment on-costs	2,091	1,970	2,091	1,970
Management fees	13,278	11,947	-	-
Other provisions	1,084	1,016	1,038	970
<b>Total current provisions</b>	<b>47,539</b>	<b>44,258</b>	<b>34,123</b>	<b>32,162</b>

### Non-current

#### Employee benefits:

Long service leave	6,047	5,768	6,014	5,768
<i>Other provisions:</i>				
Employment on-costs provision	264	253	264	253
Other provisions	26	-	26	-
<b>Total non-current provisions</b>	<b>6,337</b>	<b>6,021</b>	<b>6,304</b>	<b>6,021</b>

### Total provisions

	<b>53,876</b>	<b>50,279</b>	<b>40,427</b>	<b>38,183</b>
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- (a) Annual leave liabilities have been classified as current as there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period. Assessments indicate that actual settlement of the liabilities is expected to occur as follows:

	Consolidated		University	
	2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's
Within 12 months of the reporting period	8,898	7,761	8,846	7,722
More than 12 months after the end of the reporting period	4,797	5,220	4,770	5,194
	<b>13,695</b>	<b>12,981</b>	<b>13,616</b>	<b>12,916</b>

- (b) Long service leave liabilities have been classified as current where there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period. Assessments indicate that actual settlement of the liabilities is expected to occur as follows:

	Consolidated		University	
	2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's
Within 12 months of the reporting period	1,980	1,574	1,978	1,570
More than 12 months after the end of the reporting period	21,458	20,538	21,414	20,504
	<b>23,438</b>	<b>22,112</b>	<b>23,392</b>	<b>22,074</b>

### Movements in other provisions

Movements in each class of provision during the financial year, other than employee benefits, are set out below:

	Consolidated		University	
	2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's
<b>Employment on-costs provision</b>				
Balance at beginning of year	2,223	2,414	2,223	2,414
Additional provisions	741	551	741	551
Amounts used	(609)	(742)	(609)	(742)
<b>Carrying amount at end of period</b>	<b>2,355</b>	<b>2,223</b>	<b>2,355</b>	<b>2,223</b>
<b>Management fees</b>				
Balance at beginning of year	11,947	11,209	-	-
Additional provisions	2,043	1,526	-	-
Amounts used	(712)	(788)	-	-
<b>Carrying amount at end of period</b>	<b>13,278</b>	<b>11,947</b>	<b>-</b>	<b>-</b>
<b>Other</b>				
Balance at beginning of year	1,016	1,894	970	1,882
Additional provisions	864	866	865	820
Amounts used	(770)	(1,744)	(771)	(1,732)
<b>Carrying amount at end of period</b>	<b>1,110</b>	<b>1,016</b>	<b>1,064</b>	<b>970</b>

## 27. Other liabilities

	Consolidated		University	
	2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's
<b>Current</b>				
Income received in advance	25,367	21,664	8,828	5,933
Other liabilities	1,521	1,590	1,521	1,590
Resident loans	199,840	193,364	-	-
<b>Total current other liabilities</b>	<b>226,728</b>	<b>216,618</b>	<b>10,349</b>	<b>7,523</b>
* Resident loans obligation	256,998	244,484	-	-
Less: Deferred Management Fees (DMF) receivable	(57,158)	(51,120)	-	-
	<b>199,840</b>	<b>193,364</b>	-	-

Resident loans obligation and DMF receivable are recognised on a net basis due to the right of offset in accordance with AASB117.

## 28. Equity

Equity represents the residual interest in the net assets of the Group.

	Consolidated		University	
	2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's
<b>Reserves</b>				
Property, plant and equipment revaluation reserve	378,234	383,626	373,869	380,572
Investment revaluation reserve	11,017	9,188	11,017	9,188
Hedging reserve - cash flow hedges	(15)	(144)	(15)	(144)
Foreign Exchange Translation Reserve	140	18	-	-
<b>Total reserves</b>	<b>389,376</b>	<b>392,688</b>	<b>384,871</b>	<b>389,616</b>

### Movement during the year:

	2016	2015	2016	2015
<b>Reserves</b>				
Balance at beginning of year	392,688	386,593	389,616	383,857
Land, buildings and infrastructure	(5,392)	(2,921)	(6,703)	(3,239)
Investment revaluation reserve	1,829	9,188	1,829	9,188
Hedging reserve - cash flow hedges	129	(190)	129	(190)
Foreign Exchange Translation Reserve	122	18	-	-
Balance at end of year	<b>389,376</b>	<b>392,688</b>	<b>384,871</b>	<b>389,616</b>

### Retained earnings

	2016	2015	2016	2015
Balance at start of period	431,375	436,216	592,964	593,735
Result for the period	(5,423)	(4,841)	39,442	(771)
<b>Balance at end of period</b>	<b>425,952</b>	<b>431,375</b>	<b>632,406</b>	<b>592,964</b>

## 29. Reconciliation of net result after income tax to net cash provided by operating activities

	Consolidated		University	
	2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's
Net result after income tax	(5,423)	(4,841)	39,442	(771)
<i>Adjustments for:</i>				
Depreciation and amortisation	16,466	16,179	16,352	15,844
Gain on disposal of property, plant and equipment	(73)	(57)	(73)	(57)
Fair value (gain)/loss on other financial assets	(1,516)	1,443	(685)	1,196
Fair value (gain)/loss on investment property	(10,001)	2,580	(10,001)	2,580
Fair value movement in resident loans	12,994	2,539	-	-
Impairment of assets	534	200	534	200
Management fees	218	228	192	207
Income tax provision	4	5	-	-
Donations	(299)	(199)	(299)	(199)
Income from managed funds reinvested	(2,721)	(2,641)	(2,705)	(2,614)
<i>Changes in assets and liabilities:</i>				
Decrease/(Increase) in receivables	797	1,263	(2,434)	776
Decrease/(Increase) in inventories	273	(377)	275	(381)
Increase in other assets	10	(1,159)	6	(1,201)
(Increase)/Decrease in deferred tax assets	(4)	6	-	-
Increase in payables	2,828	5,258	4,017	3,787
Increase/(Decrease) in provisions	3,597	(3,551)	2,244	(3,990)
Decrease in resident loans	(6,518)	(3,622)	-	-
Increase in other liabilities	3,665	1,401	2,826	325
<b>Net cash provided by operating activities</b>	<b>14,831</b>	<b>14,655</b>	<b>49,691</b>	<b>15,702</b>

The Group does not have any non cash financing and investing activities.

## 30. Remuneration of auditors

During the year, the following fees were paid or payable for services provided by the auditor of the parent entity:

	Consolidated		University	
	2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's
<b>Audit of Financial Statements</b>				
Fees paid to Office of the Auditor General	<b>336</b>	<b>332</b>	<b>269</b>	<b>266</b>

## 31. Contingent assets and contingent liabilities

There are no known contingent assets or contingent liabilities which are likely to materially affect the Group's financial position as at reporting date.

## 32. Events subsequent to reporting date

There has not arisen in the period between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect significantly the operations or results of the Group.

### 33. Commitments for expenditure

The following commitments are GST inclusive.

#### (a) Capital commitments

Capital expenditure contracted for at the reporting date but not recognised as liabilities is as follows:

Within one year

#### Total capital commitments

Consolidated		University	
2016	2015	2016	2015
\$000's	\$000's	\$000's	\$000's
6,139	5,704	6,139	5,704
<b>6,139</b>	<b>5,704</b>	<b>6,139</b>	<b>5,704</b>

#### (b) Lease commitments

##### (i) Operating leases

Commitments relating to non-cancellable operating leases are as follows:

Within one year

Later than one year but not later than five years

#### Total operating lease commitments

Consolidated		University	
2016	2015	2016	2015
\$000's	\$000's	\$000's	\$000's
1,599	1,238	1,390	1,238
1,206	1,043	1,075	1,043
<b>2,805</b>	<b>2,281</b>	<b>2,465</b>	<b>2,281</b>

##### (ii) Finance leases

Commitments relating to finance leases are as follows:

Within one year

Later than one year but not later than five years

Less: Future finance charges

#### Finance lease liabilities

83	97	83	97
164	247	164	247
247	344	247	344
(17)	(30)	(17)	(30)
<b>230</b>	<b>314</b>	<b>230</b>	<b>314</b>

Lease liabilities provided for in the financial statements:

Current

Non-current

#### Total lease liabilities

74	84	74	84
156	230	156	230
<b>230</b>	<b>314</b>	<b>230</b>	<b>314</b>

The weighted average interest rate implicit in the finance leases is 4.68% (2015: 5.45%).

#### (c) Other expenditure commitments

Commitments relating to other expenditure are as follows:

Within one year

Later than one year but not later than five years

#### Total other expenditure commitments

Consolidated		University	
2016	2015	2016	2015
\$000's	\$000's	\$000's	\$000's
2,243	1,558	2,243	1,558
1,511	1,574	1,511	1,574
<b>3,754</b>	<b>3,132</b>	<b>3,754</b>	<b>3,132</b>

### 34. Remuneration of senior officers and Senate members

#### Remuneration of senior officers

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

Base remuneration and superannuation

Annual leave and long service leave accruals

Other benefits

#### Total remuneration of senior officers

Consolidated		University	
2016	2015	2016	2015
\$000's	\$000's	\$000's	\$000's
5,209	5,121	5,209	5,121
180	3	180	3
268	283	268	283
<b>5,657</b>	<b>5,407</b>	<b>5,657</b>	<b>5,407</b>

Note:

The increase in remuneration is mainly due to new positions that have met the definition of senior officers under Treasurer's Instruction 903.

The number of senior officers, other than senior officers reported as members of the Senate, whose total of fees, salaries, allowances, superannuation and other benefits for the financial year fall within the following bands are:

	Consolidated		University	
	2016	2015	2016	2015
\$0 - \$10,000	-	1(#)	-	1(#)
\$90,001 - \$100,000	2(#)	-	2(#)	-
\$160,001 - \$170,000	-	1(#)	-	1(#)
\$190,001 - \$200,000	1(#)	-	1(#)	-
\$220,001 - \$230,000	-	1(#)	-	1(#)
\$240,001 - \$250,000	2	-	2	-
\$250,001 - \$260,000	1	1	1	1
\$260,001 - \$270,000	1	2(#)	1	2(#)
\$270,001 - \$280,000	2	2(#)	2	2(#)
\$280,001 - \$290,000	-	1	-	1
\$300,001 - \$310,000	2	-	2	-
\$310,001 - \$320,000	-	2	-	2
\$320,001 - \$330,000	1	1(#)	1	1(#)
\$330,001 - \$340,000	-	2	-	2
\$340,001 - \$350,000	1	1	1	1
\$350,001 - \$360,000	3	-	3	-
\$390,001 - \$400,000	-	1	-	1
\$410,001 - \$420,000	1	-	1	-
\$440,001 - \$450,000	1	-	1	-
\$500,001 - \$510,000	1	1	1	1
\$520,001 - \$530,000	-	1	-	1
	<b>19</b>	<b>18</b>	<b>19</b>	<b>18</b>

(\*) Amount includes leave and/or oneoff entitlements paid to senior officer who has ceased employment with the University.

(#) Includes employees who became or ceased to be a senior officer during the year.

## Remuneration of Senate members

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

	Consolidated		University	
	2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's
Base remuneration and superannuation	1,299	1,255	1,299	1,255
Annual leave and long service leave accruals	57	(4)	57	(4)
Other benefits	135	92	135	92
<b>Total remuneration of Senate members</b>	<b>1,491</b>	<b>1,343</b>	<b>1,491</b>	<b>1,343</b>

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

	Consolidated		University	
	2016	2015	2016	2015
\$0 - \$10,000	14	16	14	16
\$30,001 - \$40,000	-	1	-	1
\$70,001 - \$80,000	-	1	-	1
\$150,001 - \$160,000	-	2	-	2
\$160,001 - \$170,000	2	-	2	-
\$170,001 - \$180,000	2	-	2	-
\$200,001 - \$210,000	-	1	-	1
\$220,001 - \$230,000	1	-	1	-
\$580,001 - \$590,000	1	-	1	-
\$700,001 - \$710,000	-	1	-	1
	<b>20</b>	<b>22</b>	<b>20</b>	<b>22</b>

All members of Senate serve in an honorary capacity. Members of staff who serve on Senate receive remuneration as per their employment conditions.

## 35. Financial Risk Management

### Financial Risk Management

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group.

#### (a) Market risk

##### (i) Foreign exchange risk

Foreign exchange risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency that is not the Group's functional currency. The Group does have exposure to the international market and therefore is exposed to foreign exchange risk. The Group's current policy is to enter into forward currency contracts to minimise its foreign exchange risk where there is an underlying actual currency exposure. The Group entered into a forward currency contract in December 2016 to hedge against the exchange rate risk arising from the anticipated payment of USD in the ensuing financial year. The contract is expected to be settled by December 2017.

##### (ii) Price risk

A portion of the Group's investments are exposed to fluctuations in the prices of equity securities. The Group's investment policy provides strategies for the minimisation of price risk with the diversification of that risk through various investment managers and ongoing monitoring by the Resources Committee to ensure there is no concentration of risk exposure in any one area.

##### (iii) Cash flow and fair value interest rate risk

The Group is exposed to cash flow interest rate risk as it borrows and invests funds at floating interest rates. The risk is managed through maintaining an appropriate mix of borrowings and investments at fixed and floating rates, maintaining an appropriate mix of financial institutions to invest with and setting limits in terms of borrowings and investments.

##### (iv) Summarised sensitivity analysis

The following tables summarise the sensitivity of the Group's financial assets and financial liabilities to interest rate risk, foreign exchange risk and other price risk.

### 31 December 2016

#### Financial assets

Cash and Cash Equivalents at bank

Bank Deposits

Amount receivable in foreign currency

Listed securities

Available for sale investment

Managed funds

#### Financial liabilities

Borrowings

**Total increase/(decrease)**

Carrying amount	Interest rate risk				Foreign exchange risk				Other price risk			
	-0.5%		+0.5%		-10%		+10%		-10%		+10%	
	Result \$000's	Equity \$000's	Result \$000's	Equity \$000's	Result \$000's	Equity \$000's	Result \$000's	Equity \$000's	Result \$000's	Equity \$000's	Result \$000's	Equity \$000's
50,749	(254)	(254)	254	254	-	-	-	-	-	-	-	-
89,154	(446)	(446)	446	446	-	-	-	-	-	-	-	-
223	-	-	-	-	(22)	(22)	22	22	-	-	-	-
3,687	-	-	-	-	-	-	-	-	(369)	(369)	369	369
11,027	-	-	-	-	-	-	-	-	(1,103)	(1,103)	1,103	1,103
59,479	-	-	-	-	-	-	-	-	(5,948)	(5,948)	5,948	5,948
2,032	10	10	(10)	(10)	-	-	-	-	-	-	-	-
	<b>(690)</b>	<b>(690)</b>	<b>690</b>	<b>690</b>	<b>(22)</b>	<b>(22)</b>	<b>22</b>	<b>22</b>	<b>(7,420)</b>	<b>(7,420)</b>	<b>7,420</b>	<b>7,420</b>

### 31 December 2015

#### Financial assets

Cash and Cash Equivalents at bank

Bank Deposits

Amount receivable in foreign currency

Listed securities

Available for sale investment

Managed funds

#### Financial liabilities

Borrowings

**Total increase/(decrease)**

Carrying amount	Interest rate risk				Foreign exchange risk				Other price risk			
	-0.5%		+0.5%		-10%		+10%		-10%		+10%	
	Result \$000's	Equity \$000's	Result \$000's	Equity \$000's	Result \$000's	Equity \$000's	Result \$000's	Equity \$000's	Result \$000's	Equity \$000's	Result \$000's	Equity \$000's
93,782	(469)	(469)	469	469	-	-	-	-	-	-	-	-
62,744	(314)	(314)	314	314	-	-	-	-	-	-	-	-
54	-	-	-	-	(5)	(5)	5	5	-	-	-	-
2,833	-	-	-	-	-	-	-	-	(283)	(283)	283	283
9,198	-	-	-	-	-	-	-	-	(920)	(920)	920	920
56,076	-	-	-	-	-	-	-	-	(5,608)	(5,608)	5,608	5,608
2,180	11	11	(11)	(11)	-	-	-	-	-	-	-	-
	<b>(772)</b>	<b>(772)</b>	<b>772</b>	<b>772</b>	<b>(5)</b>	<b>(5)</b>	<b>5</b>	<b>5</b>	<b>(6,811)</b>	<b>(6,811)</b>	<b>6,811</b>	<b>6,811</b>



### (b) Credit risk

The Group's maximum exposure to credit risk at year end date in relation to each class of recognised financial asset is the carrying amount of those assets indicated in the statement of financial position. The Group's credit risk is spread over a significant number of parties and is concentrated primarily in Australia. Notes 16(c) and 19 provide further details.

### (c) Liquidity risk

Liquidity risk is managed through maintaining adequate cash reserves and borrowing facilities by continuously monitoring forecast and actual cash flows.

The following table provides a summary of the financial liabilities maturity on the undiscounted contractual cash flow basis for the Group for 2016 and 2015.

	Carrying Amount		Contractual cash flows		Less than 1 year		1 to 5 years		5+ years	
	2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's
<b>Financial Liabilities:</b>										
Interest bearing liabilities	7,155	7,824	9,256	10,367	2,788	1,019	3,528	3,679	2,940	5,669
Payables	25,862	21,331	25,862	21,331	25,862	21,331	-	-	-	-
<b>Total Financial Liabilities</b>	<b>33,017</b>	<b>29,155</b>	<b>35,118</b>	<b>31,698</b>	<b>28,650</b>	<b>22,350</b>	<b>3,528</b>	<b>3,679</b>	<b>2,940</b>	<b>5,669</b>

## 36 Fair value measurement

### (a) Fair value measurements

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

Due to the short-term nature of the current receivable their carrying value approximates their fair value and based on credit history it is expected that the receivables that are neither past due nor impaired will be received when due.

The carrying amounts and aggregate net fair values of financial assets and liabilities at balance date are:

	Note	Carrying Amount		Fair Value	
		2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's
<b>Consolidated</b>					
<b>Financial assets</b>					
Cash and cash equivalent	15	50,749	93,782	50,749	93,782
Trade receivables	16	7,387	9,903	7,387	9,903
Bank Deposits	19	89,154	62,744	89,154	62,744
Financial assets at fair value through profit & loss					
Listed Securities	19	3,687	2,833	3,687	2,833
Managed funds	19	59,479	56,076	59,479	56,076
Available for sale investment	19	11,027	9,198	11,027	9,198
<b>Total financial assets</b>		<b>221,483</b>	<b>234,536</b>	<b>221,483</b>	<b>234,536</b>
<b>Financial liabilities</b>					
Payables	24	25,862	21,331	25,862	21,331
Borrowings (WATC Loans)	25	6,925	7,510	7,870	8,550
Derivative financial instruments	18	15	144	15	144
<b>Total financial liabilities</b>		<b>32,802</b>	<b>28,985</b>	<b>33,747</b>	<b>30,025</b>

The Group measure and recognises the following assets and liabilities at fair value on a recurring basis:

- Financial assets at fair value through profit or loss
- Available for sale investment
- Derivative financial instruments
- Land, buildings and infrastructure
- Art works
- Investment properties

## (b) Fair value hierarchy

The Group categorises assets and liabilities measured at fair value into a hierarchy based on the level of inputs used in measurements.

<b>Level 1</b>	quoted prices (unadjusted) in active markets for identical assets or liabilities.
<b>Level 2</b>	inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
<b>Level 3</b>	inputs for the asset or liability that are not based on observable market data (unobservable inputs)

## (i) Recognised fair value measurements

Fair value measurements recognised in the statement of financial position are categorised into the following levels at 31 December 2016 and 2015.

	Note	2016 \$000's	Level 1 \$000's	Level 2 \$000's	Level 3 \$000's
<b>Consolidated</b>					
<b>Recurring fair value measurements</b>					
<b>Financial assets</b>					
Financial assets at fair value through profit or loss					
Listed Securities	19	3,687	3,687	-	-
Managed funds	19	59,479	59,479	-	-
Available for sale investment	19	11,027	-	-	11,027
<b>Total financial assets</b>		<b>74,193</b>	<b>63,166</b>	<b>-</b>	<b>11,027</b>
<b>Non financial assets</b>					
Investment properties	21	243,720	-	243,720	-
Land	22	238,710	-	238,710	-
Buildings	22	312,132	-	-	312,132
Infrastructure	22	29,287	-	-	29,287
Art works	22	6,530	-	6,530	-
<b>Total non-financial assets</b>		<b>830,379</b>	<b>-</b>	<b>488,960</b>	<b>341,419</b>
<b>Financial liabilities</b>					
Derivative financial instruments	18	15	-	15	-

	Note	2015 \$000's	Level 1 \$000's	Level 2 \$000's	Level 3 \$000's
<b>Consolidated</b>					
<b>Recurring fair value measurements</b>					
<b>Financial assets</b>					
Financial assets at fair value through profit or loss					
Listed securities	19	2,833	2,833	-	-
Managed funds	19	56,076	56,076	-	-
Available for sale investment	19	9,198	-	-	9,198
<b>Total financial assets</b>		<b>68,107</b>	<b>58,909</b>	<b>-</b>	<b>9,198</b>
<b>Non-financial assets</b>					
Investment properties	21	234,468	-	234,468	-
Land	22	239,227	-	239,227	-
Buildings	22	319,210	-	-	319,210
Infrastructure	22	24,974	-	-	24,974
Art works	22	6,213	-	6,213	-
<b>Total non-financial assets</b>		<b>824,092</b>	<b>-</b>	<b>479,908</b>	<b>344,184</b>
<b>Financial liabilities</b>					
Derivative financial instruments	18	144	-	144	-

There were no transfers between levels 1, 2 and 3 for recurring fair value measurements during the year.

## (ii) Disclosed fair values

The Group has a number of assets and liabilities which are not measured at fair value, but for which the fair values are disclosed in the notes.

The fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices.

The carrying value less impairment provision of trade receivables and payables is a reasonable approximation of their fair values due to the shortterm nature of trade receivables.

All other financial assets and liabilities are recorded at amortised cost in the financial statement and their carrying value approximates their fair value.

## (c) Valuation techniques to derive fair values

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted securities.

The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each balance sheet date. Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments;
- the fair value of forward foreign exchange contracts is determined using forward exchange rate at the end of the reporting period;
- other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

All of the resulting fair value estimates are included in level 2 except for unlisted securities, explained in (d) below.

Investment properties are valued independently each year where art works are valued independently every three years. Land, buildings and infrastructure (classified as property, plant and equipment) are valued independently every three years, along with annual desktop valuation. At the end of each reporting period, the Group updates their assessment of the fair value of each property, taking into account the most recent independent valuations. The Group determines the property's value within a range of reasonable fair value estimates.

The 2016 valuation for the University's commercial building was conducted by an independent licensed valuer, McGees Property and the St Ives Retirement Village valuation was determined by utilising an industry specific valuation model developed by Ernst and Young. The University's land valuation was performed by McGees Property, where building and infrastructure's valuation was conducted by Quantity Surveyor Davson and Ward and confirmed by McGees Property.

All resulting fair value estimates for properties are included in level 3 except for land and investment properties. The level 2 fair value of land has been derived using sales comparison approach. Sale prices of comparable land in close proximity are adjusted for differences in key attributes. The most significant input into this valuation approach is price per square metre.

## (d) Fair value measurements using significant unobservable inputs (level 3)

The following table is a reconciliation of level 3 items for the period ended 31 December 2016 and 2015.

	Buildings \$000's	Infrastructure \$000's	Unlisted securities \$000's	Total \$000's
<b>2016</b>				
Fair Value at start of period	319,210	24,974	9,198	353,382
Acquisitions	4,314	4,733	-	9,047
Revaluation (decrement)/increment recognised through other comprehensive income	(4,981)	156	1,829	(2,996)
Depreciation expense	(6,411)	(576)	-	(6,987)
<b>Closing Balance</b>	<b>312,132</b>	<b>29,287</b>	<b>11,027</b>	<b>352,446</b>
<b>2015</b>				
Fair value at start of period	338,290	23,411	10	361,711
Acquisitions	1,494	1,385	-	2,879
Revaluation (decrement)/increment recognised through other comprehensive income	(13,797)	660	9,188	(3,949)
Depreciation expense	(6,777)	(482)	-	(7,259)
<b>Closing Balance</b>	<b>319,210</b>	<b>24,974</b>	<b>9,198</b>	<b>353,382</b>

(i) Transfers between levels 2 and 3 and changes in valuation techniques

There were no transfers of financial assets / liabilities between levels 2 and 3.

(ii) Valuation inputs and relationships to fair value

Description	Fair value at 31 December 2016 \$000's	Valuation technique	Unobservable inputs	Range of inputs (probability weighted average)	Relationship of unobservable inputs to fair value
Unlisted securities	11,027	Discounted net asset value	Discount rate on value of underlying unlisted securities	30%	Increase in the discount rate will result in lower fair value
Buildings	312,132	Depreciated replacement cost	Consumed economic benefit / obsolescence of asset	-	-
Infrastructure	29,287	Depreciated replacement cost	Consumed economic benefit / obsolescence of asset	-	-
			Historical cost per building per square metre floor area (m <sup>2</sup> )		
			Historical cost per building per square metre floor area (m <sup>2</sup> )		

(iii) Valuation processes

At the end of each reporting period, the Group updates their assessment of the fair value of each property, taking into account the most recent independent valuations.

Fair value for existing use specialised building and infrastructure assets is determined by reference to the cost of replacing the remaining future economic benefits embodied in the asset, i.e. the depreciated replacement cost. Depreciated replacement cost is the current replacement cost of an asset less accumulated depreciation calculated on the basis of such cost to reflect the already consumed economic benefit, expired economic benefit or obsolescence of the asset. Determination of the current replacement cost of such assets held by the Group is calculated by reference to gross project size specifications and the historical cost, adjusted by relevant indices.

Fair value for restricted use land is based on market value, by either using market evidence of sales of comparable land that is unrestricted (low restricted use land), or, comparison with market evidence for land with low level utility (high restricted use land).

## 37 Subsidiaries

Name of entity	Principal activities	Country of incorporation	Class of Shares	Ownership interest		Net result	
				2016 %	2015 %	2016 \$000's	2015 \$000's
<b>Parent entity</b>							
Murdoch University		Australia					
<b>Controlled entities</b>							
Murdoch Investments Company Pty Ltd	Investment	Australia	Ordinary	100	100	-	-
Murdoch Retirement Services Pty Ltd <sup>(1)</sup>	Retirement Village	Australia	Ordinary	100	100	(45,804)	(5,720)
Innovative Chiropractic Learning Pty Ltd	Chiropractic Clinic	Australia	Ordinary	100	100	47	70
Murdoch Ventures Pty Ltd	Investment	Australia	Ordinary	100	100	1	(33)
Murdoch University Foundation	Trust	Australia	Ordinary	100	100	684	(140)
Murdoch University Veterinary Trust	Trust	Australia	Ordinary	100	100	60	32
M.U.F.T Company Pty Ltd	Corporate Trustee	Australia	Ordinary	100	100	-	-
Murdoch Singapore Pte Ltd	Education Provider	Singapore	Ordinary	100	100	280	(187)
Murdoch College Properties Pty Ltd	Property Investment	Australia	Ordinary	100	100	425	(41)
The Alan and Iris Peacocke Research Foundation	Trust	Australia	Ordinary	100	100	61	2,205

(1) Murdoch Retirement Services Pty Ltd (MRS) has been provided with a letter of support by Murdoch University due to the net current asset deficiency position. This position is distorted by the resident loans relating to the St Ives Retirement Village of \$199.8 million which are classified as current liabilities. Under Australian Accounting Standards and our policy as per note 1(s) of the financial statements, the resident loans are required to be recognised as current liabilities as residents have control over when they exit the village, not MRS. Thereby, MRS does not have an unconditional right to defer settlement. The classification of the resident loans as current liabilities operates under the assumption that MRS could be required to repay the entire liability at once. In practice however, this is unlikely to occur. Additionally, it is estimated that all payments required would be funded by the cash received from incoming new residents. This has been the situation since the retirement village commenced operations. Based on the above, the University does not expect that it will need to provide any support under this agreement.

## 38. Related Parties

### (a) Parent entity

The parent entity within the Group is Murdoch University.

### (b) Subsidiaries

Interests in subsidiaries are set out in note 37.

### (c) Senate members and senior officers

Disclosures relating to Senate members and senior officers are set out in note 34.

### (d) Transactions with related parties

Aggregate amounts included in the determination of net result from ordinary activities that resulted from transactions with related parties:

	University	
	2016 \$000's	2015 \$000's
<b>Wholly owned entity</b>		
Donations, sponsorships and bequests	34,993	1,292
Interest received	9	16
Other fees and charges	14,418	866
Rental and lease charges	3,182	7,306
Dividend received	570	87
Other expenditure	(450)	-
Recovery of salaries	(572)	(633)

### (e) Outstanding balances

Aggregate amounts receivable from, and payable to, each class of related parties at balance date:

	University	
	2016 \$000's	2015 \$000's
<b>Wholly owned entity</b>		
Inter - entity loan receivable	7,316	4,191
Inter - entity loan payable	411	135

## 39. Supplementary financial information

### Write-offs

Bad debts written off during the year  
Property, plant and equipment written off during the year

	Consolidated		University	
	2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's
Bad debts written off during the year	554	856	554	856
Property, plant and equipment written off during the year	-	66	-	66
<b>Total write-offs</b>	<b>554</b>	<b>922</b>	<b>554</b>	<b>922</b>

Losses through theft and default

Where appropriate, reports were made to the police and insurance claims submitted where the value exceeded the excess on the University's insurance policy.

## 40. Superannuation - UniSuper defined benefit division

The Group currently contributes to the UniSuper defined benefit division (DBD) on behalf of certain employees. The DBD is a defined benefit plan under Superannuation Law but, as a result of amendments in 2006 to Clause 34 of the UniSuper Trust Deed, it is considered to be a defined contribution plan under AASB119 "Employee benefits".

### Financial position of the UniSuper defined benefit division

For comparative information purposes only, the financial position below is applicable to the whole UniSuper DBD incorporating all participating employers, not only Murdoch University.

As at 30 June 2016 the assets of the DBD in aggregate were estimated to be \$2,252 million above vested benefits, after allowing for various reserves. The Vested Benefit Index (VBI) based on funding assumptions was 112.2%. The vested benefits are benefits which are not conditional upon continued membership (or any factor other than leaving the service of the participating institution) and include the value of indexed pensions being provided by the DBD.

As at 30 June 2016 the assets of the DBD in aggregate were estimated to be \$3,757 million above accrued benefits, after allowing for various reserves. The Accrued Benefit Index (ABI) based on best estimate assumptions was 122.2%. The accrued benefits have been calculated as the present value of expected future benefit payments to members and indexed pensioners which arise from membership of UniSuper up to the reporting date.

The vested benefit and accrued benefit liabilities were determined by the Fund's actuary using the actuarial demographic assumptions outlined in their report on the actuarial investigation of the DBD as at 1 July 2016. The financial assumptions used were:

	Vested benefits	Accrued benefits
Gross of tax investment return - DBD pensions	5.30% p.a.	6.90% p.a.
Gross of tax investment return - commercial rate indexed pensions	3.70% p.a.	3.70% p.a.
Net of tax investment return - non pensioner members	4.60% p.a.	6.10% p.a.
Consumer Price Index	2.50% p.a.	2.50% p.a.
Inflationary salary increases long term	3.50% p.a.	3.50% p.a.

Assets have been included at their net market value; that is, after allowing for realisation costs.

Clause 34 of the Trust Deed provides a mechanism for reducing benefits if after initially falling below specified threshold levels and after a period of at least four years, the ABI and VBI are below those thresholds (100% and 95% respectively).

Clause 34 was initiated following the 30 June 2012 and 30 June 2013 actuarial investigations.

Following the end of the monitoring period commenced in relation to the 30 June 2012 actuarial investigation, the Fund's actuary advised that the Trustee is not required to take any further action under Clause 34 in relation to that monitoring period, and that monitoring period has now ceased.

The Clause 34 monitoring process, with monitoring period commencing on 30 June 2013, is still in place.

## 41. Acquittal of Australian Government Financial Assistance

### (a) Education - CGS and Other Education Grants

	Commonwealth Grants Scheme <sup>#1</sup>		Indigenous Support Program		Higher Education Participation Program <sup>#2</sup>		Disability Support Program		Promo of Exc in Learning and Teaching		Total	
	2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's
<b>Parent Entity (University) Only</b>												
Financial assistance received in CASH during the reporting period (total cash received from Australian Government for the program)	91,829	83,112	547	502	2,930	2,696	127	76	183	461	95,616	86,847
Net accrual adjustments	-	-	-	-	-	-	-	-	(78)	-	(78)	-
Revenue for the period	91,829	83,112	547	502	2,930	2,696	127	76	105	461	95,538	86,847
Surplus/(deficit) from the previous year	-	-	(46)	25	(16)	(16)	101	259	351	375	390	643
Total revenue including accrued revenue	91,829	83,112	501	527	2,914	2,680	228	335	456	836	95,928	87,490
Less expenses including accrued expenses	(91,829)	(83,112)	(549)	(573)	(2,774)	(2,696)	(235)	(234)	(225)	(485)	(95,612)	(87,100)
Surplus/(deficit) for the reporting period	-	-	(48)	(46)	140	(16)	(7)	101	231	351	316	390

<sup>#1</sup> Includes basic CGS grant amount, CGS – Regional Loading, CGS – Enabling Loading, CGS Medical Student Loan, and CGA Special Advances from Future Years.

<sup>#2</sup> Includes Access and Participation Fund and National Priorities Pool.

### (b) Higher education loan programmes (excl OS-HELP)

	HECS-HELP (Aust. Government payments only)		FEE-HELP <sup>#3</sup>		SA-HELP		Total	
	2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's
<b>Parent Entity (University) Only</b>								
Cash Payable/(Receivable) at the beginning of the year	66	57	(50)	(121)	(11)	(7)	5	(71)
Financial assistance received in cash during the reporting period	52,620	50,979	9,448	7,681	1,434	1,370	63,502	60,030
Cash available for the period	52,686	51,036	9,398	7,560	1,423	1,363	63,507	59,959
Revenue earned	52,685	50,970	9,477	7,610	1,455	1,374	63,617	59,954
Cash Payable/(Receivable) at the end of the year	1	66	(79)	(50)	(32)	(11)	(110)	5

<sup>#3</sup> Program is in respect of FEE-HELP for Higher Education only and excludes funds received in respect of VET FEE-HELP.

(c) Scholarships

**Parent Entity (University) Only**

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

Net accrual adjustments

Revenue for the period

Surplus/(deficit) from the previous year

Total revenue including accrued revenue

Less expenses including accrued expenses

Surplus/(deficit) for the reporting period

2(c)

Australian Postgraduate Awards		International Postgraduate Research Scholarships		Commonwealth Education Cost Scholarships <sup>#4</sup>		Commonwealth Accommodation Scholarships <sup>#4</sup>		Indigenous Access Scholarship		Total	
2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
2,827	3,122	236	251	221	27	104	(19)	98	52	3,486	3,433
523	82	-	-	(83)	80	(52)	52	(4)	25	384	239
3,350	3,204	236	251	138	107	52	33	94	77	3,870	3,672
-	-	(289)	(178)	-	-	-	-	-	-	(289)	(178)
3,350	3,204	(53)	73	138	107	52	33	94	77	3,581	3,494
(3,350)	(3,204)	(504)	(362)	(138)	(107)	(52)	(33)	(94)	(77)	(4,138)	(3,783)
-	-	(557)	(289)	-	-	-	-	-	-	(557)	(289)

<sup>#4</sup> Includes Grandfathered Scholarships, National Priority and National Accommodation Priority Scholarships respectively.

(d) Education Research

**Parent Entity (University) Only**

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

Revenue for the period

Surplus/(deficit) from the previous year

Total revenue including accrued revenue

Less expenses including accrued expenses

Surplus/(deficit) for reporting period

2(d)

Joint Research Engagement		Research Training Scheme		Research Infrastructure Block Grants		Sustainable Research Excellence in Universities		Total	
2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
4,921	5,070	7,504	7,767	1,647	1,565	1,506	1,481	15,578	15,883
4,921	5,070	7,504	7,767	1,647	1,565	1,506	1,481	15,578	15,883
(4,447)	(2,471)	(768)	(341)	(315)	(512)	-	-	(5,530)	(3,324)
474	2,599	6,736	7,426	1,332	1,053	1,506	1,481	10,048	12,559
(6,307)	(7,046)	(7,653)	(8,194)	(1,384)	(1,368)	(1,506)	(1,481)	(16,850)	(18,089)
(5,833)	(4,447)	(917)	(768)	(52)	(315)	-	-	(6,802)	(5,530)

(e) Australian Research Council Grants

(i) Discovery

Parent Entity (University) Only

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

Net accrual adjustments

Revenue for the period

Surplus/(deficit) from the previous year

Total revenue including accrued revenue

Less expenses including accrued expenses

Surplus/(deficit) for reporting period

2(e)

	Projects <sup>#5</sup>		Fellowships		Indigenous Researchers Development		Total	
	2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the program)	915	964	(28)	-	-	-	887	964
Net accrual adjustments	(85)	(30)	-	-	-	-	(85)	(30)
Revenue for the period	830	934	(28)	-	-	-	802	934
Surplus/(deficit) from the previous year	2,741	2,576	15	15	(11)	(11)	2,745	2,580
Total revenue including accrued revenue	3,571	3,510	(13)	15	(11)	(11)	3,547	3,514
Less expenses including accrued expenses	(710)	(769)	-	-	-	-	(710)	(769)
Surplus/(deficit) for reporting period	2,861	2,741	(13)	15	(11)	(11)	2,837	2,745

<sup>#5</sup> Includes Early Career Researcher Award

(ii) Linkages

Parent Entity (University) Only

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

Net accrual adjustments

Revenue for the period

Surplus/(deficit) from the previous year

Total revenue including accrued revenue

Less expenses including accrued expenses

Surplus/(deficit) for reporting period

2(e)

	Infrastructure		Projects		Total	
	2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the program)	-	-	1,137	936	1,137	936
Net accrual adjustments	-	-	(212)	-	(212)	-
Revenue for the period	-	-	925	936	925	936
Surplus/(deficit) from the previous year	(188)	(188)	2,600	2,324	2,412	2,136
Total revenue including accrued revenue	(188)	(188)	3,525	3,260	3,337	3,072
Less expenses including accrued expenses	-	-	(900)	(660)	(900)	(660)
Surplus/(deficit) for reporting period	(188)	(188)	2,625	2,600	2,437	2,412



**(f) OS HELP**

	<b>2016</b>	<b>2015</b>
	<b>\$000's</b>	<b>\$000's</b>
<b>Parent Entity (University) Only</b>		
Cash received during the reporting period	667	471
Cash spent during the reporting period	(605)	(524)
Net cash received	62	(53)
Cash surplus/(deficit) from the previous period	76	129
Cash surplus/(deficit) for the reporting period	138	76

**(g) Student Services and Amenities Fee**

	<b>2016</b>	<b>2015</b>
	<b>\$000's</b>	<b>\$000's</b>
<b>Parent Entity (University) Only</b>		
Unspent/(overspent) revenue from previous period	318	59
SA-HELP revenue earned	2(b) 1,455	1,374
Student Services and Amenities Fees direct from students	4 1,273	1,229
Total revenue expendable in period	3,046	2,662
Student services expenses during period	(2,683)	(2,344)
Unspent/(overspent) student services revenue	363	318

The image is a collage of four photographs arranged in a diamond pattern around a central grey area. The top-left photo shows three people in a meeting around a table. The top-right photo shows a woman in a library looking at books. The bottom-left photo shows a dog on a leash in a courtyard. The bottom-right photo shows a person in a lecture hall looking at a computer screen.

# Key performance indicators

## Key performance indicators 2016

On 3 October 2012 Murdoch University launched the Strategic Plan 2012-2017 to help achieve its goal of enhancing and advancing the quality and reputation of the University.

Strategic goals imply particular outcomes and the extent to which these have been achieved are transparently assessed using appropriate Key Performance Indicators (KPIs). KPIs to support the goals for this strategic plan were approved by the Murdoch Senate in April 2014. They remain unchanged for 2016.

The Key Performance Indicators assess important measurable outcomes for Murdoch University in the areas of Teaching and Learning, Research, and Strategic Investment Capacity. They each measure either the effectiveness of the University's efforts in reaching those strategic goals by achieving a given result, or the efficiency of the University's efforts by comparing one result to another in a ratio. Each KPI shows the target for the reporting year where available, and the end target for 2017 in line with the Strategic Plan 2012-2017.

### Teaching and learning outcomes

Murdoch is recognised for its world-class, student-centred, high-quality teaching, its interdisciplinary approach to course offerings and the link between teaching and its strength in applied or 'translational' research. These characteristics were acknowledged by the Murdoch University Curriculum Commission (MUCC) and incorporated into its recommendations for renewal of Murdoch's academic offerings and structures.

Increased participation and equitable access are strategic priorities for the University. Approaches to help the transition to university study, be it from school or later in life, have been introduced as part of the MUCC framework and were further enhanced by the introduction of a transition unit providing the skills necessary for success at university. This is also designed to strengthen the success and retention of students,

especially those from educationally disadvantaged backgrounds. Additionally, Murdoch's suite of alternative entry pathways programs was expanded this year to include *FlexiTrack*, an online university preparation course.

Clear pathways from our undergraduate degrees to employment or further study are in place and will be strengthened by initiatives arising from the MUCC. In particular the embedding of research skills in courses will 'future-proof' qualifications and provide students with highly marketable skills, as well as opening options for postgraduate study.

Noting that these KPIs were largely developed to test the effectiveness of the previous strategic plan, the indicators have been enhanced towards the goals of the 2012-2017 Strategic Plan; the key indicators relating to learning and teaching are:

Effectiveness	Student satisfaction as measured by the <b>Social Research Centre for Quality Indicators for Learning and Teaching (QILT)</b>
	Student retention rate
	Participation rate for low socio-economic status students
	Student success rate
Efficiency	Total costs relative to total student load

### Research outcomes

Murdoch University's research program is a core priority of the 2012-2017 Strategic Plan, which seeks to promote leading edge, blue sky and translational research. Murdoch has an established world class research reputation in select areas of knowledge and is recognised as one of Australia's leading research institutions. Eighty-seven percent of its research effort (at the four-digit field of research level) has been recognised by independent assessors as being at world standard or better in the 2015 Australian Research Council Excellence in Research for Australia (ERA) process.

Murdoch has acknowledged strength in translational research that positively impacts the communities and industries that we serve. The strategies implemented under the 2012-2017 Strategic Plan focus on lifting important areas of research and ensuring that future investment, activity and outcomes are directed to these areas as a priority. The key indicators relating to research are:

Effectiveness	Total research income
Efficiency	Number of publications per research academic

### Strategic investment capacity

The Base Funding Review conducted in 2011 by the Federal Government's Department of Education and Training showed that the low indexation of Commonwealth Government funding means that it fails to meet real program costs. Combined with escalating costs, competition from private providers and other factors, universities continue to be under pressure in the student-centred higher education environment. Proactive diversification of income is a key mechanism to maintain quality and standards.

The outcome of this objective from the Strategic Plan 2012-2017 is that Murdoch will build its strategic investment capacity through an appropriate balance and expansion of operational income sources, further development of commercial revenue streams through the consolidated group, and philanthropic activities to facilitate strategic re-investment into core university activities. The key indicators relating to strategic investment capacity, measured at the consolidated level, are:

Effectiveness	Proportion of non-Commonwealth Government income
Efficiency	Non-Commonwealth Government income relative to total assets

# Teaching and learning outcomes

## Effectiveness indicators

### Student satisfaction

The effort of teaching staff and content of courses encourage a dynamic learning environment. These embedded elements of the student experience connect with directed initiatives that strive to meet the students' and the University's academic objectives.

The University participates in the annual national Course Evaluation Questionnaire (CEQ), which used to be conducted by Graduate Careers Australia. In 2016, the Social Research Centre conducted the survey. A difference in methodology means that results from 2016 onwards cannot be compared with those up until 2015.

In this survey, graduates who completed their course in the previous year are asked to express their agreement or disagreement with a series of statements. This indicator monitors the students' impression of Overall Satisfaction with their study experience.

#### Overall student satisfaction (CEQ Scale) measured by SRC

<b>2017 Target</b>	<b>85.0</b>
2016 Target	84.6
2016	80.5

#### Overall student satisfaction (CEQ Scale) measured by GCA

<b>2017 Target</b>	<b>85.0</b>
2015	82.5
2014	80.6
2013	81.6

### Comments:

The Social Research Centre administers the CEQ survey. Data is collected in the October and April following the completion of the graduate's qualification. In 2016, the number of graduates surveyed who provided valid CEQ responses was 753 with an overall Graduate Outcomes Survey response rate of 40.5%. The 95% margin for error for 2016 is  $80.5 \pm 2.8\%$ .

Note: To align with the Murdoch Senate KPI and the broader university group definition, the neutral choice on the questionnaire of "Neither Agree or Disagree" was removed from the calculation for this KPI, lowering the reported satisfaction percentage and target from the 2013 Annual Report.

### Student retention rate

University students' retention is influenced by a wide range of factors: one of the most important is whether the study program provided is meeting each student's aspirations. For new students there is a transition shock from the school or working environment. Other factors, sometimes beyond the University's control such as financial imperatives, influence a student's choice to continue. Strategies have been introduced to extend a supportive learning environment by improving the quality of the student experience, especially for those with fewer resources in the community and in particular those from areas of low socio-economic status and Aboriginal and Torres Strait Islanders. These indicators measure the effectiveness of retaining students in the overall student population and key social groups.

The retention rate indicates the percentage of students who continue in their award course studies at Murdoch University from the listed academic year to the next, excluding those who graduate. The final retained value from 2016 into 2017 is unknown at the time of this report, because students are yet to complete unit enrolments, which may extend to the end of 2017.

### Student retention rate

	Overall	Low socio-economic status	Aboriginal and Torres Strait Islander
<b>2017 Target</b>	<b>83.0%</b>	<b>80.0%</b>	<b>77.0%</b>
2015 Target	82.0%	78.0%	75.0%
2015	80.9%	78.8%	74.6%
2014	81.2%	78.2%	74.3%
2013	79.1%	76.1%	65.8%
2012	79.8%	78.5%	74.5%

### Comments:

Overall retention has remained at around 80% over the past four years, with small fluctuations. The rate fell slightly in 2015. By contrast, after decreasing in 2013, the retention rate for both low socio-economic status students and Aboriginal and Torres Strait Islander students improved for the second consecutive year, delivering 2015 results that are slightly above those achieved in 2012.

It should be noted that small adjustments in previous years' results are common for this indicator. This is due to the protracted nature of course and unit withdrawals, which may on occasion take several years to be formalised or reverted.

Additionally, the definition used in 2015 included non-award courses, resulting in Aboriginal and Torres Strait Islander retention rates of 60.6%, 57.9% and 54.1% in 2012, 2013 and 2014 respectively. This change resulted in smaller discrepancies for the Overall and Low socio-economic status figures.

### Participation rate for low socio-economic status students

Low socio-economic status (SES) is determined by the position of a student's permanent address postcode in a socio-economic ranking compiled by the Australian Bureau of Statistics using demographic and social data collected in the population census. The lowest quartile is classified as low SES. Students from the low SES community generally face greater challenges to their university aspirations - financial burden and unfavourable home learning environment being two examples.

Murdoch has built upon its existing suite of linked pathways to raise support and facilitate inclusive entry for school leavers and non-traditional students, strengthening the participation of low SES students in higher education, and thereby improving lifelong economic prospects.

This indicator measures the effectiveness of the facilities and services put in place to assist students from the low SES community. The participation rate of low SES student enrolments is measured by the percentage of low SES students to the total domestic student enrolments.

#### Participation rate for low socio-economic status students

<b>2017 Target</b>	<b>20.0%</b>
<b>2016 Target</b>	<b>19.5%</b>
2016	19.7%
2015	19.5%
2014	18.7%
2013	17.8%

**Comments:**

This year has seen another increase in participation rate which means Murdoch University is on track to meet the 2017 target. Performance is calculated using Australian Bureau of Statistics 2011 census data on socio-economic status of residential postcodes.

### Student success rate

The ability for students to progress and complete their chosen course of study within the standard timeframes is an important indicator of the success of the University's teaching and learning environment.

This indicator measures the percentage of successfully attempted units against the total number of assessed units. The units are calculated in terms of load — one Equivalent Full-Time Student Load (EFTSL) being 24 credit points — against the assessed load for students enrolled onshore in a non-research course. The success rate for 2016 is not included in this report as the students' unit outcomes, particularly those with end-of-year census dates, continue to be evaluated at the time of this report.

#### Student success rate

<b>2017 Target</b>	<b>90.0%</b>
<b>2015 Target</b>	<b>87.0%</b>
2015	87.9%
2014	87.1%
2013	85.9%
2012	86.8%

**Comments:**

The percentage of students successfully completing their units against the units attempted remains in the high 80% range, with a second successive increase in 2015 meaning the target was exceeded. The University remains on track to achieve a 90% success rate for 2017 through improved student support.

### Efficiency indicator

#### Total costs relative to total student load

This indicator measures the total costs relative to the University's teaching and learning endeavour as measured by student load, as a key input to the overall cost of teaching and learning and research.

The average expenditure per unit of Equivalent Full-Time Student Load (EFTSL) is dependent on and will vary according to the discipline mix taught by a university. For example, clinical and laboratory-based sciences are more expensive to teach than classroom-based disciplines. This indicator measures the total costs per EFTSL within the University entity.

Results and targets have been indexed to represent comparable 2016 dollar figures.

#### Total costs per EFTSL (2016 \$'000)

<b>2017 Target</b>	<b>29.9</b>
<b>2016 Target</b>	<b>29.9</b>
2016	32.1
2015	31.6
2014	31.3
2013	30.0

**Comments:**

Total costs relative to total student load are under upwards pressure given initiatives to improve the student experience and increasing need to include technology and cutting-edge teaching methods. Workplace innovation contributes to increasing efficiency to offset these cost increases. This indicator is also negatively impacted by lower-than-expected student load figures.

## Research outcomes

### Effectiveness indicator

#### Total research income

As a research-focused university, it is important that Murdoch grows research income, particularly in areas considered at the core of Murdoch's strengths such as life sciences. Research income is one indicator of performance measuring the growth in research income across all category types.

Total research income (\$'000, Nominal)	
<b>2017 Target</b>	<b>28,000</b>
2016 Target	26,000
2016	24,150
2015	20,765
2014	26,685
2013	27,905

#### Comments:

Despite a decrease in the competitive grants funding envelope in 2016, Murdoch University improved its performance in the other three research income categories, resulting in higher total research income than in 2015.

## Efficiency indicator

### Number of publications per research academic

There is a strong importance placed on publication outcomes, both number and quality, in recognition of the significance of publications to Murdoch's international and national research identity and prominence. The numbers of refereed papers in reputable journals and other publications is a natural indicator of the broad research output of a university and is the principal measure for the current Strategic Plan.

The following table shows the average number of HERDC weighted publications per research academic FTE for the University. The HERDC value for the number of publications in 2016 will become available later in 2017.

Number of publications per research academic FTE	
<b>2017 Target</b>	<b>3.00</b>
2015 Target	2.50
2015	2.39
2014	2.21
2013	1.78
2012	1.72

#### Comments:

In recent years Murdoch has moved to emphasise quality in publications over volume. For example, conference papers are no longer counted in the definition of 'research active'. In addition, the workload model emphasises publication in peer review journals as opposed to publication of book chapters. Nevertheless, the strategies for overall research improvement have raised the output rate for the last three years. The University's 2017 target was increased by the Senate to 3.00 publications per research academic FTE in December 2015.

## Strategic investment capacity

### Effectiveness indicator

#### Proportion of non-Commonwealth Government income to total income

The University aims to diversify its income sources, as Commonwealth funding alone is insufficient to sustain the activities which the University undertakes in pursuit of the highest quality outcomes. The University intends to decrease dependency on Commonwealth funding over time.

This indicator measures the diversity of Murdoch's sources of income within the consolidated group.

Proportion of non-Commonwealth Government income to total income	
<b>2017 Target</b>	<b>50.0%</b>
2016 Target	50.0%
2016	46.6%
2015	45.7%
2014	47.2%
2013	49.7%

#### Comments:

Although Commonwealth Government Income increased in 2016, Murdoch University's 2016 income from other sources increased at a higher rate, partly due to the receipt of a once-off fee from an external party, and Murdoch obtained its highest non-Commonwealth Government income since 2013. 2016 saw a reversal of the negative trend which had occurred in the preceding two years.

## Efficiency indicator

### Non-Commonwealth Government income relative to total assets

Whilst diversification of income is an important objective for the University, the rate at which this income is earned, relative to the asset base of the University, reflects the ability to generate alternate sources of revenue by leveraging the University's assets, and managing these assets more strategically.

This indicator measures the non-Commonwealth Government income relative to total assets for the consolidated group.

#### Proportion of non-Commonwealth Government income relative to total assets

<b>2017 Target</b>	<b>18.8%</b>
2016 Target	16.0%
2016	14.3%
2015	13.0%
2014	14.4%
2013	16.0%

*Comments:*

*Non-Commonwealth Government income is dependent on the timing of asset transactions which is a major contributor to observed year-on-year variability in the income. Although the asset base increased from 2015 to 2016, non-Commonwealth Government income increased by a higher relative percentage. As a result, the negative trend experienced in 2013-2015 was reversed.*

# Characteristics of the Student Population

## Summary Statistics

### Students

#### Level

Higher Degree Research	809	794	800	781	733
Higher Degree Coursework	1,697	1,707	1,625	1,557	1,528
Other Postgraduate	1,483	1,456	1,330	1,059	1,036
Undergraduate	18,460	19,986	20,185	19,684	19,690
Non-Award	153	165	202	163	166

#### Total

<b>22,602</b>	<b>24,108</b>	<b>24,142</b>	<b>23,244</b>	<b>23,153</b>
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#### Broad Field of Study

Agriculture, Environmental and Related Studies	601	548	398	295	227
Architecture and Building	7	5	1	1	1
Creative Arts	1,628	1,727	1,428	1,121	951
Education	2,439	2,385	2,297	1,974	1,788
Engineering and Related Technologies	668	661	658	645	641
Health	1,762	1,887	1,852	1,909	2,074
Information Technology	1,196	1,408	1,345	1,210	1,122
Management and Commerce	6,640	7,574	7,580	7,220	6,689
Natural and Physical Sciences	1,901	1,935	2,289	2,660	3,129
Society and Culture	5,607	5,813	6,092	6,046	6,365
Non-Award	153	165	202	163	166

#### Total

<b>22,602</b>	<b>24,108</b>	<b>24,142</b>	<b>23,244</b>	<b>23,153</b>
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### Student Load (EFTSL)

#### Level

Higher Degree Research	551	533	535	545	515
Higher Degree Coursework	1,084	1,034	958	952	958
Other Postgraduate	635	616	597	424	445
Undergraduate	13,414	14,354	14,203	13,536	13,690
Non-Award	61	67	107	68	62

#### Total

<b>15,744</b>	<b>16,605</b>	<b>16,400</b>	<b>15,524</b>	<b>15,670</b>
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#### Broad Field of Study

Agriculture, Environmental and Related Studies	367	318	228	157	104
Architecture and Building	4	1	0	0	0
Creative Arts	1,223	1,279	1,061	783	684
Education	1,505	1,462	1,456	1,234	1,159
Engineering and Related Technologies	448	464	459	455	447
Health	1,405	1,441	1,420	1,433	1,630
Information Technology	795	958	920	780	724
Management and Commerce	4,744	5,318	5,016	4,773	4,474
Natural and Physical Sciences	1,368	1,375	1,606	1,882	2,222
Society and Culture	3,826	3,921	4,127	3,960	4,163
Non-Award	61	67	107	68	62

#### Total

<b>15,744</b>	<b>16,605</b>	<b>16,400</b>	<b>15,524</b>	<b>15,670</b>
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## Completions

### Level

Higher Degree Research	103	111	97	93	113
Higher Degree Coursework	347	355	541	515	510
Other Postgraduate	1,077	988	1,425	1,187	740
Undergraduate	3,394	3,120	3,688	4,355	5,928

<b>Total</b>	<b>4,921</b>	<b>4,574</b>	<b>5,751</b>	<b>6,150</b>	<b>7,291</b>
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### Broad Field of Study

Agriculture, Environmental and Related Studies	186	123	135	111	126
Architecture and Building	1	2	1	0	0
Creative Arts	519	406	451	497	595
Education	388	517	543	576	541
Engineering and Related Technologies	147	99	141	128	128
Health	369	298	362	344	363
Information Technology	166	224	274	320	599
Management and Commerce	1,551	1,619	2,299	2,633	3,082
Natural and Physical Sciences	452	320	372	330	360
Society and Culture	1,142	966	1,173	1,211	1,497

<b>Total</b>	<b>4,921</b>	<b>4,574</b>	<b>5,751</b>	<b>6,150</b>	<b>7,291</b>
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	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
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## Staff - Full Time Equivalence (FTE)

### Staff Function

Teaching Only or Mainly	190	193	207	203	277
Research Only	54	55	63	67	79
Teaching and Research	428	452	402	403	411
Other	26	30	31	10	16
Non-Academic	914	981	984	959	1,000

<b>Total</b>	<b>1,612</b>	<b>1,709</b>	<b>1,686</b>	<b>1,644</b>	<b>1,783</b>
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## Student Load (EFTSL) per Teaching Staff FTE

Load/FTE Ratio*	17.6	17.1	18.0	16.6	14.9
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*Excludes student load in offshore courses :	4,856	5,578	5,531	5,458	5,403
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Notes: 2016 student data prior to HEIMS submission; staff data at year end.  
 Data based on Murdoch University's reportable student load. Values are subject to student revisions and final quarter submission updates.  
 2016 Completions are not yet final; figures will be presented in 2017 Annual Report.  
 The introduction of the new undergraduate curriculum in 2014 has resulted in some shifts in Broad Field of Education classification.

# Equity Student Statistics

## Broad Field of Study (Students)

### Aboriginal & Torres Strait Islanders

	2012	2013	2014	2015	2016
Agriculture, Environmental and Related Studies	6	6	4	3	2
Creative Arts	15	11	4	3	1
Education	40	38	34	35	38
Engineering and Related Technologies	0	0	2	4	3
Health	12	13	20	25	29
Information Technology	6	3	2	2	1
Management and Commerce	8	12	13	15	15
Natural and Physical Sciences	12	24	24	23	30
Society and Culture	67	88	148	120	147
Non-Award	0	0	0	0	0
<b>Total</b>	<b>166</b>	<b>195</b>	<b>251</b>	<b>230</b>	<b>266</b>

### Female

Agriculture, Environmental and Related Studies	363	337	249	184	132
Architecture and Building	5	3	1	1	1
Creative Arts	955	1,011	841	663	574
Education	1,982	1,901	1,800	1,508	1,345
Engineering and Related Technologies	130	134	127	127	131
Health	1,215	1,308	1,368	1,459	1,626
Information Technology	192	233	237	230	240
Management and Commerce	3,863	4,390	4,341	4,108	3,821
Natural and Physical Sciences	1,184	1,198	1,294	1,469	1,683
Society and Culture	3,489	3,626	3,790	3,691	3,975
Non-Award	93	99	124	113	122
<b>Total</b>	<b>13,471</b>	<b>14,240</b>	<b>14,172</b>	<b>13,553</b>	<b>13,650</b>

### Regional\*

Agriculture, Environmental and Related Studies	92	83	59	42	28
Architecture and Building	1	2	0	0	0
Creative Arts	70	61	42	23	7
Education	343	284	270	225	182
Engineering and Related Technologies	41	54	49	48	44
Health	179	163	158	170	185
Information Technology	41	44	23	8	3
Management and Commerce	110	101	90	81	70
Natural and Physical Sciences	211	217	254	282	310
Society and Culture	386	378	391	389	425
Non-Award	4	4	6	8	4
<b>Total</b>	<b>1,478</b>	<b>1,390</b>	<b>1,342</b>	<b>1,276</b>	<b>1,258</b>

### Remote\*

	2012	2013	2014	2015	2016
Agriculture, Environmental and Related Studies	18	20	13	11	4
Architecture and Building	0	0	0	0	0
Creative Arts	5	6	3	2	1
Education	99	74	79	57	51
Engineering and Related Technologies	12	6	7	7	8
Health	13	14	13	16	24
Information Technology	4	3	4	2	1
Management and Commerce	24	22	21	24	23
Natural and Physical Sciences	37	47	46	46	52
Society and Culture	59	47	55	57	63
Non-Award	4	2	0	2	3
<b>Total</b>	<b>274</b>	<b>241</b>	<b>241</b>	<b>225</b>	<b>230</b>

### Low Socio-Economic Status\*

Agriculture, Environmental and Related Studies	69	67	50	33	24
Architecture & Building	0	0	0	0	0
Creative Arts	93	97	68	45	24
Education	496	505	477	432	407
Engineering and Related Technologies	76	82	91	86	78
Health	305	368	420	455	474
Information Technology	72	89	64	43	26
Management and Commerce	200	209	196	199	214
Natural and Physical Sciences	241	262	331	385	486
Society and Culture	610	700	782	776	858
Non-Award	2	3	5	5	4
<b>Total</b>	<b>2,164</b>	<b>2,382</b>	<b>2,484</b>	<b>2,459</b>	<b>2,595</b>

### Non-English Speaking Background

Agriculture, Environmental and Related Studies	12	15	10	10	11
Architecture & Building	0	0	0	0	0
Creative Arts	19	17	16	9	5
Education	36	42	51	41	43
Engineering and Related Technologies	53	58	56	57	61
Health	53	57	68	93	138
Information Technology	23	33	30	24	13
Management and Commerce	108	119	109	102	98
Natural and Physical Sciences	68	71	86	123	139
Society and Culture	199	196	205	200	228
Non-Award	10	9	11	13	7
<b>Total</b>	<b>581</b>	<b>617</b>	<b>642</b>	<b>672</b>	<b>743</b>

## People with a Disability

	2012	2013	2014	2015	2016
Agriculture, Environmental and Related Studies	35	39	29	23	20
Architecture & Building	1	1	0	0	0
Creative Arts	72	65	53	46	27
Education	133	144	145	118	122
Engineering and Related Technologies	35	41	35	31	35
Health	100	91	104	113	126
Information Technology	47	51	39	29	27
Management and Commerce	90	103	104	99	86
Natural and Physical Sciences	161	176	199	240	322
Society and Culture	478	455	490	554	571
Non-Award	4	5	4	3	4
<b>Total</b>	<b>1,156</b>	<b>1,171</b>	<b>1,202</b>	<b>1,256</b>	<b>1,340</b>

## Summary (Percent of Population)

Total Students Enrolled	22,602	24,108	24,142	23,244	23,153
Female	60.1%	59.6%	59.3%	58.9%	59.0%
Domestic Enrolled Students#	13,375	13,629	13,362	12,729	13,150
Aboriginal & Torres Strait Islanders	1.2%	1.4%	1.9%	1.8%	2.0%
Regional	11.1%	10.2%	10.0%	10.0%	9.6%
Remote	2.0%	1.8%	1.8%	1.8%	1.7%
Low Socio-Economic Status	16.2%	17.5%	18.6%	19.3%	19.7%
Non-English Speaking Background	4.3%	4.5%	4.8%	5.3%	5.7%
People with a Disability	8.6%	8.6%	9.0%	9.9%	10.2%

\*2012 data calculated using student's permanent residential postcode to associate status using ABS 2011 Census data, although 2006 Census data was the best available at the time. 2013 figures onwards calculated using 2011 Census data.

# Domestic students are defined as students having a permanent residential postcode in Australia.

Data based on Murdoch University's reportable student load. Values are subject to student revisions and final quarter submission updates.

# Report of Operations

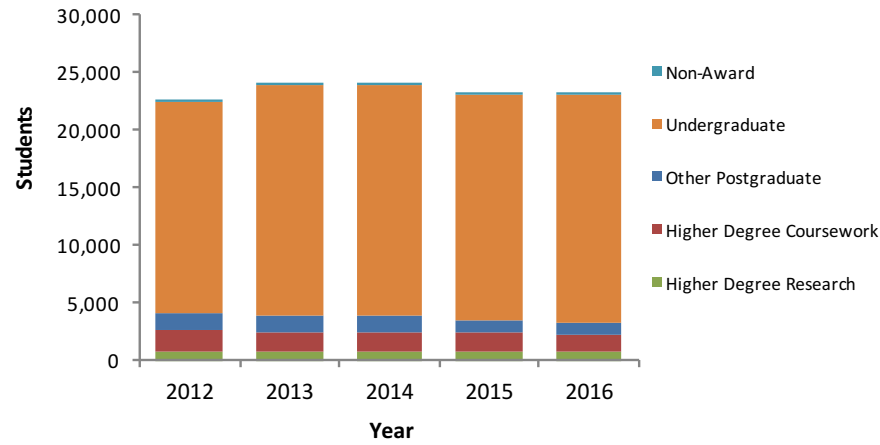
## Commonwealth Grant Scheme and Load

	2012	2013	2014	2015	2016
<b>Funding Agreement Load (EFTSL) *</b>					
Target	8,092	8,614	8,468	7,774	7,859
Actual	8,231	8,305	8,248	7,692	7,982
Difference (EFTSL)	139	-309	-220	-82	122
Difference (%)	1.72%	-3.59%	-2.60%	-1.06%	1.56%
<b>Undergraduate Target Load (EFTSL)</b>					
Target	7,820	8,343	8,197	7,503	7,588
Actual	7,998	8,088	8,013	7,546	7,852
Difference (EFTSL)	178	-255	-184	43	263
Difference (%)	2.28%	-3.06%	-2.24%	0.57%	3.47%
<b>Funding Sources</b>					
Commonwealth Grants (\$000's)	178,386	177,594	179,113	173,512	184,688
Commonwealth Grants (at 2016 prices) (\$000's)	197,804	189,480	185,494	176,532	184,688
Outside Research Grants & Donations (\$000's)	23,903	23,643	22,082	22,473	22,483
Commonwealth Grants per EFTSL (at 2016 prices)	24,031	22,814	22,489	22,558	23,140
Total Commonwealth Grants as a Percentage of Total Income	54%	50%	53%	54%	53%
<b>External Research Funding (at 2016 prices) ^</b>					
Number of Competitive Research Grants	88	111	117	131	131
Value of Competitive Research Grants (\$000's)	8,419	9,943	10,330	10,313	9,532
Value of Non-Competitive Grants (\$000's)	23,452	18,490	17,224	8,479	14,621
Total Research Grants (\$000's)	31,870	28,433	27,554	18,792	24,153
Index	1.0376	1.0784	1.1110	1.1309	1.1506
Higher Education Indexation Number	1.0376	1.0393	1.0302	1.0179	1.0174

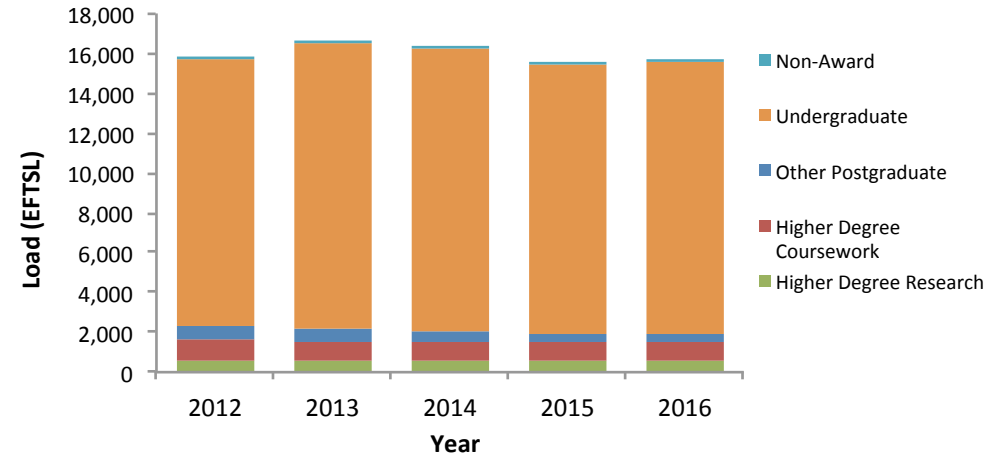
\*Data based on Murdoch University's reportable student load only. Values are subject to student revisions and final quarter submission updates.

^Research data aligns with Higher Education Research Data Collection (HERDC).

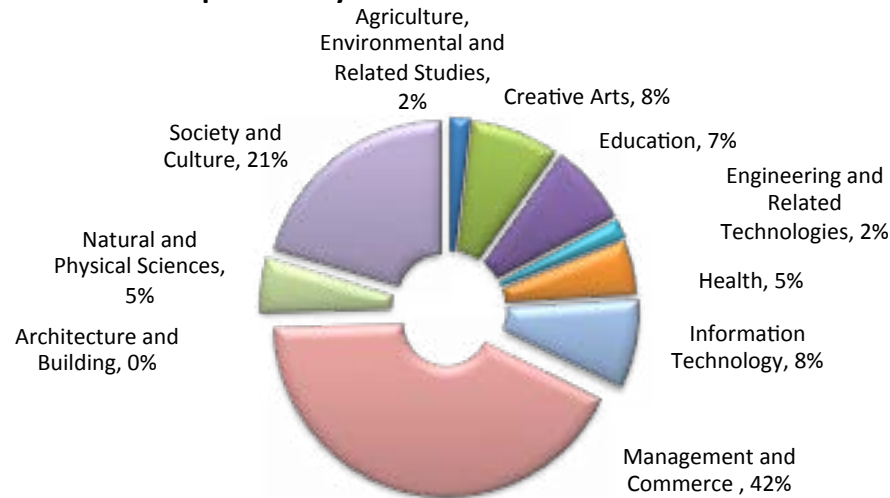
**Students by Year and Level**



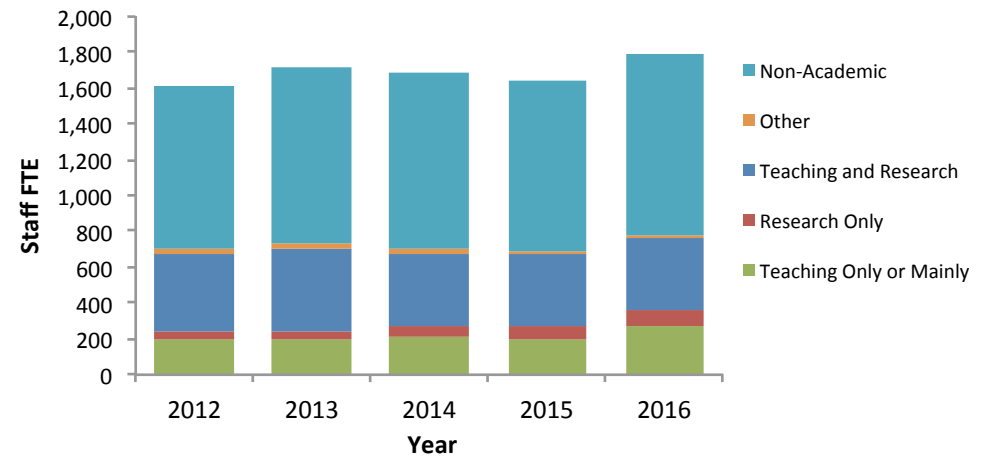
**Load (EFTSL) by Year and Level**



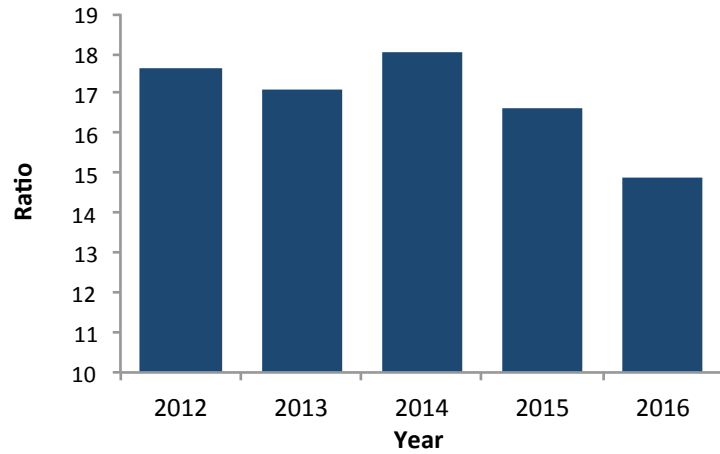
**Completions by Broad Field of Education for 2015**



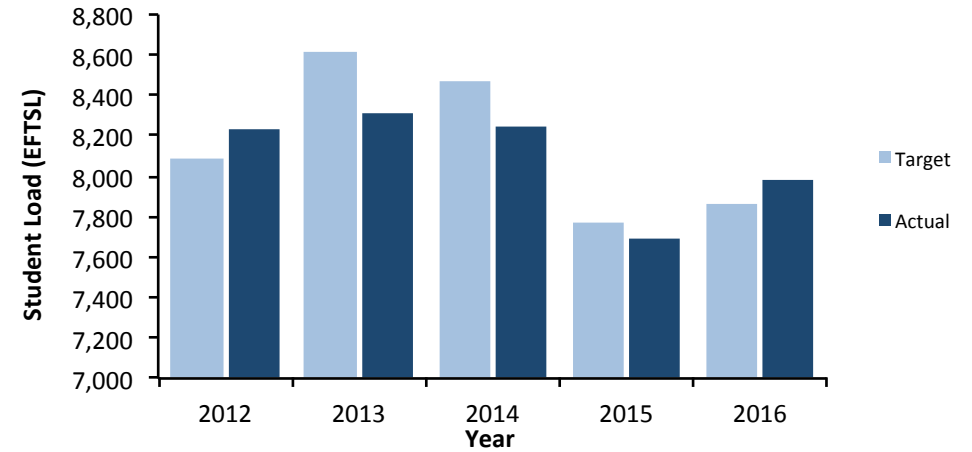
**Staff FTE by Function and Year**



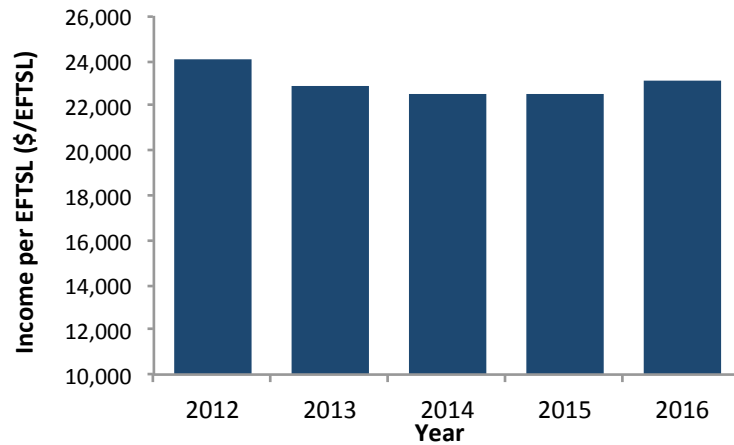
**Student Load (EFTSL) per Teaching Staff FTE**



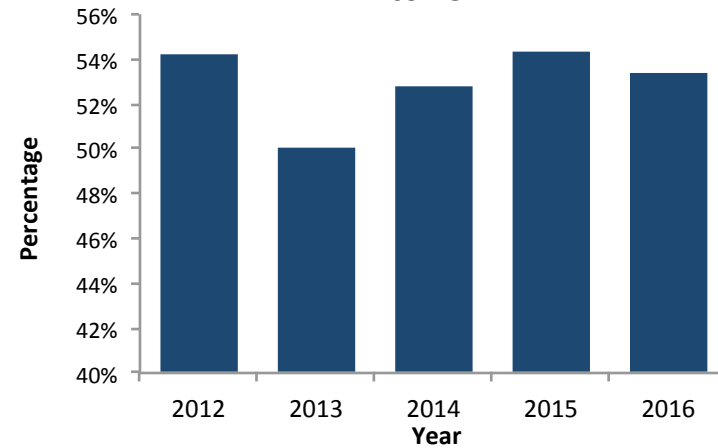
**Target and Actual Funding Agreement Load**



**Commonwealth Grant Scheme<sup>1</sup> Income per unit of Funded Load**



**Commonwealth Grant Scheme as Percentage of Total Income**



1: Commonwealth Grant Scheme includes Commonwealth Contribution (Funding Agreement) plus Student Contribution (HECS)  
Data based on Murdoch University's reportable student load only. Values are subject to student revisions and final quarter submission updates.

# Other disclosures



## Major capital projects

Project	Estimated total cost (\$m)	Estimated cost to complete (\$m)	Expected year of completion
South Street campus refurbishment/ infrastructure	37.37	27.60	2017/18
Upgrade and development of network and website	4.50	1.40	2017
Whitby Falls Production Animal Teaching Facility	1.70	0.80	2017

## Staffing matters

### Staff Profile

FTE	Continuous	Fixed Term	Casual	Total
Academic	377	174	234	<b>784</b>
Professional	626	254	119	<b>999</b>
<b>Total</b>	<b>1,003</b>	<b>428</b>	<b>353</b>	<b>1,783</b>

NOTE:

-Values as at 31 December 2016

## Staff development

The Organisational Capability Unit (OCU) organised 154 courses in 2016 with 1,614 attendees. The courses totalled 769.5 hours of contact time. Several new programs were also designed and delivered in support of the University's strategic and operation objectives:

### Leadership development

- Leaders as Performance Coach (follow up to Performance Conversations)
- Building a Change Platform: Engagement
- Mental Health for Leaders
- Building and Leading Cooperative and Collaborative Teams

### Professional development

- Certificate IV in Business Administration

### Murdoch E-Learning Platform

To help staff keep abreast of current legislative requirements, the University acquired a three year license in June 2015 to access ELMO E-Learning's online course catalogue. Since then, OCU has published 10 compliance modules and developed another 22 professional development and Murdoch specific courses like "Purchasing Cards for Cardholders", "Copyright and Licensing" and "Mental Health Awareness". Since 2015, staff have accessed and completed over 8,900 courses.

## Performance development

The People and Culture Office continues to monitor and follow-up on the performance development and review process in the University and has been consulting with stakeholders on initiatives in the area.

### Academic staff

196 academic staff members have completed the Professional Development and Review (PDR) process in 2016.

526 Academic staff members have been identified to complete the PDR process (12 month fixed term contact or more/continuous contract minus staff on parental leave and senior staff contracts).

The total academic staff PDR completion rate was 37.26 per cent.

### Professional staff

383 professional staff members have completed the PDR process in 2016.

838 professional staff members have been identified to complete the PDR process (12 month fixed term contact or more/continuous contract minus staff on parental leave and senior staff contracts).

The total professional staff PDR completion rate was 45.7 per cent.

## Human resources information systems

### Murdoch University Incident Reporting System

Work commenced on rebuilding the Murdoch University Incident Reporting System (MUIRS) and will be completed in first quarter of 2017. MUIRS will provide the Safety Health and Wellbeing Team with the ability to schedule measurements and monitoring of University operations from a safety health and wellbeing context. This will inform reporting of organisational KPIs on safety health and wellbeing across the board.

### EEQuals

The 'EEQuals' application was developed by HR Systems in 2016. EEQuals allows Schools and Offices to upload certified copies of current staff qualifications, proof of identification, working rights (including visas), Curriculum Vitae, registrations and evidence of industry experience.

Collection of this information ensures the University can substantiate the capabilities of its staff and their ability to work in Australia and thus meet its compliance requirements.

## Occupational safety, health and injury management

Safety, Health and Wellbeing (SHW) continued to work with 24 safety representatives and 33 senior first aiders across three campuses to ensure Murdoch University's safety systems continue while adhering to legislative requirements.

The implementation of new safety committees has been rolled out, changing the format back to school based Designated Work Groups (DWG). Improvements expected from the DWGs will see greater support and accountability for Safety Representatives, First Aiders, Fire Wardens and Mental Health First Aiders at the school or department level, and all DWGs will have a designated management representative appointed by the school or department.

In September, a chemical audit and chemical disposal amnesty was implemented, with all chemical lists currently lodged within our Chemical Manifest database "Chemwatch" to be reviewed resubmitted and then audited by the SHW team. There are 181 locations within the three campuses where chemicals are located. There are 118 lab owners that require Chemwatch training in conjunction with the audit, which is running concurrently.

Together with area safety representatives, SHW conducted 81 workplace inspections in 2016. A total of 314 Murdoch University Incident Reporting System (MUIRS) reports saw 256 of them successfully closed.

32 Murdoch University staff made a workers' compensation claim, 18 of which were Lost Time Injuries (LTIs).

Measure	Actual results		Target results
	2015	2016	2016
Number of fatalities	0	0	0
Lost time injury and/or disease incidence rate	0.21	0.10	0.59
Lost time injury and/or disease severity rate	0.09	0.10	3.04
Percentage of injured workers returned to work:			
(i) within 13 weeks	100%	88%	94.4%
(ii) within 26 weeks	100%	100%	94.4%
Percentage of managers trained in occupational safety, health and injury management responsibilities	*	9%	4.3%

\*Figures unavailable

## Records management

Murdoch University is required to report on strategies for ensuring staff compliance with the University's recordkeeping plan. Under Section 61 of the *State Records Act 2000*, the State Records Commission (SRC) is responsible for establishing principles and standards to govern record keeping by government organisations. The following information is provided in accordance with Principle 6 of SRC Standard 2: Recordkeeping Plan.

The University's current Recordkeeping Plan (RKP) was approved by the SRC on 30 August 2012 for a period of five years. The RKP will be reviewed again in 2017 and a report of the review provided to the SRC.

The University conducts an online recordkeeping awareness training course for staff. All new staff are enrolled in the training course as part of the University's induction program. The training addresses staff responsibilities under the *State Records Act 2000* including the creation, capture, access, management and disposal of records, confidentiality and privacy issues, and security considerations.

The training program has two overarching aims. These are:

1. Raise staff awareness of their responsibilities under the *State Records Act 2000* and other applicable legislation; and
2. Raise the overall standard of recordkeeping at the University.

These aims are further supported by the following objectives:

- Ensure adherence to the conduct of proper recordkeeping practices at the University by adopting a top-down approach from senior management that supports and encourages a strong culture of active staff compliance with policies and proper practices;

- Encourage the retention and disposal of records within the remit of the WA University Sector Disposal Authority (WAUSDA) and the General Disposal Authority for State Government Information; and
- Engage in active participation with the State Records Office to ensure the adoption and promotion of current and relevant recordkeeping policies and practices throughout the University.

In 2016, the recordkeeping awareness training course was integrated with the University's Workforce Capability and Performance online training platform. This has led to improvements in the way training course completions are recorded in the staff development and training management system, and has allowed the implementation of an improved escalation process.

## Pricing policy statement

The University's Pricing Policy for its educational programs is consistent with the Commonwealth Government's policies on Australian domestic undergraduate and postgraduate coursework students and international fee-paying students. Details of the University's prices are available on the University's website.

## Governance disclosures

### Environmental regulations

#### Impact of legislation:

There has been no change in written laws or significant judicial decisions affecting the University's operations in 2016. Amendments to the *Murdoch University Act 1973* were passed through the Parliament in 2016 and became law effective 2 January 2017. Amongst other things, the amendments provide the University with the powers needed for commercial development on University land.

### Insurance of officers

During the financial year, the Group has paid insurance premiums of \$24,500 (2015: \$30,760) in respect of directors' and officers' liability, for current and former directors and officers, including executive officers and secretaries of controlled entities.

Insurance premiums relate to:

- costs and expenses incurred by the relevant directors and officers in defending proceedings; and
- other liabilities that may arise from their position, with the exception of conduct involving a wilful breach of duty or improper use of information or position to gain a personal advantage.

### Complaints handling

Murdoch University strives for excellence in its dealings with staff, students and the broader community. However, on occasion, it may receive negative feedback or people express dissatisfaction or displeasure with an experience and lodge a complaint.

The University is committed to ensuring that all complaints are handled effectively and efficiently in a process that is supported by our *Complaints Management Policy* and is accessible, impartial, confidential, equitable and sensitive. Complaints are managed with respect for all parties involved and procedural fairness. Processes are in place such that members of staff, students or the public can lodge a complaint with the University.

### Freedom of Information

This year, Murdoch University received 12 valid applications under Freedom of Information legislation with seven finalised in 2016. Of the 2016 applications, three progressed to an internal review and one of those applied to the Information Commissioner for external review. One application outstanding from the previous year went for external review and was finalised in 2016.

### Media and advertising expenditure

Section 175ZE of the *Electoral Act 1907* requires the University to include a statement in the Annual Report setting out details of expenditure incurred by the University during the financial year in relation to advertising agencies, direct mail organisations, media advertising organisations and market research organisations.

The total expenditure incurred by the University during the 2016 financial year on those organisations was \$3,216,954.

The classes of organisation, the names of the organisations within the class and the total expenditure for the class were as follows:

#### Advertising agencies

##### Meerkats

**J Walter Thompson**

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\$750,865

#### Media advertising

##### Initiative Media

**Hatchd Digital**

**Isentia**

**Adcorp HR Advertising**

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\$2,312,439

#### Market research

**Taylor Nelson Sofres**

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\$153,650



# Murdoch UNIVERSITY

Perth | Dubai | Singapore

## **Perth campus**

90 South Street,  
Murdoch WA 6150

## **Rockingham campus**

Dixon Road,  
Rockingham WA 6158

## **Mandurah campus**

Education Drive,  
Mandurah WA 6210

## **Murdoch Dubai**

Dubai International  
Academic City,  
Block No.10  
4th Floor  
P.O. Box 345 005  
Dubai UAE

## **Murdoch Singapore**

#06-04 Kings Centre,  
390 Havelock Road  
Singapore 169 662

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