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PART 3

FINANCIAL INFORMATION



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AUDIT REPORT



INDEPENDENT AUDIT REPORT

To the Minister for Education

Scope

I have audited the accompanying financial statements of the Australian National University (the University) and the consolidated entity for the year ended 31 December 2009 which comprise: a Statement by the Directors, Chief Executive and Chief Finance Officer; Income Statement; Statement of Comprehensive Income; Balance Sheet; Statement of Changes in Equity; Statement of Cashflows; Schedule of Commitments; Schedule of Contingencies, Schedule of Asset Additions; and Notes to and forming part of the Accounts, including a Summary of Significant Accounting Policies.

The Responsibility of the University Council for the Financial Statements

The members of the University Council are responsible for the preparation and fair presentation of the financial statements in accordance with Finance Minister's Orders made under the *Commonwealth Authorities and Companies Act 1997*, and Australian Accounting Standards (which include Australian Accounting Interpretations). This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

My responsibility is to express an opinion on the financial statements based on my audit. My audit has been conducted in accordance with Australian National Audit Office Auditing Standards, which incorporate Australian Auditing Standards. These auditing standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the University's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the University Council, as well as evaluating the overall presentation of the financial statements.

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

Independence

In conducting the audit, I have followed the independence requirements of the Australian National Audit Office, which incorporate the requirements of the Australian accounting profession.

Auditor's Opinion

In my opinion, the financial statements of the Australian National University and the consolidated entity:

- (a) have been prepared in accordance with Finance Minister's Orders made under the *Commonwealth Authorities and Companies Act 1997*, and Australian Accounting Standards; and
- (b) give a true and fair view of the matters required by the Finance Minister's Orders including the Australian National University and the consolidated entity's financial position as at 31 December 2009 and of its financial performance and cash flows for the year.

Australian National Audit Office



P Hinchey
Engagement Executive
Delegate of the Auditor-General

Sydney
26 March 2010

STATEMENTS BY DIRECTORS



PROFESSOR THE HON GARETH EVANS AO QC
Chancellor

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www.anu.edu.au

**CONSOLIDATED FINANCIAL STATEMENTS FOR YEAR ENDED
31 DECEMBER 2009
STATEMENT BY THE DIRECTORS, CHIEF EXECUTIVE AND CHIEF FINANCE OFFICER**

In our opinion, the Financial Statements for the University and the consolidated Financial Statements for the Economic Entity have been prepared based on properly maintained financial records and give a true and fair view of the matters required by Schedule 1 of the Commonwealth Authorities and Companies (Requirements and Guidance for the Preparation of Financial Reports of Australian Government Entities for reporting periods ending on or after 1 July 2008) Orders made under the *Commonwealth Authorities and Companies Act 1997* (FMO) and the Guidelines for the Preparation of Annual Financial Reports for the 2009 Reporting Period by Australian Higher Education Institutions issued by the Department of Education, Employment and Workplace Relations.

In our opinion, at the date of this statement there are reasonable grounds to believe that the University will be able to pay its debts as and when they become due and payable.

This statement is made in accordance with a resolution of the Council.

G J EVANS AO QC
Chancellor

I W CHUBB AC
Vice-Chancellor

D N STURGISS
Chief Finance Officer

26 March 2010

FINANCIAL STATEMENTS

THE AUSTRALIAN NATIONAL UNIVERSITY

INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2009

		Consolidated		University	
	Notes	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
INCOME					
Revenue					
Australian Government financial assistance					
Australian Government Grants	2	500,918	458,326	500,918	458,326
Higher Education Contribution Scheme - HECS-HELP					
Australian Government payments	2	32,537	27,598	32,537	27,598
Student payments		9,690	10,115	9,690	10,115
Fee-Higher Education Loan Programme - FEE-HELP	2	10,209	6,748	10,209	6,748
State Government financial assistance	3	4,371	2,284	4,371	2,284
Fees and charges	4	113,385	100,947	107,244	95,140
Investment Revenue	5	62,855	76,690	62,379	76,147
Consultancy and contracts	6	64,103	53,206	53,003	47,578
Construction contract revenue	7	33,578	12,488	-	-
Other revenue	8	43,857	38,333	40,166	36,937
Total Revenue		875,503	786,735	820,517	760,873
Other Income					
Investment income	9	10,211	9,256	10,687	9,256
Gains/(losses) on revaluation	9	4,267	(590)	4,267	(590)
Total Other Income		14,478	8,666	14,954	8,666
TOTAL INCOME		889,981	795,401	835,471	769,539
EXPENSES					
Employees	10	401,866	410,558	396,484	405,823
Services	11	278,712	258,163	264,159	251,564
Depreciation and amortisation	12	49,963	48,542	49,546	48,146
Write-down and impairment of assets	13	49,891	165,049	49,891	165,049
Finance cost	14	5,250	9,412	5,250	9,412
Losses on disposal of assets	15	2,977	236	3,017	737
Construction expenses	16	31,457	11,377	-	-
TOTAL EXPENSES		820,116	903,337	768,347	880,731
Operating result before income tax		69,865	(107,936)	67,124	(111,192)
Income tax benefit/(expense)	17	(611)	(316)	-	-
OPERATING RESULT		69,254	(108,252)	67,124	(111,192)

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

THE AUSTRALIAN NATIONAL UNIVERSITY

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2009

	Consolidated		University	
	2009	2008	2009	2008
	\$'000	\$'000	\$'000	\$'000
Other Comprehensive Income				
Operating Result for the period	69,254	(108,252)	67,124	(111,192)
Revaluation of Property, Plant and Equipment	(56,383)	2,038	(56,836)	1,677
Net Change in Fair Value of Available-For-Sale Financial Assets	75,458	(109,912)	75,458	(109,900)
Defined Benefit Plan Actuarial Gains/(Losses)	102,800	(131,551)	102,800	(131,551)
Total other comprehensive income before income tax	121,875	(239,425)	121,422	(239,774)
Income Tax on Other Comprehensive Income	-	-	-	-
Total comprehensive income/(loss) for the period	191,129	(347,677)	188,546	(350,966)

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

FINANCIAL STATEMENTS continued

THE AUSTRALIAN NATIONAL UNIVERSITY

BALANCE SHEET AS AT 31 DECEMBER 2009

AS AT 31 DECEMBER 2009

		2009	Consolidated	2008	2009	University	2008
	Notes	\$'000		\$'000	\$'000		\$'000
ASSETS							
Financial Assets							
Cash and cash equivalents	18	166,804		125,901	150,736		114,846
Loans and Receivables	19	36,340		35,186	34,001		32,440
Investments	20	931,495		919,209	938,337		925,908
Investments accounted for using the equity method	21	15,546		17,146	15,546		17,146
Total Financial Assets		1,150,185		1,097,442	1,138,620		1,090,340
Non-Financial Assets							
Land, buildings and infrastructure	22	1,179,179		1,138,930	1,168,679		1,128,630
Plant and equipment	22	157,429		156,859	156,656		156,527
Investment Property	23	16,600		16,000	16,600		16,000
Intangibles	24	77		77	-		-
Inventories	25	3,026		2,570	1,183		1,166
Other non-financial assets	26	16,660		14,271	16,605		14,233
Total Non-Financial Assets		1,372,971		1,328,707	1,359,723		1,316,556
TOTAL ASSETS		2,523,156		2,426,149	2,498,343		2,406,896
LIABILITIES							
Payables							
Suppliers	27	49,280		62,759	47,549		61,833
Other payables	28	27,683		36,494	18,951		29,826
Total Payables		76,963		99,253	66,500		91,659
Interest Bearing Liabilities							
Loans	29	113,965		116,557	113,965		116,557
Total Interest Bearing Liabilities		113,965		116,557	113,965		116,557
Provisions							
Employee Benefits	30	616,811		724,251	616,097		723,646
Total Provisions		616,811		724,251	616,097		723,646
TOTAL LIABILITIES		807,739		940,061	796,562		931,862
NET ASSETS		1,715,417		1,486,088	1,701,781		1,475,034
EQUITY							
PARENT ENTITY INTEREST							
Reserves	31	924,166		865,601	916,519		858,406
Retained Surpluses		791,251		620,487	785,262		616,628
TOTAL EQUITY		1,715,417		1,486,088	1,701,781		1,475,034
CURRENT ASSETS		355,449		333,539	335,144		317,796
NON-CURRENT ASSETS		2,167,707		2,092,610	2,163,199		2,089,100
CURRENT LIABILITIES		195,153		219,625	184,014		211,549
NON-CURRENT LIABILITIES		612,586		720,436	612,548		720,313

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

Statement of Changes in Equity

Consolidated	Accumulated Results		Total Asset Revaluation		Total Special Reserves		Total Equity	
	2009	2008	Surplus		2009	2008	2009	2008
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Total equity at the beginning of the financial year	620,487	861,375	834,052	1,010,707	31,549	30,464	1,486,088	1,902,546
Operating surplus/(deficit) from ordinary activities	69,254	(108,252)	-	-	-	-	69,254	(108,252)
Net revaluation increase	-	-	19,074	(107,977)	-	-	19,074	(107,977)
Adjustment direct to equity - actuarial gains/(losses) on employee superannuation liability	102,800	(131,551)	-	-	-	-	102,800	(131,551)
Transfers to/(from) reserves	(1,290)	(1,085)	38,201	(68,678)	1,290	1,085	38,201	(68,678)
Total equity at the end of the financial year	791,251	620,487	891,327	834,052	32,839	31,549	1,715,417	1,486,088

University	Accumulated Results		Total Asset Revaluation		Total Special Reserves		Total Equity	
	2009	2008	Surplus		2009	2008	2009	2008
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Total equity at the beginning of the financial year	616,628	860,456	826,857	1,003,843	31,549	30,464	1,475,034	1,894,763
Operating surplus/(deficit) from ordinary activities	67,124	(111,192)	-	-	-	-	67,124	(111,192)
Net revaluation increase	-	-	18,622	(108,308)	-	-	18,622	(108,308)
Adjustment direct to equity - actuarial gains/(losses) on employee superannuation liability	102,800	(131,551)	-	-	-	-	102,800	(131,551)
Transfers to/(from) reserves	(1,290)	(1,085)	38,201	(68,678)	1,290	1,085	38,201	(68,678)
Total equity at the end of the financial year	785,262	616,628	883,680	826,857	32,839	31,549	1,701,781	1,475,034

FINANCIAL STATEMENTS continued

THE AUSTRALIAN NATIONAL UNIVERSITY

STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 31 DECEMBER 2009

FOR THE YEAR ENDING 31 DECEMBER 2008

		2009	Consolidated	2008		University	2008
	Notes	\$'000		\$'000		\$'000	\$'000
OPERATING ACTIVITIES							
Cash received							
Australian Government financial assistance		544,152		496,055		544,152	496,055
State Government financial assistance		4,332		2,289		4,332	2,289
HECS-HELP - student payments		9,690		10,115		9,690	10,115
Fees and charges		99,688		95,861		99,688	95,861
Consultancy and contracts		112,503		75,819		52,725	48,297
Interest and other investment earnings		37,551		(23,442)		37,029	(23,983)
Dividends received		33,754		40,095		33,754	40,095
Other receipts		55,477		61,843		55,128	61,466
Total cash received		897,147		758,635		836,498	730,195
Cash used							
Payments to employees and pensioners		412,907		393,155		407,634	390,331
Direct investment expenses		771		1,096		771	1,096
Borrowing Expenses		5,250		11,149		5,250	11,149
Payments to services		330,435		269,265		281,356	247,875
Income taxes		339		-		-	-
Total cash used		749,702		674,665		695,011	650,451
NET CASH FROM OPERATING ACTIVITIES	32	147,445		83,970		141,487	79,744
INVESTING ACTIVITIES							
Cash received							
Proceeds from sales of property, plant and equipment		876		1,267		876	1,267
Proceeds from sale and maturity of investments		1,476,861		1,461,671		1,475,922	1,461,416
Dividends received		(523)		-		-	-
Total cash received		1,477,214		1,462,938		1,476,798	1,462,683
Cash used							
Purchase of property, plant and equipment		153,133		107,106		152,528	106,888
Purchase of investments		1,428,030		1,437,000		1,427,275	1,436,500
Total cash used		1,581,163		1,544,106		1,579,803	1,543,388
NET CASH FROM INVESTING ACTIVITIES		(103,949)		(81,168)		(103,005)	(80,705)
FINANCING ACTIVITIES							
Proceeds/(repayments) from borrowings		(2,593)		1,830		(2,592)	1,830
NET CASH FROM FINANCING ACTIVITIES		(2,593)		1,830		(2,592)	1,830
NET INCREASE (DECREASE) IN CASH HELD							
Cash and cash equivalents at 1 January	18	125,901		121,269		114,846	113,977
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	18	166,804		125,901		150,736	114,846

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

**SCHEDULE OF COMMITMENTS
AS AT 31 DECEMBER 2009**

	Consolidated		University	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
BY TYPE				
Capital Commitments				
Property, plant and equipment	407,608	93,614	407,608	93,614
Total Capital Commitments	407,608	93,614	407,608	93,614
Other Commitments				
Operating leases	399	534	-	-
Other commitments	20,915	18,329	32,640	18,329
Total Other Commitments	21,314	18,863	32,640	18,329
Commitments Receivable	(38,957)	(10,176)	(51,257)	(10,176)
Net Commitments by Type	389,965	102,301	388,991	101,767
BY MATURITY				
All net commitments				
One year or less	274,401	97,769	273,710	97,634
From one to five years	83,476	4,425	83,246	4,133
Greater than five years	32,088	107	32,035	-
Net Commitments by Maturity	389,965	102,301	388,991	101,767
Operating lease commitments				
One year or less	116	135	-	-
From one to five years	230	292	-	-
Greater than five years	53	107	-	-
Net Operating Lease Commitments Payable	399	534	-	-

NB: Commitments are GST inclusive where relevant

SCHEDULE OF CONTINGENCIES AS AT 31 DECEMBER 2009

		Consolidated		University	
	Notes	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
CONTINGENT LIABILITIES					
Guarantees		9,452	9,478	8,928	8,926
TOTAL CONTINGENT LIABILITIES	34	9,452	9,478	8,928	8,926
CONTINGENT ASSETS					
TOTAL CONTINGENT ASSETS	33	-	-	-	-

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

FINANCIAL STATEMENTS continued

THE AUSTRALIAN NATIONAL UNIVERSITY

SCHEDULE OF ASSET ADDITIONS (University Only) for the period ended 31 December 2009

The following non-financial non-current assets were added in 2009:

	Land \$'000	Buildings \$'000	Investment Properties \$'000	Heritage & cultural \$'000	Other infrastructure plant & equipment \$'000	Intangibles \$'000	Other \$'000	Total \$'000
By purchase - appropriation equity	-	-	-	-	-	-	-	-
By purchase - appropriation ordinary annual services	-	-	-	-	-	-	-	-
By purchase - donated funds	-	-	-	-	-	-	-	-
By purchase - other	-	209,901	-	-	32,158	-	-	242,059
By finance lease	-	-	-	-	-	-	-	-
Assets received as gifts/donations	-	-	-	-	-	-	11	11
From acquisition of entities or operations (including restructuring)	-	-	-	-	-	-	-	-

The following non-financial non-current assets were added in 2008:

	Land \$'000	Buildings \$'000	Investment Properties \$'000	Heritage & cultural \$'000	Other infrastructure plant & equipment \$'000	Intangibles \$'000	Other \$'000	Total \$'000
By purchase - appropriation equity	-	-	-	-	-	-	-	-
By purchase - appropriation ordinary annual services	-	-	-	-	-	-	-	-
By purchase - donated funds	-	-	-	-	-	-	-	-
By purchase - other	11,658	104,411	-	-	25,125	-	-	141,194
By finance lease	-	-	-	-	-	-	-	-
Assets received as gifts/donations	-	-	-	-	-	-	-	-
From acquisition of entities or operations (including restructuring)	-	-	-	-	-	-	171	171

THE AUSTRALIAN NATIONAL UNIVERSITY

SCHEDULE OF ASSET ADDITIONS (Consolidated)
for the period ended 31 December 2009

The following non-financial non-current assets were added in 2009:

	Land \$'000	Buildings \$'000	Investment Properties \$'000	Heritage & cultural \$'000	Other infrastructure plant & equipment \$'000	Intangibles \$'000	Other \$'000	Total \$'000
By purchase - appropriation equity	-	-	-	-	-	-	-	-
By purchase - appropriation ordinary annual services	-	-	-	-	-	-	-	-
By purchase - donated funds	-	-	-	-	-	-	-	-
By purchase - other	-	209,980	-	-	32,706	-	-	242,686
By finance lease	-	-	-	-	-	-	-	-
Assets received as gifts/donations	-	-	-	-	-	-	11	11
From acquisition of entities or operations (including restructuring)	-	-	-	-	-	-	-	-

The following non-financial non-current assets were added in 2008:

	Land \$'000	Buildings \$'000	Investment Properties \$'000	Heritage & cultural \$'000	Other infrastructure plant & equipment \$'000	Intangibles \$'000	Other \$'000	Total \$'000
By purchase - appropriation equity	-	-	-	-	-	-	-	-
By purchase - appropriation ordinary annual services	-	-	-	-	-	-	-	-
By purchase - donated funds	-	-	-	-	-	-	-	-
By purchase - other	11,658	104,461	-	-	25,292	-	-	141,411
By finance lease	-	-	-	-	-	-	-	-
Assets received as gifts/donations	-	-	-	-	-	-	171	171
From acquisition of entities or operations (including restructuring)	-	-	-	-	-	-	-	-

FINANCIAL STATEMENTS continued

THE AUSTRALIAN NATIONAL UNIVERSITY

NOTES TO AND FORMING PART OF THE ACCOUNTS

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NOTES continued

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all years presented, unless otherwise stated. The financial report includes separate financial statements for The Australian National University ("the University") as an individual entity and the consolidated entity consisting of the University and its subsidiaries. The term "the University" in this context covers all aspects of total operations of the University excluding subsidiaries (see Note 47), and includes funds from a number of sources that can only be applied to restricted purposes. These funds are separately identified at Note 20 (a).

1.1 Basis of preparation of the Financial Statements

The financial statements are required by Schedule 1 to the Commonwealth Authorities and Companies Act 1997 and are general purpose financial statements.

The statements have been prepared in accordance with the Finance Minister's Orders for Financial Reporting (or FMO's, being the Requirements and Guidance for the Preparation of Financial Reports of Australian Government Entities for the reporting period ending on or after 01 July 2008), Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period and Financial Statements Guidelines for Higher Education Providers for 2009 issued in accordance with Section 19-10(2)(a) of the Higher Education Support Act issued by the Department of Education, Employment and Workplace Relations.

The Income Statement, Statement of Comprehensive Income and Balance Sheet have been prepared on an accrual basis and are in accordance with historical cost convention, except for certain assets and liabilities, which as noted, are at fair value. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position.

Compliance with International Financial Reporting Standards

The Financial Statements and notes of the University comply with Australian Accounting Standards, including the Interpretations, some of which contain requirements specific to not-for-profit (NFP) entities that are inconsistent with IFRS requirements. The main entity provisions, adopted by the parent entity, are in respect of the following.

- Accounting for Government grants. AASB 1004 Contributions requires contributions received or receivable to be recognised immediately as revenue when: the entity obtains control of the contribution or the right to receive the contribution; it is probable that the economic benefits comprising the contribution will flow to the entity; and the amount of the contribution can be measured reliably.
- Impairment of assets. Under AASB 136 Impairment of Assets, a NFP entity is entitled to recognise any impairment loss on a revalued asset directly against the available revaluation reserve in respect of the same class of asset.
- Assets received at nil or nominal value. Under AASB 102 Inventories, AASB 138 Intangible Assets, AASB 140 Investment Properties, and AASB 116 Property, Plant and Equipment, a NFP entity is entitled to recognise an asset, acquired at no cost or nominal cost, at its fair value as at the date of acquisition.

Future Australian Accounting Standard requirements

Adoption of New Australian Accounting Standards

The following new standards, amendments to standards or interpretations came into effect for the first time in the current financial year. All relevant standards and interpretations have been adopted by the University. None of these have resulted in changes in accounting policies for the current period.

AASB 123 Borrowing Costs
 AASB 2007-6 Amendments to Australian Accounting Standards arising from AASB 123
 AASB 101 Presentation of Financial Statements
 AASB 2007-8 Amendments to Australian Accounting Standards arising from AASB 101
 AASB 2008-5 Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASB 5, 7, 101, 102, 107, 108, 110, 116, 118, 119, 120, 123, 127, 128, 129, 131, 132, 134, 136, 138, 139, 140, 141, 1023 & 1038]
 AASB 2008-7 Amendments to Australian Accounting Standards- Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate [AASB 1, 118, 121, 127 & 136]
 AASB 2009-1 Amendments to Australian Accounting Standards- Borrowing Costs of Not-for-Profit Public Sector Entities [AASB 1, 111 & 123]
 AASB 2009-2 Amendments to Australian Accounting Standards- Improving Disclosures about Financial Instruments [AASB 4, 7, 1023 & 1038]
 AASB 2009-6 Amendments to Australian Accounting Standards
 AASB 7 Financial Instruments Disclosures

Future Accounting Standards

The following new standards, amendments to standards or interpretations, considered to be applicable to the University, have been issued by the Australian Accounting Standards Board but are effective for future reporting periods. It is estimated that the impact of adopting these pronouncements when effective will have no material financial impact on future reporting periods.

AASB 3 Business Combinations
 AASB 124 Related Party Disclosures
 AASB 127 Consolidated and Separate Financial Statements
 AASB 2008-3 Amendments to Australian Accounting Standards arising from AASB 3 and AASB 127
 AASB 2008-11 Amendments to Australian Accounting Standard- Business Combinations Among Not-for-Profit Entities [AASB 3]
 AASB 2008-8 Amendments to Australian Accounting Standards [AASB 5, 7, 107, 112, 136 & 139 and Interpretation 17]
 AASB 2009-1 Amendments to Australian Accounting Standards arising from the annual improvements project [AASB 1, AASB 5]
 AASB 2009-4 Amendments to Australian Accounting Standards arising from the annual improvements project [AASB 2, 138, Interpretation 9]
 AASB 2009-5 Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASB 5, 8, 101, 107, 117, 118, 136, 139]
 AASB 2009-7 Amendments to Australian [AASB 5, 7, 107, 112, 136 & 139 and Interpretation 17]
 AASB 2009-14 Amendments to Australian Interpretation – Prepayments of a Minimum Funding Requirement
 AASB 9 / AASB 2009-11 Financial Instruments and related amendments

FINANCIAL STATEMENTS continued

THE AUSTRALIAN NATIONAL UNIVERSITY

NOTES continued

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES continued

1.1 Basis of preparation of the Financial Statements continued

Critical accounting estimates and judgements

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the University's accounting policies. Critical accounting estimates and judgements have been exercised in a number of circumstances as detailed below.

Impairment of financial assets

An assessment is made at each balance date as to whether there is objective evidence that a financial asset or group of financial assets is impaired.

Collectability of trade receivables is reviewed on an ongoing basis. The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in the income statement within 'write down of assets' and 'other expenses'. A provision for impairment of receivables is established when there is objective evidence that the entity 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 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 receivables are not discounted if the effect of discounting is immaterial. When a receivable is uncollectible, it is written off against the allowance account for receivables. Subsequent recoveries of amounts previously written off are credited against other expense in the Income Statement.

If there is objective evidence that the cost may not be recovered, an available-for-sale investment is considered to be impaired. For available-for-sale equity instruments, objective evidence that the cost may not be recovered, in addition to qualitative impairment criteria, includes a significant or prolonged decline in the fair value below cost. The University's policy considers a significant decline to be one in which the fair value is below the weighted-average cost by more than 20% and a prolonged decline to be one in which the fair value is below the weighted-average cost for greater than 12 months.

If an available-for-sale investment is impaired based on the entity's qualitative or quantitative impairment criteria, any further declines in the fair value at subsequent reporting dates are recognised as impairments. Therefore, at each reporting period, for an available-for-sale investment that is determined to be impaired based upon the entity's impairment criteria, an impairment is recognised for the difference between the fair value and the original cost basis, less any previously recognised impairment.

For debt instruments, where there is a decrease in the impairment loss in a subsequent period which can be related objectively to an event after recognition of the impairment, the previous impairment loss is reversed through the Income Statement. Impairment losses on investments in equity instruments are reversed through equity.

Functional and presentation currency

The financial report is presented in Australian dollars.

Foreign currency transactions

Transactions denominated in a foreign currency are converted at the rate of exchange prevailing at the date of the transaction. At balance date, amounts receivable and payable in a foreign currency are translated at the exchange rate prevailing at that date and any exchange differences are brought to account in the Income Statement.

Rounding of amounts

Amounts in the financial report have been rounded off to the nearest thousand dollars, or in certain cases, the nearest dollar.

Comparative figures

Where necessary, comparative figures have been adjusted to conform with changes in presentation in these financial statements.

Consolidation

The consolidated financial report is prepared in accordance with AASB 127 Consolidated and Separate Financial Statements. The financial report includes the accounts of the parent entity, The Australian National University, and the accounts of the wholly and beneficially owned subsidiary companies ANU Enterprise Pty Ltd incorporated in the Australia, including its wholly owned subsidiary, Australian Scientific Instruments Pty Ltd, ANU Section 68 Pty Limited incorporated in Australia, and ANU (UK) Foundation incorporated in England and Wales.

The balances and effects of transactions between controlled entities included in the consolidated financial report have been eliminated.

Separate financial reports (except for the ANU UK Foundation) are also prepared by the University's controlled entities and are audited by the Australian National Audit Office.

The ANU UK Foundation is incorporated in the United Kingdom and is entitled to an exemption from the requirement to have an audit in the United Kingdom under the provisions of Section 476 of the Companies Act (UK) 2006. The financial report of the Foundation has been prepared in accordance with the Special Provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act (UK) 2006. The accounts of the Foundation are not audited by the Auditor-General as the Foundation is not an Australian based entity.

NOTES continued

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES continued

1.2 Change in Accounting Policy

There have been no changes in Accounting Policy during 2009.

1.3 Revenue Recognition

The University's operating revenue consists of Australian Government Financial Assistance including Higher Education Funding Act (HEFA), Higher Education Support Act (HESA), Higher Education Contribution Scheme (HECS), Higher Education Loan Programmes (HELP), Australian Research Council grants, ACT Government Financial Assistance, fees and charges, consultancy and contract research, investment income, and sales of goods and services.

The University treats operating grants and research income received from Australian Government entities and other funding bodies as income in the year of receipt.

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

Interest income is recognised on a time proportionate basis that takes into account the effective yield on the relevant asset.

Dividend income is recognised as it is received.

Other investment revenue is recognised as it is received, with the exception of unrealised gains and losses which arise from the year end valuation process as described in Note 1.12.

Revenue from sales of goods and services is recognised as it is received.

1.4 Gains

Gains from disposal of non-current assets are recognised when control of the asset has passed to the buyer.

1.5 Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of the item of expense. Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the Balance Sheet. Cash flows are included in the Cash Flow Statement on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

1.6 Income Tax

The University is exempt from income tax under Commonwealth legislation whilst the controlled entities, ANU Enterprise Pty Ltd and ANU Section 68 Pty Limited address taxation in the following way:

ANU Enterprise Pty Limited has self-assessed as complying with the requirements to be regarded as a Charitable Institution for taxation purposes and as such has made no provision for income tax.

ANU Section 68 Pty Limited and Australian Scientific Instruments Pty Ltd, a subsidiary of ANU Enterprise Pty Limited, are not exempt from income tax. The income tax expense for the period is the tax payable on the current period's taxable income based on the notional income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of the assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses. Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates which are enacted. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability.

1.7 Borrowing Expenses

All borrowing costs are expensed as incurred.

FINANCIAL STATEMENTS continued

THE AUSTRALIAN NATIONAL UNIVERSITY

NOTES continued

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES continued

1.8 Research and Development Costs

Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is recognised in the Income Statement when incurred.

Development activities involve a plan or design for the production of new or substantially improved products or processes. Development expenditure is capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the University and/or its related entities intends to and has sufficient resources to complete development and to use or sell the asset. The expenditure capitalised includes the cost of materials, direct labour and overhead costs that are directly attributable to preparing the asset for its intended use. Other development expenditure is recognised in the Income Statement when incurred.

Capitalised development expenditure is measured at cost less accumulated amortisation and accumulated impairment losses.

1.9 Leases

A distinction is made between finance leases and operating leases. Finance leases effectively transfer from the lessor to the lessee substantially all the risks and rewards incidental to ownership of leased non-current assets. An operating lease is a lease that is not a finance lease. In operating leases, the lessor effectively retains substantially all such risks and benefits.

Operating lease payments are expensed on a straight line basis which is representative of the pattern of benefits derived from the leased assets.

1.10 Cash and Cash Equivalents

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 that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

1.11 Financial Assets

University Funds are invested in accordance with Section 6(2) of the Australian National University Act 1991 (as amended) using guidelines approved by the Council of the University.

The University classifies its financial assets in the following categories:

- Financial assets as 'at fair value through profit or loss';
- 'Available-for-sale' financial assets; and
- 'Loans and receivables'.

They are included in non-current assets unless management intends to dispose of the asset within twelve months of the balance sheet date.

The categorisation of financial assets depends on the nature and purpose of the financial asset and is determined at the time of initial recognition in accordance with AASB 139 Financial Instruments: Recognition and Measurement.

Financial assets are recognised and derecognised upon 'trade date'.

The following classes have been identified by the University in accordance with AASB 7 Financial Instrument Disclosure:

Available-for-sale financial assets

- Australian cash deposits and short term securities
- Overseas denominated cash deposits and short term securities
- Investments – Interest bearing securities
- Investments – Domestic shares and listed securities
- Investments – Domestic unlisted securities
- Investments – Overseas managed funds

Loans and receivables

- Loans and receivables

Financial assets at fair value through profit or loss

- Receivables – Derivative instruments

NOTES continued

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES continued

1.11 Financial Assets continued

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, where appropriate, a shorter period. Income is recognised on an effective interest rate basis.

Available-for-sale financial assets

Available-for-sale financial assets 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 asset within 12 months of the balance sheet date.

Available-for-sale financial assets are initially recognised at fair value plus transaction costs.

Available-for-sale financial assets are recorded at fair value. Gains and losses arising from changes in fair value are recognised directly in the reserves (equity) with the exception of impairment losses. Interest is calculated using the effective interest method and foreign exchange gains and losses on monetary assets are recognised directly in profit or loss. Where the asset is disposed of or is determined to be impaired, part or all of the cumulative gain or loss previously recognised in the reserve is included in profit for the period.

Investments in Available-for-sale equity instruments which do not have a quoted market price in an active market and where fair value cannot be reliably measured are measured at cost.

Financial assets at fair value through profit or loss

Financial assets are classified as financial assets at fair value through profit or loss where the financial assets are a derivative that is not designated and effective as a hedging instrument.

Assets in this category are classified as current assets.

Financial assets at fair value through profit or loss are stated at fair value, with any resultant gain or loss recognised in the profit or loss. The net gain or loss recognised in profit or loss incorporates any interest earned on the financial asset.

Loans and receivables

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables' and are included in current assets. Loans and receivables with maturities greater than 12 months after the balance sheet date are classified as non-current assets.

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

1.12 Investments - Fair Value of Financial Assets

Investment assets of the University are stated at market value. Market value in relation to investments have been determined as:

Shares in public companies, stapled securities and convertible notes - the official market quotation bid price as listed by the Australian Stock Exchange at the close of business on 31 December 2009;

Fixed interest securities, such as semi government bonds are calculated from yields provided by UBS Investment Bank Rate Sheet as at 31 December 2009;

Managed investment funds and overseas managed investment funds - unit valuation supplied by the fund management groups as at 31 December 2009; and

Derivative contracts are determined by reference to the spot rate of the relevant currency as at 31 December 2009.

FINANCIAL STATEMENTS continued

THE AUSTRALIAN NATIONAL UNIVERSITY

NOTES continued

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES continued

1.13 Property, Plant and Equipment

1.13.1 Asset Recognition Threshold

Purchases of property, plant and equipment are recognised initially at cost in the Balance Sheet, except for purchases costing less than \$5,000, which are expensed in the year of acquisition (other than where they form part of similar items which are significant in total).

1.13.2 Depreciation

Depreciable property, plant and equipment assets are written off to their estimated residual value over their estimated remaining useful lives to the University using, in all cases, the straight line method of depreciation.

Depreciation rates applying to each class of depreciable are based on the following useful lives:

	<u>At Acquisition</u>	<u>At Revaluation</u>
	<u>Years</u>	<u>Years</u>
Buildings, Dwellings & Infrastructure	40	1 to 79
Plant and Equipment		
Motor vehicles	7	2 to 30
Computing equipment	5	1 to 17
Research / teaching equipment	7	1 to 44
Other	10	1 to 50

Heritage, cultural assets, and works of art are assessed as having an indefinite useful life and are not depreciated. The aggregate amount of depreciation allocated for each class of assets during the reporting period is disclosed in Note 12.

1.13.3 Valuation

Land as identified in Note 40, has been brought to account. Substantially all of the land in the Australian Capital Territory and the Northern Territory was revalued in 2007. The valuation was completed by independent valuers, the Australian Valuation Office. The valuation was on the basis of market value for existing use which is consistent with the establishment of the concept of deprival value for financial reporting purposes. These sites are provided free of charge by lease in perpetuity and the resultant valuation increment has been credited directly to the asset revaluation reserve.

Substantially all of the campus buildings and dwellings were revalued in 2009. The valuations were completed by independent valuers, Rushton Valuers Pty Ltd and Capital Valuers Pty Ltd. The Depreciated Replacement Cost approach was used to establish the Market Value for the Existing Use of the properties. The net revaluation increment was credited directly to the asset revaluation reserve. Campus buildings completed subsequent to the valuation are disclosed at cost. These assets are revalued every three years.

The initial costs of developing major administrative systems were initially captured and recognised within plant and equipment and are being amortised. Ongoing maintenance and development costs are expensed as incurred.

Rare library materials were revalued in 2007. The valuation was completed by independent qualified valuers, The Antique Bookshop and Curios.

Works of art were revalued in 2008. The valuation was completed by independent qualified valuers, AON International Valuation Consultants. Works of art purchased subsequent to the valuation are disclosed at cost.

1.13.4 Derecognition and disposal

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit or loss in the year the asset is derecognised.

NOTES continued

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES continued

1.14 Investment Property

Investment property, which is property held to earn rentals and/or for capital appreciation, is measured initially at cost, including transaction costs. Subsequent to initial recognition, investment property is measured at fair value. Gains or losses arising from changes in the fair value of investment property are included in the profit or loss in the period in which they arise.

The property valuation was based on the 'Capitalisation Approach and Discounted Cash Flow Analysis' and was carried out by CB Richard Ellis (V) Pty Ltd. The University revalued investment land and buildings as at 31 December 2009.

1.15 Intangible Assets

Goodwill in relation to ANU Enterprise Pty Limited, relates to goodwill arising on the acquisition of a subsidiary and represents the excess of the cost of the investment over the fair value of the net assets acquired at the date of the exchange. Goodwill is measured at cost less accumulated impairment losses. Goodwill is tested for impairment on an annual basis.

Intellectual property developed internally has not been brought to account as it cannot be reasonably measured.

1.16 Inventories

Inventories held for resale are valued at the lower of cost or net realisable value. Inventories held for distribution are valued at cost, adjusted for any loss of service potential. Costs are assigned to inventories using last purchase cost including costs incurred in bringing each product to its present location and condition. Equipment being constructed for onsale to third parties is held as work in progress at the cost of construction as at balance date.

1.17 Impairment of Assets

The University assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the University makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets and the asset's value in use cannot be estimated to be close to its fair value. In such cases the asset is tested for impairment as part of the cash-generating unit to which it belongs. When the carrying amount of an asset or cash-generating unit exceeds the recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses relating to continuing operations are recognised in the Income Statement in Impairment Loss expense unless the asset is carried at revalued amount (in which case the impairment loss is treated as a revaluation decrease).

1.18 Reversals of Impairment

An assessment is also made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount.

The increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the Income Statement unless the asset is carried at revalued amount, in which case the reversal is treated as a revaluation increase. After such a reversal, the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over the remaining useful life.

An impairment loss recognised for Goodwill cannot be reversed in a subsequent period.

1.19 Financial Liabilities

Suppliers and other payables

Trade creditors and accruals are recognised at their nominal amounts, being amounts at which the liabilities will be settled. Liabilities are recognised to the extent that the goods or services have been received.

Other financial liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

FINANCIAL STATEMENTS continued

THE AUSTRALIAN NATIONAL UNIVERSITY

NOTES continued

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES continued

1.20 Employee Entitlements

The liability for long service leave is recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at 31 December 2009. In determining the present value of the liability, probabilities of taking long service leave, attrition rates, and pay increases through promotion and inflation have been taken into account. In accordance with AASB 119 Employee Benefits, the University has adopted the market yields on ten-year government bonds for the purpose of calculating present values of future cash flows. Accrued long service leave is treated as both a current and a non-current liability.

Liabilities for annual leave are recognised and measured based on staff leave entitlements at reporting date at current pay rates. Accrued annual leave is treated as a current liability.

The provision for annual leave reflects the value of total annual leave entitlements of all employees at 31 December 2009 and is recognised in accordance with AASB 119 Employee Benefits.

No provision has been made for sick leave as all sick leave is non-vesting and the average sick leave taken by employees is less than the annual entitlement for sick leave.

Provision is also made for separation and redundancy payments in circumstances where the University has formally identified positions as excess to requirements and a reliable estimate of the amount of the payments can be determined.

1.21 Pensions and Other Post-Employment Benefits

The University participates in a defined benefit plan (Commonwealth Superannuation Scheme) which requires contributions to be made to the separately administered fund. The cost of providing benefits under the defined benefit plan is determined separately using the projected unit credit actuarial valuation method. Actuarial gains and losses are recognised in retained earnings, in accordance with AASB 119 Employee Benefits and FMOs, Section 44.3.

In addition the University contributes to the Superannuation Scheme for Australian Universities which is a defined benefit plan under Superannuation Law but, as a result of amendments to Clause 34 of UniSuper, a defined contribution plan under Accounting Standard AASB 119.

Details of the Scheme are outlined in Note 41.

1.22 Provisions

Provisions are recognised when the University has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the University expects some or all of the provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the Income Statement net of any reimbursement.

1.23 Reserves

The University has the following reserves:

Asset revaluation reserves

These reserves are used to account for the increases or decreases in the value of assets as a result of valuations.

Increases in the value of reserves are in accordance with valuation of assets policies stated in note 1.13. Decrements in reserves are either on disposal of assets where the disposed asset had previously been revalued and a reserve existed or on impairment of assets in accordance with AASB 136 Impairment of Assets where a revaluation reserve had existed for that asset class.

Special Reserves

These reserves are maintained to cover a range of special purposes:

Building – is maintained by the University, from amounts set aside out of profits primarily from the operation of University Halls of Residences and other trading activities to fund significant and unplanned maintenance requirements.

Equipment and Equipment replacement – is maintained by the University to meet unforeseen purchases of significant specialist research equipment.

Self insurance – is maintained by the University to meet the deductible component that may arise in regard to possible future claims under the University's insurance policies.

NOTES continued

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES continued

1.24 Unrecognised Financial Liabilities

Guarantees, not recognised in the Balance Sheet are disclosed in the Schedule of Contingencies. At the time of completion of the financial statements, there was no reason to believe that these guarantees would be called upon, and recognition of a liability was therefore not required.

1.25 Joint Ventures

Interest in a Jointly Controlled Operation

The University has an interest in a joint venture that is a jointly controlled operation. A joint venture is a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control. A jointly controlled operation involves use of assets and other resources of the venturers rather than establishment of a separate entity. The proportionate interests in the assets, liabilities, income, and expenses of the joint venture operations have been incorporated in the financial report under the appropriate headings. Details of the interest in the joint venture are set out in note 49.

Interest in Jointly Controlled Entity

The University's investments in jointly controlled entities are accounted for using the equity method of accounting.

Under the equity method, the investment in the entity is carried in the Balance Sheet at cost plus post-acquisition changes in the University's share of net assets of the entity. After the application of the equity method, the University determines whether it is necessary to recognise any additional impairment loss with respect to the University's net investment in the entity. The Income Statement reflects the University's share of the results of operations of the entity. Details of the interest in the joint venture are set out in note 49.

Interest in Co-operative Research Centres (CRC's)

The University also has interests in a number of CRC joint venture operations, contributions to which are expensed. Details of the CRC joint ventures are provided in note 42.

1.26 Private Sector Participation in the provision of Student Accommodation

The University has entered into two agreements where, under long term lease arrangements of its land, student accommodation facilities (SAF) have been constructed and are being operated in partnership with the private sector. Under the terms of the project deeds, ownership in the accommodation complex reverts to the University 40 years after the opening of the SAF's. At this stage the emerging share of the asset is not material. The SAF's provide accommodation to approximately 500 students each. The first facility was opened in January 2007 and the second in January 2009.

FINANCIAL STATEMENTS continued

THE AUSTRALIAN NATIONAL UNIVERSITY

NOTES continued

2. AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE INCLUDING HIGHER EDUCATION FUNDING ACT (HEFA), HIGHER EDUCATION CONTRIBUTION SCHEME (HECS) - HELP AND OTHER AUSTRALIAN GOVERNMENT LOAN PROGRAMMES

The information provided in this note is only relevant to the University - consolidated figures are not provided.

	Notes	University 2009 \$'000	2008 \$'000
(a) Australian Government Grants Scheme and Other Grants	50.1		
Commonwealth Grants Scheme [#]		58,308	52,848
Indigenous Support Programme		433	369
Higher Education Equity Support Programme		63	66
Disability Support Programme		104	98
Workplace Reform Programme		721	713
Workplace Productivity Programme		975	500
Learning & Teaching Performance Fund		2,451	4,026
National Institutes Funding		169,277	165,797
Teaching and Learning Capital Fund		18,155	-
Transitional Cost Program		526	747
Collaboration & Structural Reform Programme		-	-
Australian Government Grants Scheme - General		251,013	225,164
Australian Government Grants Scheme - Significant Item			
Higher Education Special Projects Program	50.2	-	-
Total Australian Government Grants Scheme and Other Grants		251,013	225,164
(b) Higher Education Loan Programmes	50.3		
HECS - HELP		32,537	27,598
FEE - HELP		10,209	6,748
Total Higher Education Loan Programmes		42,746	34,346
(c) Scholarships	50.4		
National Priority Scholarships		35	-
Australian Postgraduate Awards		6,438	5,249
International Postgraduate Research Scholarships		1,109	958
Indigenous Access Scholarships		71	53
Commonwealth Education Costs Scholarships		448	439
Commonwealth Accommodation Scholarships		1,354	761
Commonwealth Indigenous Scholarships		-	-
Total Scholarships		9,455	7,460
(d) DEEWR - Research	50.5		
Education Investment Fund		10,870	-
Diversity and Structural Adjustment Fund		2,983	2,517
Institutional Grants Scheme		16,973	17,499
Research Training Scheme		31,925	30,824
Systemic Infrastructure Initiative		-	-
Research Infrastructure Block Grants		16,469	17,881
Implementation Assistance Programme		252	260
Australian Scheme for Higher Education Repositories		343	268
Commercialisation Training Scheme		280	290
Total DEEWR - Research Grants		80,095	69,539
Total DEEWR		383,309	336,509

[#] Includes the basic CGS grant amount, CGS-Regional Loading and CGS-Enabling Loading.

NOTES continued

2. AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE INCLUDING HIGHER EDUCATION FUNDING ACT (HEFA), HIGHER EDUCATION CONTRIBUTION SCHEME (HECS) - HELP AND OTHER AUSTRALIAN GOVERNMENT LOAN PROGRAMMES continued

The information provided in this note is only relevant to the University - consolidated figures are not provided.

	Notes	University 2009 \$'000	2008 \$'000
(e) Australian Research Council	50.6		
(e)(i) Discovery	50.6(a)		
Project (Large Grants)		32,990	32,222
Fellowships		6,148	3,959
Indigenous Researchers Initiatives		15	(13)
Total Discovery		39,153	36,168
(e)(ii) Linkages	50.6(b)		
Special Research Initiatives		-	-
Infrastructure		4,580	2,185
International Researcher Exchange		349	341
Projects		7,274	6,027
Total Linkages		12,203	8,553
(e)(iii) Networks and Centres	50.6(c)		
Research Networks		541	1,061
Centres		7,232	7,089
Total Networks and Centres		7,773	8,150
(f) Other Australian Government financial assistance:			
Agriculture, Fisheries and Forestry		2,084	1,879
Broadband, Communications and the Digital Economy		1,981	1,180
Defence		1,432	1,000
Education, Employment and Workplace Relations		5,014	27,861
Environment, Water, Heritage and the Arts		5,361	4,780
Families, Housing, Community Services and Indigenous Affairs		1,387	1,592
Foreign Affairs and Trade		10,927	11,232
Health and Aged Care		41,361	28,096
Infrastructure, Transport, Regional Development and Local Government		23	8
Innovation, Industry, Science and Research		19,683	14,764
Prime Minister and Cabinet		395	36
Resources, Energy and Tourism		2,532	1,821
Other		9,046	9,043
Total Other Australian Government financial assistance		101,226	103,292
Total Australian Government financial assistance		543,664	492,672
Reconciliation			
Australian Government grants [a+c+d+e+f]		500,918	458,326
HECS-HELP - Australian Government payments		32,537	27,598
Other Australian Government loan programmes [FEE-HELP]		10,209	6,748
Total Australian Government financial assistance		543,664	492,672
(g) Australian Government Grants received - cash basis:			
CGS and Other DEEWR Grants		251,013	225,164
Higher Education Loan Programmes		42,746	34,346
Scholarships		9,455	7,460
DEEWR Research		80,095	69,539
ARC Grants		59,129	52,871
Other Australian Government Grants		101,602	106,556
Total Australian Government Grants received - cash basis		544,040	495,936
OS-Help (Net) *		112	119
Total Australian Government funding received - cash basis		544,152	496,055

* OS-Help receipts from the Australian Government are not included in the Income Statement.

FINANCIAL STATEMENTS continued

THE AUSTRALIAN NATIONAL UNIVERSITY

NOTES continued

	Consolidated		University	
	2009	2008	2009	2008
	\$'000	\$'000	\$'000	\$'000
3. STATE GOVERNMENT FINANCIAL ASSISTANCE				
ACT Government grants were received by the University during the reporting period:				
Contributions	4,371	2,284	4,371	2,284
Total state government financial assistance	4,371	2,284	4,371	2,284
4. FEES AND CHARGES				
Fees and charges collected during the reporting period were:				
Course fees and charges				
Continuing education & conferences	10,144	9,945	3,734	4,084
Full fee paying international students	68,919	56,785	68,917	56,790
Full fee paying domestic students	8,424	8,718	8,424	8,718
Total course fees and charges	87,487	75,448	81,075	69,592
Other fees and charges				
Parking fees	2,037	1,891	2,037	1,891
Rentals and hire facilities	4,033	4,404	4,294	4,453
Land Lease Premium	577	577	577	577
Student accommodation	17,350	16,820	17,358	16,820
Other student charges and fines	1,901	1,807	1,903	1,807
Total other fees and charges	25,898	25,499	26,169	25,548
Total fees and charges	113,385	100,947	107,244	95,140
5. INVESTMENT REVENUE				
Interest	30,010	36,455	29,487	35,912
Dividends	32,082	40,184	32,082	40,184
Rentals from investment properties	1,581	1,147	1,581	1,147
Direct investment expenditure	(818)	(1,096)	(771)	(1,096)
Total other investment revenue less direct investment expenditure	62,855	76,690	62,379	76,147
6. CONSULTANCY AND CONTRACTS				
Consultancy research	1,291	325	1,555	1,076
Contract research	42,433	37,138	42,535	36,066
Consultancy non-research	14,361	9,180	2,894	3,786
Contract non-research	6,018	6,563	6,019	6,650
Total consultancy and contracts	64,103	53,206	53,003	47,578
7. CONSTRUCTION CONTRACT REVENUE				
Design and construction	31,407	9,833	-	-
Other	2,171	2,655	-	-
Total construction and contract revenue	33,578	12,488	-	-

NOTES continued

	Consolidated		University	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
8. OTHER REVENUE				
Sundry income	10,262	11,625	10,888	11,591
Income arising from Joint Ventures and Associates	6,656	-	6,656	-
Sales of goods and services	18,473	17,462	14,156	14,594
Workers compensation reimbursements	593	590	593	590
Scholarships and prizes	1,030	147	1,030	1,050
Donations and bequests	6,843	8,509	6,843	9,112
Total other revenue	43,857	38,333	40,166	36,937
9. OTHER INCOME				
Investment income				
Unrealised investment income				
Interest bearing securities	-	-	-	-
Overseas investments	(6,570)	6,160	(6,570)	6,160
Forward foreign exchange contracts	4,461	(11,362)	4,461	(11,362)
Realised investment income				
Interest bearing securities	874	(3,034)	874	(3,034)
Overseas managed funds	(3,208)	(18,426)	(3,208)	(18,426)
Domestic unlisted investments	(34)	1,616	(34)	1,616
Domestic shares and listed securities	14,888	34,302	15,164	34,302
	10,211	9,256	10,687	9,256
Asset impairment reversal	3,667	110	3,667	110
Gains/(losses) on revaluation of investment property	600	(700)	600	(700)
Total other income	14,478	8,666	14,954	8,666
10. EMPLOYEES				
Academic				
Salaries	150,608	144,871	150,608	144,871
Superannuation Contributions	24,828	23,252	24,828	23,252
Long Service Leave Expense	(3,068)	10,163	(3,068)	10,163
Annual Leave	12,343	12,599	12,343	12,599
Total academic	184,711	190,905	184,711	190,905
Non-Academic				
Salaries ¹	153,282	145,571	148,773	141,598
Superannuation Contributions	25,416	23,687	24,652	23,008
Long Service Leave Expense	(1,544)	8,393	(1,597)	8,386
Annual Leave Expense	12,098	11,130	12,042	11,054
Total non-academic	189,252	188,781	183,870	184,046
Commonwealth Superannuation Account				
Pension payments	28,436	27,631	28,436	27,631
Employee superannuation entitlements expense	(533)	3,241	(533)	3,241
Total commonwealth superannuation account	27,903	30,872	27,903	30,872
Total employee expenses	401,866	410,558	396,484	405,823
1. Non academic staff salaries comprise:				
Administrative staff	106,728	99,602	102,219	95,629
Technical staff	24,586	25,524	24,586	25,524
Research officers	12,803	11,490	12,803	11,490
Service staff including security	5,389	5,092	5,389	5,092
Librarians	1,160	1,289	1,160	1,289
Trade staff	2,616	2,574	2,616	2,574
Total non academic staff salaries	153,282	145,571	148,773	141,598

FINANCIAL STATEMENTS continued

THE AUSTRALIAN NATIONAL UNIVERSITY

NOTES continued

	Consolidated		University	
	2009	2008	2009	2008
	\$'000	\$'000	\$'000	\$'000
11. SERVICES				
Site maintenance and servicing ¹	41,809	38,499	41,735	38,111
Consumables, research and training materials	100,176	96,325	87,937	89,560
Employee related expenses	29,177	27,684	28,538	27,150
Travel, conferences and fieldwork	27,429	28,601	27,209	28,376
Project Contributions	22,697	17,658	22,774	17,658
Scholarships	42,803	39,387	42,869	39,483
Miscellaneous operating expenses ²	14,621	10,009	13,097	11,226
Total cost of services	278,712	258,163	264,159	251,564
1. Site maintenance and servicing includes:				
Electricity and gas	9,134	8,097	9,053	7,968
Cleaning expenses	8,074	8,509	8,220	8,405
Municipality charges	2,960	2,383	2,918	2,344
Total Miscellaneous site expenses	20,168	18,989	20,191	18,717
Building repairs and maintenance	15,627	14,046	15,579	13,979
Grounds maintenance	1,486	1,254	1,486	1,254
Other Site Maintenance and servicing expenses	4,528	4,210	4,479	4,161
Total maintenance expenses	21,641	19,510	21,544	19,394
Total site maintenance and servicing	41,809	38,499	41,735	38,111
2. Miscellaneous operating expenses includes:				
Advertising	2,483	2,388	2,483	2,388
Management fees	1,209	1,328	1,236	1,328
Membership - professional bodies	2,953	2,019	2,943	1,990
Staff development	1,331	860	1,311	866
Audit expenses, internal and external	733	645	593	533
Patent, copyright and royalties	1,182	6	706	909
Legal expenses, settlements	1,044	1,076	1,023	1,068
Other Miscellaneous operating expenses	3,686	1,667	2,802	2,144
Total Miscellaneous operating expenses	14,621	10,009	13,097	11,226
12. DEPRECIATION AND AMORTISATION				
Property at cost	2,557	1,464	2,555	1,464
Property at valuation	22,508	22,518	22,196	22,207
Plant, equipment and motor vehicles at cost	19,286	17,964	19,183	17,879
Plant, equipment and motor vehicles at deemed cost	5,592	6,577	5,592	6,577
Licence Agreement	20	19	20	19
Total depreciation and amortisation	49,963	48,542	49,546	48,146

NOTES continued

	Consolidated		University	
	2009	2008	2009	2008
	\$'000	\$'000	\$'000	\$'000
13. WRITE-DOWN AND IMPAIRMENT OF ASSETS				
Impairment losses - financial instruments				
Interest bearing securities	3,622	14,184	3,622	14,184
Domestic shares and listed securities	1,704	101,969	1,704	101,969
Domestic unlisted investments	33,686	13,786	33,686	13,786
Equity accounted associates	7,873	2,625	7,873	2,625
Overseas managed funds	-	25,530	-	25,530
	<u>46,885</u>	<u>158,094</u>	<u>46,885</u>	<u>158,094</u>
Expenses arising from Joint Ventures and Associates	2,660	6,804	2,660	6,804
Allowance for doubtful debts	(495)	92	(495)	92
Bad debts expense	841	59	841	59
Total write-down and impairment losses	<u>49,891</u>	<u>165,049</u>	<u>49,891</u>	<u>165,049</u>
14. FINANCE COST				
Borrowing cost expense - interest	5,242	9,409	5,242	9,409
Borrowing cost expense - other expenses	8	3	8	3
Total borrowing cost expense	<u>5,250</u>	<u>9,412</u>	<u>5,250</u>	<u>9,412</u>
15. LOSSES ON DISPOSAL OF ASSETS				
Loss on disposal of property, plant, equipment and motor vehicles	3,080	441	3,120	942
Gain on disposal of property, plant, equipment and motor vehicles	(103)	(205)	(103)	(205)
Net losses on disposal of assets	<u>2,977</u>	<u>236</u>	<u>3,017</u>	<u>737</u>
16. CONSTRUCTION EXPENSES				
Design and construction	31,407	9,833	-	-
Other	50	1,544	-	-
Total construction expenses	<u>31,457</u>	<u>11,377</u>	<u>-</u>	<u>-</u>
17. INCOME TAX BENEFIT/(EXPENSE)				
<i>Recognised in the Income Statement</i>				
<i>Current tax income/(expense)</i>				
Current year	(502)	(224)	-	-
Adjustment from prior year	10	-	-	-
<i>Deferred tax income/(expense)</i>				
Origination and reversal of temporary differences	(119)	(92)	-	-
Total income tax income/(expense)	<u>(611)</u>	<u>(316)</u>	<u>-</u>	<u>-</u>

FINANCIAL STATEMENTS continued

THE AUSTRALIAN NATIONAL UNIVERSITY

NOTES continued

	Consolidated		University	
	2009	2008	2009	2008
	\$'000	\$'000	\$'000	\$'000
18. CASH AND CASH EQUIVALENTS				
Cash on hand	39	35	39	35
Cash at bank	14,998	15,491	12,702	13,546
Deposits at call	151,767	110,375	137,995	101,265
	<u>166,804</u>	<u>125,901</u>	<u>150,736</u>	<u>114,846</u>

18.(a) Cash on hand

This is non-interest bearing.

18.(b) Cash at Bank

Cash held at banks is held in interest bearing accounts with rates between 0.10% and 3.75% (2008 - 0.10% and 4.25%). These deposits are at call.

18.(c) Deposits at call

The deposits are bearing floating interest rates between 3.75% and 5.7% (2008 - 4.15% and 7.61%). These deposits have an average maturity of 39 days.

19. LOANS AND RECEIVABLES

Current receivables:

Goods and services	21,595	21,796	19,397	19,118
Less: Allowance for doubtful debts	(892)	(1,387)	(892)	(1,387)
	<u>20,703</u>	<u>20,409</u>	<u>18,505</u>	<u>17,731</u>
Income due	6,360	5,752	6,360	5,752
Interest receivable	5,597	5,909	5,552	5,860
GST receivable	2,180	1,616	2,084	1,597
	<u>34,840</u>	<u>33,686</u>	<u>32,501</u>	<u>30,940</u>

Non-current receivables:

Loans	1,000	1,000	1,000	1,000
Loans to related party ¹	500	500	500	500
	<u>1,500</u>	<u>1,500</u>	<u>1,500</u>	<u>1,500</u>
Total non-current receivables				
	<u>1,500</u>	<u>1,500</u>	<u>1,500</u>	<u>1,500</u>
Total receivables	<u>36,340</u>	<u>35,186</u>	<u>34,001</u>	<u>32,440</u>

1. Refer to Note 35 - Related Parties

Ageing of receivables (gross):

Not overdue	29,719	27,322	29,719	27,322
Less than 30 days overdue	2,517	4,365	2,252	2,508
30 to 60 days overdue	1,265	1,613	678	1,428
61 to 90 days overdue	494	325	406	258
More than 90 days	3,237	2,948	1,836	2,311
	<u>37,232</u>	<u>36,573</u>	<u>34,893</u>	<u>33,827</u>

Ageing of allowance for doubtful debts

Not overdue	74	6	74	6
Less than 30 days overdue	10	4	10	4
30 to 60 days overdue	55	186	55	186
61 to 90 days overdue	63	35	63	35
More than 90 days	690	1,156	690	1,156
	<u>892</u>	<u>1,387</u>	<u>892</u>	<u>1,387</u>

Reconciliation of Allowance for Doubtful Debts:

Opening Balance 1 January	1,387	1,295	1,387	1,295
Amounts written off	-	-	-	-
Amounts recovered and reversed	-	-	-	-
Increase/(decrease) recognised in net surplus	(495)	92	(495)	92
Closing Balance 31 December	<u>892</u>	<u>1,387</u>	<u>892</u>	<u>1,387</u>

NOTES continued

	Consolidated		University	
	2009	2008	2009	2008
	\$'000	\$'000	\$'000	\$'000
20. INVESTMENTS				
<i>Current investments:</i>				
<i>Listed Securities:</i>				
Interest bearing securities	1,653	5,567	1,653	5,567
<i>Total listed securities</i>	<u>1,653</u>	<u>5,567</u>	<u>1,653</u>	<u>5,567</u>
<i>Unlisted Securities:</i>				
Interest bearing securities	132,739	151,838	132,739	151,338
<i>Total unlisted securities</i>	<u>132,739</u>	<u>151,838</u>	<u>132,739</u>	<u>151,338</u>
Total current investments	<u>134,392</u>	<u>157,405</u>	<u>134,392</u>	<u>156,905</u>
<i>Non-current investments:</i>				
<i>Listed Securities:</i>				
Domestic shares and listed securities	303,889	238,094	303,888	238,094
Interest bearing securities	60,551	59,377	60,551	59,377
<i>Total listed securities</i>	<u>364,440</u>	<u>297,471</u>	<u>364,439</u>	<u>297,471</u>
<i>Unlisted Securities:</i>				
Interest bearing securities	246,800	239,507	246,443	239,507
Overseas managed funds	67,093	75,319	67,093	75,318
Domestic unlisted investments	118,770	149,507	118,770	149,507
Interests in related parties	-	-	7,200	7,200
<i>Total unlisted securities</i>	<u>432,663</u>	<u>464,333</u>	<u>439,506</u>	<u>471,532</u>
Total non-current investments	<u>797,103</u>	<u>761,804</u>	<u>803,945</u>	<u>769,003</u>
Total investments	<u>931,495</u>	<u>919,209</u>	<u>938,337</u>	<u>925,908</u>

20.(a) Restricted Funds

The University holds investments arising from donations and bequests from donors for the purpose of funding scholarships, prizes, foundations and endowments in general. As at 31 December 2009, the University held \$126,983,582 (2008 \$106,573,751) in restricted funds.

FINANCIAL STATEMENTS continued

THE AUSTRALIAN NATIONAL UNIVERSITY

NOTES continued

	Consolidated		University	
	2009	2008	2009	2008
	\$'000	\$'000	\$'000	\$'000
21. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD				
Investments in associates	31,854	25,561	31,854	25,561
Provision for impairment - interests in associates	(17,092)	(10,521)	(17,092)	(10,521)
Investments in jointly controlled entities	5,004	5,899	5,004	5,899
Provision for impairment - interests in jointly controlled entities	(4,220)	(3,793)	(4,220)	(3,793)
Total investments accounted for using the equity method	15,546	17,146	15,546	17,146
Reconciliation				
Balance at 1 January 2009	17,146	18,158	17,146	18,158
Share of profit/(loss) for the year	5,885	988	5,885	988
Additions	(487)	9,253	(487)	9,253
Impairments	(6,998)	(11,253)	(6,998)	(11,253)
Balance at 31 December 2009	15,546	17,146	15,546	17,146
22. LAND, BUILDINGS AND INFRASTRUCTURE, PLANT AND EQUIPMENT				
Land, Buildings and Infrastructure				
Buildings under construction	100,653	68,620	100,653	68,620
Site infrastructure at cost	-	1,183	-	1,183
Accumulated depreciation	-	(82)	-	(82)
Land at Cost	11,658	11,658	11,658	11,658
Dwellings at cost	-	-	-	-
Accumulated depreciation	-	-	-	-
Campus buildings at cost	44,053	95,996	44,053	95,996
Accumulated depreciation	(92)	(2,452)	(92)	(2,452)
Land, buildings and infrastructure at cost	55,619	106,303	55,619	106,303
Site infrastructure at valuation	40,947	25,328	40,947	25,328
Accumulated depreciation	(4)	(1,786)	(4)	(1,786)
Land at valuation	58,543	58,543	58,543	58,543
Dwellings at valuation	12,203	14,530	12,203	14,530
Accumulated depreciation	-	(620)	-	(620)
Campus buildings at valuation	904,817	900,845	894,317	890,545
Accumulated depreciation	(16)	(40,166)	(16)	(40,166)
Land, buildings and infrastructure at valuation	1,016,490	956,674	1,005,990	946,374
Crown Lease at valuation	8,250	8,250	8,250	8,250
Accumulated amortisation	(1,833)	(917)	(1,833)	(917)
Amortised crown lease	6,417	7,333	6,417	7,333
Total land, buildings and infrastructure	1,179,179	1,138,930	1,168,679	1,128,630
Plant and Equipment				
Plant and equipment under construction	20,962	19,213	20,962	19,213
Plant, equipment and motor vehicles at cost	141,910	133,435	140,719	131,412
Accumulated depreciation	(70,017)	(66,170)	(69,599)	(64,479)
Plant, equipment and motor vehicles at deemed cost	59,200	61,079	59,200	61,079
Accumulated depreciation	(35,247)	(31,209)	(35,247)	(31,209)
	95,846	97,135	95,073	96,803
Works of art at cost	168	55	168	55
Works of art at valuation	31,031	31,045	31,031	31,045
	31,199	31,100	31,199	31,100
Rare library materials at valuation	9,422	9,411	9,422	9,411
	9,422	9,411	9,422	9,411
Total plant and equipment	157,429	156,859	156,656	156,527
Total land, buildings and infrastructure, plant and equipment	1,336,608	1,295,789	1,325,335	1,285,157

NOTES continued

22. LAND, BUILDINGS AND INFRASTRUCTURE, PLANT AND EQUIPMENT continued

Table A: Reconciliation of the opening and closing balances of land, buildings and infrastructure, plant and equipment (Consolidated only)

	Land \$'000	Buildings \$'000	Infrastructure & Crown Lease \$'000	Total land, buildings and infrastructure \$'000	Plant and equipment \$'000	Total \$'000
Gross value						
As at 1 January 2009	70,201	1,079,991	34,761	1,184,953	254,238	1,439,191
Additions	-	209,960	1,657	211,617	31,060	242,677
Revaluations	-	(138,294)	12,779	(125,515)	(11)	(125,526)
Disposals	-	(89,931)	-	(89,931)	(22,594)	(112,525)
As at 31 December 2009	70,201	1,061,726	49,197	1,181,124	262,693	1,443,817
Accumulated depreciation / amortisation						
As at 1 January 2009	-	43,238	2,785	46,023	97,379	143,402
Charge for the reporting period	-	23,151	1,911	25,062	24,881	49,943
Disposals	-	-	-	-	(16,996)	(16,996)
Revaluations	-	(66,281)	(2,859)	(69,140)	-	(69,140)
As at 31 December 2009	-	108	1,837	1,945	105,264	107,209
Net book value as at 31 December 2009	70,201	1,061,618	47,360	1,179,179	157,429	1,336,608
Net book value as at 1 January 2009	70,201	1,036,753	31,976	1,138,930	156,859	1,295,789

Table B: Reconciliation of the opening and closing balances of land, buildings and infrastructure, plant and equipment (University only)

Item	Land \$'000	Buildings \$'000	Infrastructure & Crown Lease \$'000	Total land, buildings and infrastructure \$'000	Plant and equipment \$'000	Total \$'000
Gross value						
As at 1 January 2009	70,201	1,069,691	34,761	1,174,653	252,215	1,426,868
Additions	-	209,901	1,656	211,557	30,513	242,070
Revaluations	-	(138,435)	12,780	(125,655)	(11)	(125,666)
Disposals	-	(89,931)	-	(89,931)	(21,215)	(111,146)
As at 31 December 2009	70,201	1,051,226	49,197	1,170,624	261,502	1,432,126
Accumulated depreciation / amortisation						
As at 1 January 2009	-	43,238	2,785	46,023	95,688	141,711
Charge for the reporting period	-	22,838	1,912	24,750	24,776	49,526
Disposals	-	-	-	-	(15,618)	(15,618)
Revaluations	-	(65,968)	(2,860)	(68,828)	-	(68,828)
As at 31 December 2009	-	108	1,837	1,945	104,846	106,791
Net book value as at 31 December 2009	70,201	1,051,118	47,360	1,168,679	156,656	1,325,335
Net book value as at 1 January 2009	70,201	1,026,453	31,976	1,128,630	156,527	1,285,157

FINANCIAL STATEMENTS continued

THE AUSTRALIAN NATIONAL UNIVERSITY

NOTES continued

22. LAND, BUILDINGS AND INFRASTRUCTURE, PLANT AND EQUIPMENT continued

Table C: Reconciliation of the opening and closing balances of land, buildings and infrastructure, plant and equipment at valuation (Consolidated only)

Item	Land \$'000	Buildings \$'000	Infrastructure \$'000	Total land, buildings and infrastructure \$'000	Plant and equipment \$'000	Total \$'000
Gross value						
As at 1 January 2009	58,543	915,375	33,578	1,007,496	40,456	1,047,952
Additions	-	59	-	59	11	70
Revaluations	-	1,586	15,619	17,205	(11)	17,194
Disposals	-	-	-	-	(3)	(3)
As at 31 December 2009	58,543	917,020	49,197	1,024,760	40,453	1,065,213
Accumulated depreciation / amortisation						
As at 1 January 2009	-	40,786	2,703	43,489	-	43,489
Charge for the reporting period	-	20,393	1,802	22,195	-	22,195
Disposals	-	-	-	-	-	-
Revaluations	-	(61,163)	(2,668)	(63,831)	-	(63,831)
As at 31 December 2009	-	16	1,837	1,853	-	1,853
Net book value as at 31 December 2009	58,543	917,004	47,360	1,022,907	40,453	1,063,360
Net book value as at 1 January 2009	58,543	874,589	30,875	964,007	40,456	1,004,463

Table D: Assets under construction (Consolidated only)

Item	Land \$'000	Buildings \$'000	Infrastructure \$'000	Total land, buildings and infrastructure \$'000	Plant and equipment \$'000	Total \$'000
As at 31 December 2009						
Gross value	-	100,653	-	100,653	20,962	121,615
Accumulated depreciation/amortisation	-	-	-	-	-	-
Net book value	-	100,653	-	100,653	20,962	121,615
As at 31 December 2008						
Gross value	-	68,620	-	68,620	19,213	87,833
Accumulated depreciation/amortisation	-	-	-	-	-	-
Net book value	-	68,620	-	68,620	19,213	87,833

NOTES continued

	Consolidated		University	
	2009	2008	2009	2008
	\$'000	\$'000	\$'000	\$'000
23. INVESTMENT PROPERTY				
Properties at fair value	16,600	16,000	16,600	16,000
	<u>16,600</u>	<u>16,000</u>	<u>16,600</u>	<u>16,000</u>

Table A: Reconciliation of the opening and closing balances of investment property

Balance as at 1 January 2009	16,000	18,855	16,000	18,855
Additions	-	-	-	-
Net gain/(loss) from fair value adjustment	600	(700)	600	(700)
Disposals	-	(2,155)	-	(2,155)
Balance as at 31 December 2009	<u>16,600</u>	<u>16,000</u>	<u>16,600</u>	<u>16,000</u>

Rental income from investment properties was \$1,191,968 in 2009 (2008- \$1,147,230).
Operating expenses in relation to these properties were \$759,271 in 2009 (2008- \$1,096,335).

No indicators of impairment were found for investment properties.

24. INTANGIBLES

Non-current assets:

Goodwill on acquisition	180	180	-	-
Impairment of goodwill	(103)	(103)	-	-
Total non-current assets	<u>77</u>	<u>77</u>	<u>-</u>	<u>-</u>

Table A: Reconciliation of the opening and closing balances of intangibles

Balance as at 1 January 2009	77	77	-	-
Impairment recognised in the operating result	-	-	-	-
Balance as at 31 December 2009	<u>77</u>	<u>77</u>	<u>-</u>	<u>-</u>

25. INVENTORIES

Inventory held for sale	139	120	139	120
Consumables in store	807	911	807	911
WIP equipment for sale	2,080	1,539	237	135
	<u>3,026</u>	<u>2,570</u>	<u>1,183</u>	<u>1,166</u>

26. OTHER NON-FINANCIAL ASSETS

Current assets:

Advance payments and prepaid expenditure	16,366	13,957	16,311	13,919
Licence Agreement	166	145	166	145
Amortisation of Licence Agreement	(145)	(125)	(145)	(125)
Total current assets	<u>16,387</u>	<u>13,977</u>	<u>16,332</u>	<u>13,939</u>

Non-current assets:

Licence Agreement	273	294	273	294
Total non-current assets	<u>273</u>	<u>294</u>	<u>273</u>	<u>294</u>
Total other non-financial assets	<u>16,660</u>	<u>14,271</u>	<u>16,605</u>	<u>14,233</u>

No indicators of impairment were found for other non-financial assets.

FINANCIAL STATEMENTS continued

THE AUSTRALIAN NATIONAL UNIVERSITY

NOTES continued

	Consolidated		University	
	2009	2008	2009	2008
	\$'000	\$'000	\$'000	\$'000
27. SUPPLIERS				
<i>Current liability:</i>				
Suppliers	49,280	62,759	47,549	61,833
Total current liabilities	49,280	62,759	47,549	61,833
<i>Non-current liability:</i>				
Suppliers	-	-	-	-
Total non-current liabilities	-	-	-	-
Total payables to suppliers	49,280	62,759	47,549	61,833

Supplier payables are current. Settlement is usually made net 30 days.

28. OTHER PAYABLES

<i>Other current payables:</i>				
Income in advance	21,369	20,194	16,621	16,924
Other creditors	2,337	12,908	2,330	12,902
Income tax expense	278	115	-	-
Deferred tax liability	291	182	-	-
Construction project liability	2,713	2,440	-	-
Incomplete project revenue	695	572	-	-
Total other current payables	27,683	36,411	18,951	29,826
<i>Other non-current payables:</i>				
Income in advance	-	83	-	-
Total other non-current payables	-	83	-	-
Total other payables	27,683	36,494	18,951	29,826

29. LOANS

<i>Current liability:</i>				
Indexed Annuity Bonds	1,546	1,834	1,546	1,834
Total current liabilities	1,546	1,834	1,546	1,834
<i>Non-current liability:</i>				
Indexed Annuity Bonds	112,419	114,723	112,419	114,723
Total non-current liabilities	112,419	114,723	112,419	114,723
Total loans	113,965	116,557	113,965	116,557

The University has issued unsecured Indexed Annuity Bonds in October 2004 with a maturity of 25 years. The loan is repayable by quarterly instalments of principal and interest that are indexed in alignment with the Australian Consumer Price Index (CPI). The real yield payable on the Bonds is 3.235% with an effective CPI base of 30 June 2004. The carrying amount of the borrowings are denominated in Australian dollars.

30. EMPLOYEE BENEFITS

<i>Current liability:</i>				
Accrued salary and related expenses	9,240	7,052	9,240	7,052
Superannuation levy	1,182	931	1,182	931
Employee redundancy and early retirement scheme	160	85	160	85
Employee superannuation entitlements	26,913	26,913	26,913	26,913
Annual Leave entitlements	34,924	31,410	34,476	31,018
Long Service Leave entitlements	44,225	52,230	43,997	52,057
Total current liability	116,644	118,621	115,968	118,056
<i>Non-current liability:</i>				
Employee superannuation entitlements	486,194	589,527	486,194	589,527
Long Service Leave entitlements	13,973	16,103	13,935	16,063
Total non-current liability	500,167	605,630	500,129	605,590
Total provisions and payables to employees	616,811	724,251	616,097	723,646

NOTES continued

	Consolidated		University	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
31. RESERVES				
<i>Asset Revaluation Surplus:</i>				
Asset revaluation - Property	742,748	799,124	735,104	791,932
Asset revaluation - Plant & Equipment	27,373	27,385	27,373	27,385
Asset revaluation - Investments	105,811	(7,848)	105,808	(7,851)
Asset revaluation - Crown Lease	8,501	8,501	8,501	8,501
Asset revaluation - Rare Library Materials	6,894	6,890	6,894	6,890
Total asset revaluation surplus	891,327	834,052	883,680	826,857
<i>Special Reserves:</i>				
Building	12,108	13,200	12,108	13,200
Equipment	12,466	10,667	12,466	10,667
Self insurance	8,265	7,682	8,265	7,682
Total special reserves	32,839	31,549	32,839	31,549
Total reserves	924,166	865,601	916,519	858,406
Summary of movements in reserves during the year ended 31 December 2009				
Balance at beginning of year	865,601	1,041,171	858,406	1,034,307
Transfer (to)/from income	38,201	(68,678)	38,201	(68,678)
Increments/(decrements) on revaluation	19,074	(107,977)	18,622	(108,308)
Transfer (to)/from retained surpluses	1,290	1,085	1,290	1,085
Balance at end of year	924,166	865,601	916,519	858,406
Movements in reserves				
<i>Asset revaluation - Property</i>				
Balance at beginning of year	799,124	798,866	791,932	792,017
Increments/(decrements) on revaluation of Buildings	(56,376)	258	(56,826)	(85)
Balance at end of year	742,748	799,124	735,104	791,932
<i>Asset revaluation - Plant and Equipment</i>				
Balance at beginning of year	27,385	25,878	27,385	25,878
Increments/(decrements) on revaluation	(12)	1,507	(12)	1,507
Balance at end of year	27,373	27,385	27,373	27,385
<i>Asset revaluation - Investments</i>				
Balance at beginning of year	(7,848)	170,742	(7,851)	170,727
Transfer (to)/from income	38,201	(68,678)	38,201	(68,678)
Increments/(decrements) on revaluation	75,458	(109,912)	75,458	(109,900)
Balance at end of year	105,811	(7,848)	105,808	(7,851)

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NOTES continued

	Consolidated		University	
	2009	2008	2009	2008
	\$'000	\$'000	\$'000	\$'000
31. RESERVES continued				
<i>Asset revaluation - Crown Lease</i>				
Balance at beginning of year	8,501	8,501	8,501	8,501
Balance at end of year	8,501	8,501	8,501	8,501
<i>Asset revaluation - Rare Library Materials</i>				
Balance at beginning of year	6,890	6,720	6,890	6,720
Increments on revaluation	4	170	4	170
Balance at end of year	6,894	6,890	6,894	6,890
<i>Building</i>				
Balance at beginning of year	13,200	12,448	13,200	12,448
Transfer from retained surpluses	(4,006)	3,818	(4,006)	3,818
Transfer to retained surpluses	2,914	(3,066)	2,914	(3,066)
Balance at end of year	12,108	13,200	12,108	13,200
<i>Equipment</i>				
Balance at beginning of year	10,667	11,102	10,667	11,102
Transfer from retained surpluses	(827)	3,030	(827)	3,030
Transfer to retained surpluses	2,626	(3,465)	2,626	(3,465)
Balance at end of year	12,466	10,667	12,466	10,667
<i>Self insurance of dwellings and buildings</i>				
Balance at beginning of year	7,682	6,914	7,682	6,914
Transfer from retained surpluses	(209)	877	(209)	877
Transfer to retained surpluses	792	(109)	792	(109)
Balance at end of year	8,265	7,682	8,265	7,682

NOTES continued

	Consolidated		University	
	2009	2008	2009	2008
	\$'000	\$'000	\$'000	\$'000
32. RECONCILIATION OF OPERATING RESULT TO NET CASH FLOWS FROM OPERATIONS				
Reported net operating surplus/(deficit) from ordinary activities	69,254	(108,252)	67,124	(111,192)
Depreciation and amortisation of property, plant and equipment	49,963	48,542	49,546	48,146
Impairment losses	46,885	158,094	46,885	158,094
Net loss on disposal of assets	2,977	482	3,017	737
Net (gain) on revaluation of investment property	(600)	700	(600)	700
Net (gain) on asset impairment reversal	(3,667)	(110)	(3,667)	(110)
Expenses arising from joint venture interests	2,660	6,804	2,660	6,804
Provision for doubtful debts	(495)	92	(495)	92
Provision for income tax	-	(14)	-	-
Unrealised (gain)/loss on investments	(4,497)	(1,322)	(4,495)	(1,322)
Realised (gain)/loss on investment sales	(304)	(68,674)	(304)	(68,674)
<u>Increase/(decrease) in operating assets</u>				
Receivables	15	5,779	(1,066)	2,209
Advance payments and prepaid expenditure	(3,115)	103	(2,392)	137
Inventories	(455)	2,120	(17)	(103)
Other	(7)	-	-	-
<u>Increase/(decrease) in operating liabilities</u>				
Provision for employee entitlements	2,550	2,738	2,439	2,195
Employee related liabilities	(7,188)	21,378	(7,188)	21,378
Trade creditors	1,752	2,224	915	2,460
Other provisions and payables	(8,283)	13,286	(10,875)	18,193
Net cash flows from operating activities	147,445	83,970	141,487	79,744

33. CONTINGENT ASSETS

The University lost significant assets at the Research School of Astronomy and Astrophysics, Mt Stromlo Observatory as a result of the Canberra firestorms on 18 January 2003. The University initiated legal proceedings against the insurance companies and later joined the broker involved. The University settled the court proceedings against the insurance companies in December 2006, however legal action against the broker is continuing. The final outcome of this action cannot be reliably measured at this time.

FINANCIAL STATEMENTS continued

THE AUSTRALIAN NATIONAL UNIVERSITY

NOTES continued

34. CONTINGENT LIABILITIES

The following guarantees have been provided:

Guarantee	Purpose	Consolidated		University	
		2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
ANZ Bank	To support financing arrangements entered into by Burgmann College for building development	8,915	8,915	8,915	8,915
Credit Union of Canberra	To support financing arrangements entered into by needy students	13	11	13	11
National Bank	To support export projects	524	552	-	-
		<u>9,452</u>	<u>9,478</u>	<u>8,928</u>	<u>8,926</u>

The University is currently involved in a number of legal matters. The liability of the University in respect of these matters cannot be reliably estimated at this time.

35. DIRECTORS' REMUNERATION

	Consolidated		University	
	2009 Number	2008 Number	2009 Number	2008 Number
\$1 - \$14,999	2	2	-	-
\$15,000 - \$29,999	4	3	-	-
\$30,000 - \$44,999	-	1	-	-
\$105,000-\$114,999	1	-	-	-
\$155,000-\$169,999	-	1	-	-
	<u>7</u>	<u>7</u>	<u>-</u>	<u>-</u>
Total remuneration received or due and receivable by Directors of the Consolidated Entity	<u>198,000</u>	<u>263,000</u>	<u>-</u>	<u>-</u>

Employees of the University who are members of Council do not receive remuneration for Council service.

36. RELATED PARTY DISCLOSURES

	Consolidated		University	
	2009 \$	2008 \$	2009 \$	2008 \$
A loan was made to the following Senior Executive. It was approved by the University Council.				
Loan - Professor Ian Chubb AC				
Loan outstanding at year-end	500,000	500,000	500,000	500,000
Loan repayments during the year	-	-	-	-
Interest revenue included in operating result from loans to senior executive	-	-	-	-

The value of interest and fringe benefits applicable on this loan have been included in the values disclosed in Note 37.

The University enters into a number of transactions for the provision of goods and services under normal commercial terms and conditions with student organisations based on campus.

NOTES continued

37. REMUNERATION OF SENIOR EXECUTIVES

	Consolidated		University	
	2009	2008	2009	2008
	\$	\$	\$	\$
Income received or due and receivable by senior executives ¹	7,887,293	6,279,721	7,117,028	5,642,108

1. Aggregate remuneration disclosed relates only to those senior executives captured within the \$15,000 bands above \$130,000. A 'senior executive' is defined as a person who participates in making decisions that affect the whole, or a substantial part, of the operations of the University or has the capacity to affect significantly the University's financial standing. The directors of entities consolidated are considered officers of the consolidated entity.

The number of senior executives included in these figures are shown below in the relevant income bands

	Consolidated		University	
	2009	2008	2009	2008
	Number	Number	Number	Number
\$130,000 - \$144,999	3	1	2	1
\$145,000 - \$159,999	2	3	2	2
\$160,000 - \$174,999	2	-	-	-
\$175,000 - \$189,999	-	2	-	2
\$190,000 - \$204,999	2	1	2	1
\$205,000 - \$219,999	2	2	2	1
\$220,000 - \$234,999	1	4	1	3
\$235,000 - \$249,999	-	5	-	4
\$250,000 - \$264,999	4	1	4	1
\$265,000 - \$279,999	3	3	2	3
\$280,000 - \$294,999	5	1	5	1
\$295,000 - \$309,999	1	-	1	-
\$310,000 - \$324,999	1	-	1	-
\$325,000 - \$339,999	1	-	1	-
\$340,000 - \$354,999	-	1	-	1
\$355,000 - \$369,999	-	1	-	1
\$370,000 - \$384,999	1	-	1	-
\$385,000 - \$399,999	-	1	-	1
\$400,000 - \$414,999	-	1	-	1
\$415,000 - \$429,999	-	1	-	1
\$430,000 - \$444,999	-	1	-	1
\$445,000 - \$459,999	-	1	-	1
\$460,000 - \$474,999	-	1	-	1
\$475,000 - \$489,999	-	1	-	1
\$490,000 - \$504,999	-	1	-	1
\$505,000 - \$519,999	-	1	-	1
\$520,000 - \$534,999	-	1	-	1
\$535,000 - \$549,999	-	1	-	1
\$550,000 - \$564,999	-	1	-	1
\$565,000 - \$579,999	-	1	-	1
\$580,000 - \$594,999	-	1	-	1
\$595,000 - \$609,999	-	1	-	1
\$610,000 - \$624,999	-	1	-	1
\$625,000 - \$639,999	-	1	-	1
\$640,000 - \$654,999	-	1	-	1
\$655,000 - \$669,999	-	1	-	1
\$670,000 - \$684,999	-	1	-	1
\$685,000 - \$699,999	-	1	-	1
\$700,000 - \$714,999	-	1	-	1
\$715,000 - \$729,999	-	1	-	1
\$730,000 - \$744,999	-	1	-	1
\$745,000 - \$759,999	-	1	-	1
\$760,000 - \$774,999	-	1	-	1
\$775,000 - \$789,999	-	1	-	1
\$790,000 - \$804,999	-	1	-	1
\$805,000 - \$819,999	-	1	-	1
\$820,000 - \$834,999	-	1	-	1
\$835,000 - \$849,999	-	1	-	1
\$850,000 - \$864,999	-	1	-	1
\$865,000 - \$879,999	-	1	-	1
\$880,000 - \$894,999	-	1	-	1
\$895,000 - \$909,999	-	1	-	1
\$910,000 - \$924,999	-	1	-	1
\$925,000 - \$939,999	-	1	-	1
\$940,000 - \$954,999	-	1	-	1
\$955,000 - \$969,999	-	1	-	1
\$970,000 - \$984,999	-	1	-	1
\$985,000 - \$999,999	-	1	-	1
\$1,000,000 - \$1,044,999	-	1	-	1
\$1,045,000 - \$1,060,000	1	-	1	-
	29	25	25	21

The aggregate amount of separation and redundancy payments during the year to senior executives was nil.

38. REMUNERATION OF AUDITORS

	Consolidated		University	
	2009	2008	2009	2008
	\$	\$	\$	\$
Remuneration to the Auditor-General for auditing the financial statements for the reporting period ¹	273,000	291,000	225,000	225,000
Total remuneration paid to the Auditor-General	273,000	291,000	225,000	225,000

1. Amounts shown exclude GST paid on these services.
No other services were provided by the Auditor-General during the reporting period.

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THE AUSTRALIAN NATIONAL UNIVERSITY

NOTES continued

39. FINANCIAL INSTRUMENTS

	Consolidated		University	
	2009	2008	2009	2008
	\$'000	\$'000	\$'000	\$'000
39(a) Categories of Financial Instruments				
Financial Assets				
<i>Available-for-sale financial assets</i>				
Australian cash deposits and short-term securities	153,286	119,078	137,472	108,112
Overseas denominated cash deposits and short-term securities	13,518	6,823	13,264	6,734
Interest bearing securities	441,387	456,288	441,387	455,788
Domestic shares and listed securities	303,887	238,095	303,887	238,094
Domestic unlisted investments	119,127	149,508	125,970	156,708
Overseas managed funds	67,094	75,318	67,093	75,318
<i>Loans and receivables at amortised cost</i>				
Loans and receivables	34,160	33,570	31,917	30,843
<i>Fair value through profit or loss</i>				
Receivables derivative instruments	-	-	-	-
Carrying amount of financial assets	1,132,459	1,078,680	1,120,990	1,071,597
Financial liabilities				
<i>At amortised cost</i>				
Payables	76,389	99,253	66,500	91,659
Loans payable	113,965	116,557	113,965	116,557
<i>Fair value through profit or loss</i>				
Payables derivative instruments	-	11,362	-	11,362
Carrying amount of financial liabilities	190,354	227,172	180,465	219,578
39(b) Net income and expense from financial assets				
<i>Loans and Receivables at amortised cost</i>				
Interest revenue	-	-	-	-
Exchange gains/(loss)	-	-	-	-
Impairment	-	-	-	-
Gain/(loss) on disposal	-	-	-	-
Net gain/(loss) receivables	-	-	-	-
<i>Fair value through profit or loss</i>				
Interest revenue	-	-	-	-
Exchange gains/(loss)	-	-	-	-
Impairment	-	-	-	-
Gain/(loss) on disposal	-	-	-	-
Net gain/(loss) fair value through profit or loss	-	-	-	-
<i>Available-for-sale</i>				
Interest revenue	30,010	36,455	29,487	35,912
Dividend revenue	32,082	40,184	32,082	40,184
Exchange gains/(loss)	(6,570)	6,160	(6,570)	6,160
Gain/(loss) recognised in equity	75,458	(54,216)	75,458	(54,216)
Amounts reversed from equity:				
Impairment	38,336	(158,095)	38,336	-
Fair value changes reversed on disposal	(135)	68,674	(135)	68,674
Gain/(loss) on disposal	12,796	-	12,796	-
Net gain/(loss) available-for-sale	181,977	(60,838)	181,454	96,714
Net gain/(loss) from financial assets	181,977	(60,838)	181,454	96,714
39(c) Net Income and expense from financial liabilities				
<i>Financial liabilities at amortised cost</i>				
Borrowing expense	5,250	9,412	5,250	9,412
Exchange gains/(loss)	-	-	-	-
Gain/(loss) on disposal	-	-	-	-
Net gain/(loss) financial liabilities at amortised cost	5,250	9,412	5,250	9,412
<i>Fair value through profit or loss</i>				
Exchange gains/(loss)	4,461	(11,362)	4,461	(11,362)
Net gain/(loss) financial liabilities through profit and loss	4,461	(11,362)	4,461	(11,362)
Net gain/(loss) from financial liabilities	9,711	(1,950)	9,711	(1,950)

NOTES continued

39. FINANCIAL INSTRUMENTS continued

39(d) Fair Value continued

Valuation method used for determining the fair value of financial instruments

The following table identifies for those assets and liabilities carried at fair value (above), as to whether fair value was obtained by reference to market prices (Level 1) or by valuation technique that employs observable market transactions (Level 2), or by using non-observable market inputs to determine fair value (Level 3).

University	Valuation technique utilising			Total
	Market Values (Level 1) \$'000	Market Inputs (Level 2) \$'000	Non-Market Inputs (Level 3) \$'000	
Financial assets				
<i>Available-for-sale financial assets</i>				
Australian cash deposits and short-term securities	137,472	-	-	137,472
Overseas denominated cash deposits and short-term securities	13,264	-	-	13,264
Interest bearing securities	441,387	-	-	441,387
Domestic shares and listed securities	303,887	-	-	303,887
Domestic unlisted investments	-	-	125,970	125,970
Overseas managed funds	67,093	-	-	67,093
<i>Fair value through profit or loss</i>				
Receivables derivative instruments	-	-	-	-
Total	963,103	-	125,970	1,089,073
Financial liabilities				
<i>Fair value through profit or loss</i>				
Payables derivative instruments	-	-	-	-
Total	-	-	-	-
Consolidated				
	Valuation technique utilising			Total
	Market Values (Level 1) \$'000	Market Inputs (Level 2) \$'000	Non-Market Inputs (Level 3) \$'000	
Financial assets				
<i>Available-for-sale financial assets</i>				
Australian cash deposits and short-term securities	153,286	-	-	153,286
Overseas denominated cash deposits and short-term securities	13,518	-	-	13,518
Interest bearing securities	441,387	-	-	441,387
Domestic shares and listed securities	303,887	-	-	303,887
Domestic unlisted investments	-	-	119,127	119,127
Overseas managed funds	67,094	-	-	67,094
<i>Fair value through profit or loss</i>				
Receivables derivative instruments	-	-	-	-
Total	979,172	-	119,127	1,098,299
Financial liabilities				
<i>Fair value through profit or loss</i>				
Payables derivative instruments	-	-	-	-
Total	-	-	-	-

FINANCIAL STATEMENTS continued

THE AUSTRALIAN NATIONAL UNIVERSITY

NOTES continued

39. FINANCIAL INSTRUMENTS continued

39(e) Reconciliation of Financial Assets categorised as Level 3

	Consolidated		University	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Level 3 Financial Assets				
Opening Balance	149,508	116,541	156,708	123,741
Total gains or losses				
Through profit or loss	(1,099)	(935)	(1,099)	(935)
Through Statement of Comprehensive Income	(18,756)	(10,391)	(18,756)	(10,391)
Purchases	23,950	87,161	23,593	87,161
Sales	(34,476)	(42,868)	(34,476)	(42,868)
Issues	-	-	-	-
Settlements	-	-	-	-
Transfers out of Level 3	-	-	-	-
Closing balance	119,127	149,508	125,970	156,708
Gain (loss) for assets held 31 December	(19,855)	(11,326)	(19,855)	(11,326)

NOTES continued

39. FINANCIAL INSTRUMENTS continued

39(f) Credit Risk

Credit risk is defined as "the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation."

Loans and Receivables balances are monitored on an ongoing basis with the result that the University's exposure to bad debts is not significant.

With respect to credit risk arising from the other financial assets of the University, which comprise cash and cash equivalents and available-for-sale financial investments, the University's maximum exposure to credit risk is equal to the carrying amount of these instruments.

The University is party to guarantees as identified in Note 34 'Contingent Liabilities'. The maximum exposure to credit risk, if the University was called upon to meet the obligations, is the amount disclosed in Note 34.

The University does not hold any collateral or other credit enhancement facilities against these assets or contingent liabilities.

Ageing of financial assets that are past due but not impaired:

These relate to a number of independent debtors for whom there is no recent history of default. The ageing analysis of these receivables is as follows:

	Consolidated		University	
	2009	2008	2009	2008
	\$'000	\$'000	\$'000	\$'000
Loans and receivables				
Carrying amount as at 31 December	36,340	35,186	34,001	32,440
of which:				
Neither impaired nor past due on the reporting date	29,645	27,316	29,645	27,317
Less than 30 days	2,507	4,361	2,242	2,504
Between 30 and 60 days	1,210	1,427	623	1,240
Between 61 and 90 days	431	290	343	224
More than 90 days	2,547	1,792	1,148	1,155
	36,340	35,186	34,001	32,440

There are no significant financial assets that have had renegotiated terms that would otherwise, without that renegotiation, have been past due or impaired.

39(g) Liquidity Risk

The following tables illustrate the maturities for financial liabilities

Consolidated

2009	On Demand	Within 1 Year	1-5 Years	Greater than 5	Total
	\$'000	\$'000	\$'000	Years	\$'000
				\$'000	
Suppliers and payables	-	76,389	-	-	76,389
Loans payable - principal	-	1,546	8,903	103,516	113,965
Loans payable - interest	-	6,400	24,920	54,500	85,820
Total	-	84,335	33,823	158,016	276,174
2008					
Suppliers and payables	-	99,170	83	-	99,253
Loans payable - principal	-	635	5,626	110,296	116,557
Loans payable - interest	-	7,243	28,322	70,199	105,764
Total	-	107,048	34,031	180,495	321,574

Liquidity risk is defined as the risk that the Consolidated Entity could not be able to settle or meet its obligations that are settled by delivering cash or another financial asset, on time or at a reasonable price. The University adopts an active cash management strategy.

The University's investment portfolio allocation profile is determined by the Investment Advisory Committee and is structured to ensure sufficient funds are held in investments that can be converted to cash to meet its obligations as they fall due. Equities, other Listed Securities, Cash and Short-term debt securities constitute the significant component of the Entity's financial instruments. The liquidity risk of Unlisted Securities is managed through holding a diversified portfolio of assets with known investment horizons, different expected exit dates, and ensuring the total exposure of this class is maintained at a level whereby forced sales will not be required.

The University Investment Office is responsible for liquidity, funding as well as settlement management.

FINANCIAL STATEMENTS continued

THE AUSTRALIAN NATIONAL UNIVERSITY

NOTES continued

39. FINANCIAL INSTRUMENTS continued

39(h) Market Risk

Market risk is defined as "the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices" and includes interest rate risk, foreign currency risk and "other price risks." Other price risks are further defined as "the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market."

39(h)(i) Currency Risk

The University derives its revenue streams principally in Australian dollars. Payments to overseas denominated currency sources for the supply of goods and services provided to the University is considered immaterial and as such foreign exchange risk in these transactions is considered insignificant.

The University holds an overseas based portfolio that is invested in most major markets and as such has exposure to the major currencies. The mix and weighting of currency holdings approximates those utilized in the Trade Weighted Index/AUD calculation and as such the Trade Weighted Index is considered an appropriate measurement for Currency Risk. The University monitors the value of the Australian dollar relative to other major currencies and when the value is considered to be out of alignment with fundamental value common risk management approaches, including forward currency contracts are adopted.

The impact of a weakening/(strengthening) of the AUD by 10% with all other variables held constant, profit for the year would have been \$8,061,000 higher/(lower) (2008: \$8,214,000), as a result of foreign gains/(losses) on translation of foreign currency bank account balances. Equity would have been \$8,061,000 higher/(lower) (2008: \$8,214,000), had the AUD weakened/(strengthened) by 10% against the Trade Weighted Index, arising from the Available-for-sale investments.

The following table, 39(h)(iv), demonstrates the sensitivity to a reasonably possible change in the AUD/Trade Weighted Index with all other variables held constant, on the Entity's Profit and Loss and the Entity's Equity.

39(h)(ii) Interest Rate Risk

Interest rate risk is the risk that the realisable value of a financial instrument will fluctuate due to the changes in market interest rates. The entity's exposure to the risk of changes in market interest relates primarily to long-term investments with floating interest rates. The University's outstanding Loans Payable is linked to Consumer Price Index movements.

The University's interest rate risk arises from the investment in cash, fixed and floating interest and short term money market securities. The portfolio consists of a combination of fixed coupon interest payments with repayment of principal on maturity, discounted securities with principal repaid upon maturity and floating rate notes. The portfolio is fully invested in AUD denominated securities. All counterparties are rated as investment grade.

At 31 December 2009, if interest rates decreased/(increased) by 1.0%, with all other variables held constant, operating result and equity would have been \$6,082,000 higher/(lower) (2008: \$5,822,000).

The following table, 39(h)(iv), demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant.

39(h)(iii) Other Price Risk

The University Loans payable 'Indexed Annuity Bond' is repayable by quarterly instalments that are indexed in alignment with the Australian Consumer Price Index (CPI). The real yield payable on the Bonds is 3.235% with an effective CPI base of 30 September 2004. The calculation of the outstanding liability is based on the historic movement in CPI from the base period to 30 September of the reporting year (3.35% per annum).

The following table, 39(h)(iv), demonstrates the sensitivity to a reasonably possible change in CPI annual rates, with all other variables held constant.

A majority of the University's equity investments are denominated in AUD, and are either publicly traded and included in the ASX300 index or not publicly traded.

The impact of an increase/(decrease) of the ASX300 Index on the University's publicly traded equity would be increase/(decrease) of \$30,389,000 (2008: \$23,810,000). The analysis is based on the assumption that the ASX300 Index increased/(decreased) by 10%, with all other variables held constant, and the University's equity portfolio moves according to the historical correlation with the index.

The impact of an increase/(decrease) of the market value of the University's non-publicly traded equity would be increase/(decrease) of \$12,597,000 (2008: \$14,951,000). The analysis is based on the assumption that the market value of the non-publicly traded equity increased/(decreased) by 10%, with all other variables held constant.

The University also has a number of equity investments denominated in foreign currencies in overseas markets. If these markets were to increase/(decrease) by 10% the impact on the Economic Entity's equity would be increase/(decrease) of \$6,709,000 (2008: \$7,532,000).

The following table, 39(h)(iv), demonstrates the sensitivity to a reasonably possible change in S&P/ASX300 Accumulated Index, with all other variables held constant.

THE AUSTRALIAN NATIONAL UNIVERSITY

NOTES continued

39. FINANCIAL INSTRUMENTS continued

39b(i)(6) Summarised Sensitivity Analysis - University

The following table summarises the sensitivity of the Entity's financial assets and financial liabilities to interest rate risk, foreign exchange risk, and other price risk.

31 December 2009	Carrying amount \$'000	Interest rate risk				Foreign exchange risk				Market risk				Australian CPI risk			
		-1.0%		+1%		-10.0%		+10%		-10.0%		+10%		-10.0%		+10%	
		Result \$'000	Equity \$'000	Result \$'000	Equity \$'000	Result \$'000	Equity \$'000	Result \$'000	Equity \$'000	Result \$'000	Equity \$'000	Result \$'000	Equity \$'000	Result \$'000	Equity \$'000	Result \$'000	Equity \$'000
Financial assets																	
Australian cash deposits and short-term securities	137,472	(1,375)	(1,375)	1,375	1,375												
Overseas denominated cash deposits and short-term securities	13,264	(133)	(133)	133	133	1,326	1,326	(1,326)	(1,326)								
Interest bearing securities	441,387	(4,414)	(4,414)	4,414	4,414												
Domestic shares and listed securities	303,887																
Domestic unlisted investments	125,970					6,709	6,709	(6,709)	(6,709)								
Overseas managed funds	67,093																
Financial liabilities																	
Loans payable	113,995													144	144	(144)	(144)
Total increase/(decrease)		(5,922)	(5,922)	5,922	5,922	8,035	8,035	(8,035)	(8,035)	-	(49,856)	-	49,856	144	144	(144)	(144)

31 December 2008	Carrying amount \$'000	Interest rate risk				Foreign exchange risk				Market risk				Australian CPI risk			
		-1.0%		+1%		-10.0%		+10%		-10.0%		+10%		-10.0%		+10%	
		Result \$'000	Equity \$'000	Result \$'000	Equity \$'000	Result \$'000	Equity \$'000	Result \$'000	Equity \$'000	Result \$'000	Equity \$'000	Result \$'000	Equity \$'000	Result \$'000	Equity \$'000	Result \$'000	Equity \$'000
Financial assets																	
Australian cash deposits and short-term securities	106,112	(1,061)	(1,061)	1,061	1,061												
Overseas denominated cash deposits and short-term securities	6,734	(67)	(67)	67	67	673	673	(673)	(673)								
Interest bearing securities	465,788	(4,658)	(4,658)	4,658	4,658												
Domestic shares and listed securities	236,094																
Domestic unlisted investments	156,708																
Overseas managed funds	75,316					7,532	7,532	(7,532)	(7,532)								
Financial liabilities																	
Loans payable	116,557													562	562	(562)	(562)
Total increase/(decrease)		(5,706)	(5,706)	5,706	5,706	8,205	8,205	(8,205)	(8,205)	-	(47,012)	-	47,012	562	562	(562)	(562)

FINANCIAL STATEMENTS continued

THE AUSTRALIAN NATIONAL UNIVERSITY

NOTES continued

39. FINANCIAL INSTRUMENTS continued

29(b)(i) Summarised Sensitivity Analysis - Consolidated

The following table summarises the sensitivity of the Entity's financial assets and financial liabilities to interest rate risk, foreign exchange risk, and other price risk.

31 December 2009	Carrying amount \$'000	Interest rate risk				Foreign exchange risk				Market risk				Australian CPI risk			
		-1.0%		+1%		-10.0%		+10%		-10.0%		+10%		-10.0%		+10%	
		Result \$'000	Equity \$'000	Result \$'000	Equity \$'000	Result \$'000	Equity \$'000	Result \$'000	Equity \$'000	Result \$'000	Equity \$'000	Result \$'000	Equity \$'000	Result \$'000	Equity \$'000	Result \$'000	Equity \$'000
Financial assets																	
Australian cash deposits and short-term securities	152,266	(1,533)	(1,533)	1,533	1,533												
Overseas denominated cash deposits and short-term securities	13,518	(135)	(135)	135	135	1,352	1,352	(1,352)	(1,352)								
Interest bearing securities	441,387	(4,414)	(4,414)	4,414	4,414												
Domestic shares and listed securities	303,667																
Domestic unlisted investments	119,128					6,709	6,709	(6,709)	(6,709)								
Overseas managed funds	67,093																
Financial liabilities																	
Loans payable	113,965													144	144	(144)	(144)
Total increase/(decrease)		(6,082)	(6,082)	6,082	6,082	8,061	8,061	(8,061)	(8,061)	-	(49,011)	-	49,011	144	144	(144)	(144)

31 December 2008	Carrying amount \$'000	Interest rate risk				Foreign exchange risk				Market risk				Australian CPI risk			
		-1.0%		+1%		-10.0%		+10%		-10.0%		+10%		-10.0%		+10%	
		Result \$'000	Equity \$'000	Result \$'000	Equity \$'000	Result \$'000	Equity \$'000	Result \$'000	Equity \$'000	Result \$'000	Equity \$'000	Result \$'000	Equity \$'000	Result \$'000	Equity \$'000	Result \$'000	Equity \$'000
Financial assets																	
Australian cash deposits and short-term securities	119,078	(1,191)	(1,191)	1,191	1,191												
Overseas denominated cash deposits and short-term securities	6,823	(68)	(68)	68	68	682	682	(682)	(682)								
Interest bearing securities	458,288	(4,583)	(4,583)	4,583	4,583												
Domestic shares and listed securities	238,095									(23,810)	(23,810)						
Domestic unlisted investments	149,508																
Overseas managed funds	75,318					7,532	7,532	(7,532)	(7,532)	(14,951)	(14,951)						
Financial liabilities																	
Loans payable	116,557													562	562	(562)	(562)
Total increase/(decrease)		(5,822)	(5,822)	5,822	5,822	8,214	8,214	(8,214)	(8,214)	-	(49,293)	-	49,293	562	562	(562)	(562)

NOTES continued

40. LAND

Australian Capital Territory

The major teaching and research facilities of the University are located on the Acton Campus site of 148 hectares and the Mt Stromlo site of 81 hectares. These sites are provided free of charge and held on lease in perpetuity. The use of this land is restricted to Australian National University activities. The University occupies other sites of 224 hectares within the Australian Capital Territory on varying leasehold terms and conditions. The value of land in the Australian Capital Territory has been assessed and brought to account.

New South Wales

The University owns 148 hectares of freehold land at Coonabarabran on which is located the Siding Spring Observatory and a further 3 hectares is held by the University at Coonabarabran under permissive occupancy. The University owns 349 hectares of freehold land at Kioloa. The value of land in New South Wales has been assessed and brought to account.

Northern Territory

The University occupies 26,500 hectares near Tennant Creek held on lease in perpetuity on which is located the Warramunga Seismic Station. The University owns 4 hectares of freehold land at Darwin on which is located field research headquarters. The value of land in the Northern Territory has been assessed and brought to account.

41. SUPERANNUATION COMMITMENTS

41.1 Commonwealth Superannuation Account

Since 1949, the University has maintained an account, on conditions approved by the Treasurer of the Commonwealth, to meet the emerging costs of the employer's liability under the Commonwealth Superannuation Scheme - a Defined Benefit Scheme. The Commonwealth Government has now closed this Scheme.

The Commonwealth Superannuation Account maintained by the University is not a superannuation fund as defined in AASB 119, the assets supporting the liability are maintained as a component of the overall University investment portfolio. As far as practical, the University has adopted the accounting treatment and disclosure requirements of AASB 119. The University is recognising actuarial gains and losses in the period in which they occur outside the profit and loss as permitted under the Standard and the FMOs, Section 44.3, and as such are disclosed in the Statement of Comprehensive Income 2009 (\$102,800,327) (2008 loss \$131,550,969) resulting in a cumulative amount of actuarial losses recognised in equity of \$74,728,778.

Transfers are made to the account each fortnight in accordance with a predetermined formula approved by Council and based on advice from the Commonwealth Actuary. The University's contribution rate in 2009 was 14 per cent of eligible employee superannuable salaries (equivalent to the contribution rate the University is required to make for all employees who are members of UniSuper, formerly known as the Superannuation Scheme for Australian Universities). Pensions are met on an emerging cost basis and paid to the Commonwealth Superannuation Administration.

The following have been recognised in the Income Statement in Employee expenses: Current Service Cost \$2,853,194 (2008 \$2,242,591) and Interest Cost \$24,163,677 (2008 \$29,516,167).

The present value of the obligations of the Commonwealth Superannuation Account has decreased by \$103,333,000 in 2009 as a result of applying the 10 year Commonwealth Government bond rate at the relevant interest rate (risen from 4.0% to 5.9%) as required by Australian Accounting Standard AASB 119. The improvement in the Fair Value of Plan Assets during 2009 reflects the improvement in investment market performance during this time.

The Australian Government Actuary completed a formal review of the Account at 30 June 2009 and applied the traditional 6% interest rate when assessing obligations of the fund and this produced a similar obligation. However there was a deficit at that date of \$95.2 million largely as a result of the reduction in the investment markets and the University has agreed an approach with the Actuary to address this issue. An interim review of this account is due on 30 June 2010 and the next formal review is due on 30 June 2011.

The following principal actuarial assumptions have been adopted as at reporting date (values are expressed as weighted averages):

	2009	2008
Discount rate as at 31 December	5.90%	4.00%
Expected return on plan assets at 31 December	8.60%	8.60%
Future salary increases	4.00%	4.00%
Future pension increases	2.50%	2.50%

The University's Investment Office completed a review of the historical performance of its investment portfolio and the current and likely future investment environment, taking into account economic growth and inflation profiles in each of the investment sectors. The projections were prepared for a twenty year time horizon and a nominal annualised return rate of 8.6% was determined.

FINANCIAL STATEMENTS continued

THE AUSTRALIAN NATIONAL UNIVERSITY

NOTES continued

41. SUPERANNUATION COMMITMENTS continued

Reconciliation of the Present Value of the Obligation

	Consolidated		University	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Previous year closing balance	616,440	481,648	616,440	481,648
Current Service cost	2,853	2,243	2,853	2,243
Interest cost	24,164	29,516	24,164	29,516
Actuarial (gains)/losses	(102,800)	131,551	(102,800)	131,551
Benefit payments	(27,550)	(28,518)	(27,550)	(28,518)
Current year closing balance	513,107	616,440	513,107	616,440

Reconciliation of the Fair Value of Plan Assets

	Consolidated		University	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Opening fair value of plan assets	386,925	499,527	386,925	499,527
Expected return on plan assets	33,097	44,001	33,097	44,001
Contributions	1,297	1,448	1,297	1,448
Transfers	22,104	51,291	22,104	51,291
Benefits paid	(27,550)	(28,518)	(27,550)	(28,518)
Actuarial gain/(loss)	35,320	(180,824)	35,320	(180,824)
Current year closing balance	451,193	386,925	451,193	386,925

Reconciliation of the present value of the obligation and the fair value of the plan assets to the assets and liabilities recognised in the Balance Sheet

	Consolidated		University	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Present value of funded obligation	513,107	616,440	513,107	616,440
Fair value of plan assets	451,193	386,925	451,193	386,925
Present value of unfunded obligations	-	-	-	-
Unrecognised past service cost	-	-	-	-
Net liability in Balance Sheet	61,914	229,515	61,914	229,515
Amounts in Balance Sheet				
Liabilities	513,107	616,440	513,107	616,440
Assets	451,193	386,925	451,193	386,925
Net liability in Balance Sheet	61,914	229,515	61,914	229,515

NOTES continued

41. SUPERANNUATION COMMITMENTS continued

41.2 Superannuation Scheme for Australian Universities

New continuing staff members employed by the University since 1 April 1983 have been required to join the Superannuation Scheme for Australian Universities (SSAU) until 30 September 2000. From 1 October 2000, SSAU and the Tertiary Education Superannuation Scheme merged to become a single scheme, UniSuper. This merged scheme continues to have a defined benefits component which is managed independently of the University. The University contributes to the Scheme at the rate equivalent to 14 per cent of members' salaries. The University's contributions in 2009 were \$40,672,583 (2008 \$36,471,921).

Subsequent to changes enacted to the UniSuper Trust Deed by the Trustees during 2007 the previously described UniSuper Defined Benefit Plan (DBP) is now compliant with the requirements of AASB 119 applicable to a Defined Contribution Fund (DCF). Although the DCF is a defined contribution fund under AASB 119, it does remain a defined benefit fund for other purposes and continues to require actuarial oversight.

41.3 Public Sector Superannuation Scheme

The University has a small number of employees who are members of the Public Sector Superannuation Scheme to which the University contributes at the rate of 13.1 per cent of members' salaries. During 2009, the University's contributions amounted to \$132,663 (2008 \$130,686). This scheme is closed to new members of the University's staff.

41.4 Employee Non Contributory Productivity Superannuation Schemes

The University's contributions for employees who are contributors to the Commonwealth Superannuation and Public Sector Superannuation Schemes are paid to the Commonwealth Superannuation Administration. The University contributes to the Schemes between 2 to 3 per cent of members' salaries. During 2009, the University's contributions were \$212,318 (2008 \$243,719) and \$25,785 (2008 \$25,818) respectively.

The University paid contributions for eligible employees, other than employees who are contributors to the Commonwealth Superannuation and Public Sector Superannuation Schemes, to the Tertiary Education Superannuation Scheme until 30 September 2000, and since then to the newly established UniSuper. The new scheme continues to offer a cash accumulation component. The University contributes to the Scheme at a rate of 3 per cent of members' salaries for full-time University employees. The University's contributions in 2009 were \$8,238,882 (2008 \$7,570,220).

42. COOPERATIVE RESEARCH CENTRES

The University received Commonwealth Funding under the Cooperative Research Centres Program for the establishment of the following Cooperative Research Centres:

Advanced Automotive Technology - a cooperative research centre with participants including eight vehicle and component manufacturers, two state governments and ten research institutions including the Australian National University with a total investment of approximately \$100 million over seven years. The CRC was established in December 2005 with funding for seven years. The mission of the Centre is to deliver smarter, safer, cleaner manufacturing and vehicle technology for Australia's benefit. The University's financial contribution is \$50,000 per annum.

Forestry - a cooperative research centre with core participants including Tasmanian, Victorian and Queensland state government departments, industry representatives and research institutions. The Australian National University is a supporting partner, our financial contribution being \$50,000 per annum. The CRC for Forestry was established in 2005 and is funded for seven years. The CRC's research is focused upon supporting environmentally sustainable, cost competitive, eucalypt plantation forestry. Total investment from federal government and partner resources is expected to be approximately \$85 million over seven years.

Bushfire CRC - a cooperative research centre with the core participants including CSIRO, University of Melbourne, University of Tasmania, University of Western Australia, Bureau of Meteorology, 5 State Government departments and 7 State fire & emergency authorities. The University is an associate participant, our financial contribution being \$10,000 per annum. The Centre is to undertake research which enhances the management of the bushfire risk to the community in an economically and ecologically sustainable way. The University's in-kind contribution will be \$221,000 over seven years from July 2003. The centre operates as an incorporated management company (Bushfire Cooperative Research Centre Limited). The CRC has received a three year extension beginning 1 July 2010 operating under the name of CRC for Fire, Environment and Society. The University will be an Essential Partner during the period of extension with no cash or in-kind contributions required.

Desert Knowledge - a cooperative research centre with the core participants including CSIRO, Charles Darwin University, Curtin University, Office of Indigenous Policy Coordination, Northern Territory Government, Government of Western Australia, Central Land Council and Desert People's Centre. The Australian National University is an associate partner, with a financial contribution of \$12,000 per annum. The Centre was established in 2002 for a period of seven years. The Centre focuses on research efforts creating useful outcomes with commercial application for desert people, communities and its partners.

FINANCIAL STATEMENTS continued

THE AUSTRALIAN NATIONAL UNIVERSITY

NOTES continued

42. COOPERATIVE RESEARCH CENTRES continued

Cotton Catchment Communities - a cooperative research centre with the core participants including CSIRO, four cotton industry representatives, NSW and Queensland state government departments and four research institutions. The CRC was established in 2006 for a period of seven years. The Australian National University is an affiliate with a financial contribution of \$50,000 per annum. The Centre is to undertake collaborative research, education and commercialisation activities to provide innovative knowledge that is adopted for the benefit of the Australian cotton industry, regional communities and the nation.

Costs for all Cooperative Research Centres are expensed as incurred except where future benefits are expected beyond reasonable doubt to exceed these costs. In 2009 all costs were expensed.

43. SEGMENT INFORMATION

The University operates predominantly in the Australian Capital Territory for the purpose of teaching and research.

44. ECONOMIC DEPENDENCY

The University is to a significant extent dependant on monies received pursuant to the Higher Education Funding Act 1988, the Higher Education Support Act 2003 and the Australian Research Council Act 2001 to fund its operations. In 2009, funding from these Acts (\$399,692,000) represented 48.05 per cent (2008: \$355,034,000; 46.14 per cent) of the total operating revenues.

45. EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

There are no after balance sheet date events to be reported.

46. SPECIAL ACCOUNTS

a) The University has established 'The Australian National University ADS Students Third Party Payments ADS Special Account'. The Account holds funds used to meet costs for students sponsored by Ausaid. The monies are placed in a special bank account and expended on Student stipends in accordance with the terms of the Ausaid agreement. The monies are not available for other purposes of the University and are not recognised in the financial statements.

	University	
	2009	2008
	\$'000	\$'000
Balance carried forward from previous year	255	207
Receipts during the year	7,026	6,067
Interest received	22	52
Available for payments	7,303	6,326
Less payments made	6,932	6,071
Balance carried forward to next year	371	255

b) The University processes Comcare receipts and payments through a distinct location and account code combination in the ledger. The monies are not available for other purposes of the University and are not recognised in the financial statements.

	University	
	2009	2008
	\$'000	\$'000
Balance carried forward from previous year	-	-
Receipts during the year	593	536
Available for payments	593	536
Less payments made	593	536
Balance carried forward to next year	-	-

NOTES continued

47. SUBSIDIARIES

	Country of Incorporation	Ownership interest	
		2009	2008
Parent entity - The Australian National University	Australia	100%	100%
Subsidiaries			
ANU Enterprise Pty Limited was incorporated in 1979 as a company limited by shares. The objects include the undertaking of research and experimental work and the promotion and exploitation of techniques and processes derived or developed from research and experimental work.	Australia	100%	100%
ANU (UK) Foundation was incorporated in 2007 as a private limited company limited by guarantee with the object to facilitate the advancement of education through the establishment of a registered charity.	England and Wales	100%	100%
ANU Section 68 Pty Limited was incorporated in 2008 as a company limited by shares with the object of participating in the building development opportunity Section 68 City West, Canberra.	Australia	100%	100%

	2009 \$'000	2008 \$'000
ANU Enterprise Pty Limited		
Gross Income	24,208	16,762
Surplus/(Deficit)	1,193	2,169
Net Assets	19,128	17,484
ANU (UK) Foundation		
Gross Income	-	-
Surplus/(Deficit)	-	-
Net Assets	-	-
ANU Section 68 Pty Limited		
Gross Income	33,601	12,511
Surplus/(Deficit)	1,460	771
Net Assets	1,708	771

FINANCIAL STATEMENTS continued

THE AUSTRALIAN NATIONAL UNIVERSITY

NOTES continued

48. INVESTMENTS IN ASSOCIATES

Investments in associates are accounted for in the financial statements using the equity method of accounting.
Information relating to the associates is set out below:

Name of entity	Principal activity	Ownership interest		Carrying amount	
		2009	2008	2009 \$'000	2008 \$'000
Australian Technology Park Innovations Pty Limited	Facilitate the commercialisation of start-up companies.	25%	25%	4,511	4,513
SA2 Holdings Pty Limited	To provide and operate student accommodation.	33%	33%	-	-
BRU Holdings Pty Limited*	To provide and operate student accommodation.	50%	50%	-	-
Wriota Pty Ltd	To commercialise IP related to innovative silicon-based high-density memory device.	47%	47%	-	277
Vantage Private Equity Growth Limited	Facilitate commercialisation of start-up companies.	29%	30%	10,240	10,239
Pestat Pty Ltd	To commercialise safe, humane and effective solutions for pest control and innovative products for animal management purposes.	22%	25%	11	11
				14,762	15,040

Australian Technology Park Innovations Pty Limited is based on the audited financial statements as at 30 June 2009.

SA2 Holdings Pty Limited is based on unaudited financial statements as at 31 December 2009.

BRU Holdings Pty Limited is based on unaudited financial statements as at 31 December 2009.

Wriota Pty Ltd is based on audited financial statements as at 30 June 2009.

Vantage Private Equity Growth Limited is based on the audited financial statements as at 30 June 2009.

Pestat Pty Limited is based on the audited financial statements as at 30 June 2009.

* Although the University has a 50% Ownership Interest in BRU Holdings Pty Limited, its economic interest is 33%.

Summarised financial information in respect of associates is set out below.

	Consolidated		University	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Financial Position				
Total assets	186,951	191,329	186,951	191,329
Total liabilities	139,792	167,528	139,792	167,528
Net assets	47,159	23,801	47,159	23,801
Share of associates' net assets	14,762	15,040	14,762	15,040
Financial Performance				
Total revenue	48,327	12,235	48,327	12,235
Profit/(Loss)	19,101	(30,482)	19,101	(30,482)
Share of associates' profit/(loss)	6,292	(10,235)	6,292	(10,235)

THE AUSTRALIAN NATIONAL UNIVERSITY

NOTES continued

49. INTERESTS IN JOINT VENTURES

Investments in jointly controlled entities are accounted for in the financial statements using the equity method of accounting. Information relating to the University's interest in joint ventures are set out below:

Name of entity	Principal activity	Ownership interest		Carrying amount	
		2009	2008	2009 \$'000	2008 \$'000
Jointly Controlled Asset					
Arafura Timor Research Facility	Support the conduct of world-class research into marine and coastal ecosystems of the Arafura Timor region.	50%	50%	1,889	1,581
				1,889	1,581
Jointly Controlled Entities					
ANU MTAA Super Venture Capital Pty Limited	Provide governance and administration services to ANU MTAA Super Venture Capital Partnership, LP.	50%	50%	75	25
ANU MTAA Super Venture Capital Partnership, LP	Provide investment in commercialisation, pre-seed and early stage private equity investment.	50%	50%	709	500
				784	525

For the purposes of the University's final accounts and due to the lack of audited or published accounts.

The University's equity interest at 31 December 2009 is based on management accounts as at 31 December 2009 for:

Arafura Timor Research Facility
ANU MTAA Super Venture Capital Pty Limited
ANU MTAA Super Venture Capital Partnership, LP

Alba Capital Partners Limited (ACPL) - Umbrella Development Agreement (UDA)

The Australian National University entered into an unincorporated joint venture with Baulderstone Hornibrook Pty Ltd (BH) in 2005 to facilitate the development of an area of land known as the City West Precinct that adjoins the University and the city area of Canberra, in the ACT, through the execution of a UDA. This agreement with BH was novated to ACPL in 2007, but with BH continuing as the builder of the Precinct. The University has previously entered into a Precinct Development Agreement with the ACT Government to allow development of the City West Precinct for University related purposes. The first two projects to build 500-bed student accommodations have been completed. They were built on a Build Own Operate Transfer (BOOT) basis with Unilodge as operator. A commercial office block 121, Marcus Clarke Street is currently under construction. A further student accommodation complex with 400 beds is currently under construction.

Summarised financial information in respect of the University's joint ventures are set out below.

	Consolidated		University	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Financial Position				
Current assets	379	849	379	849
Non-current assets	1,896	5,294	1,896	5,294
Total assets	2,275	6,143	2,275	6,143
Current liabilities	87	95	87	95
Non-current liabilities	-	-	-	-
Total liabilities	87	95	87	95
Net assets	2,188	6,048	2,188	6,048
Share of jointly controlled entities' net assets	784	2,106	784	2,106
Financial Performance				
Income	1,039	1,447	1,039	1,447
Expenses	2,513	3,000	2,513	3,000
Profit/(Loss)	(1,474)	(1,553)	(1,474)	(1,553)
Share of jointly controlled entities' profit/(loss)	408	(482)	408	(482)

FINANCIAL STATEMENTS continued

THE AUSTRALIAN NATIONAL UNIVERSITY

NOTES continued

50. ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE

50.1 DEEWR - CGS and Other DEEWR Grants

Notes	Commonwealth Grants Scheme #		Indigenous Support Scheme		Equity Support Programme		Disability Support Programme		Workplace Reform Programme		Workplace Productivity Programme	
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
2(a)	56,308	52,848	433	369	63	66	104	98	721	713	975	500
	56,308	52,848	433	369	63	66	104	98	721	713	975	500
	-	-	-	-	-	-	-	-	-	-	-	833
	56,308	52,848	433	369	63	66	104	98	721	713	975	1,333
	56,308	52,848	433	369	63	66	104	98	721	713	885	1,333
	-	-	-	-	-	-	-	-	-	-	90	-

Financial assistance received in cash during the reporting period (total cash received from the Commonwealth for the Programmes)

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

Includes the basic CGS grant amount, CGS-Regional Loading and CGS-Enabling Loading. Comparatives are pro-rata split for CGSNIF.

* Includes Higher Education Equity Programme and Students with Disabilities Programme.

50.1 DEEWR - CGS and Other DEEWR Grants continued

Notes	Learning & Teaching Performance Fund		National Institutes Funding		Teaching & Learning Capital Fund		Capital Development Pool		Transitional Cost Program		Collaboration & Structural Reform Programme	
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
2(a)	2,451	4,026	166,277	165,797	18,155	-	-	-	526	747	-	-
	2,451	4,026	166,277	165,797	18,155	-	-	-	526	747	-	-
	-	-	-	-	-	-	-	-	-	-	-	-
	2,451	4,026	166,277	165,797	18,155	-	565	1,372	526	747	609	865
	2,451	4,026	166,277	165,797	271	-	472	807	526	747	25	256
	-	-	-	-	17,884	-	93	555	-	-	584	609

Financial assistance received in cash during the reporting period (total cash received from the Commonwealth for the Programmes)

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

NOTES continued

50. ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE

50.1 DEEWR - CGS and Other DEEWR Grants continued

	Notes	Total 2009 \$'000	2008 \$'000
Financial assistance received in cash during the reporting period (total cash received from the Commonwealth for the Programmes)		251,013	225,164
Net accrual adjustments		--	--
Revenue for the Period	2(e)	251,013	225,164
Surplus / (deficit) from the previous year		1,174	3,070
Total revenue including accrued revenue		252,187	228,234
Less expenses including accrued expenses		233,536	227,060
Surplus / (deficit) for reporting period		18,651	1,174

FINANCIAL STATEMENTS continued

THE AUSTRALIAN NATIONAL UNIVERSITY

NOTES continued

50. ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE continued

50.2 DEEWR - Higher Education Special Program Grants

	Commonwealth Capital Grant 2009			University Matching Funds		Commonwealth Capital Grant 2008		University Matching Funds	
	\$'000 Note 1	\$'000 Note 2	\$'000 Note 3	\$'000 Note 2	\$'000 Note 3	\$'000 Note 1	\$'000 Note 2	\$'000 Note 3	\$'000 Note 3
Financial Assistance	-	-	-	-	-	-	-	-	-
University Matching Funds	-	-	40,157	-	-	-	-	-	28,593
Interest	-	2,148	-	-	-	-	8,478	-	-
Total Revenue	-	2,148	40,157	-	-	-	8,478	-	28,593
Surplus/(deficit) from the previous year	6,691	85,386	-	-	-	29,359	85,830	-	-
Total Funds Available	6,691	85,534	40,157	-	-	29,359	95,308	-	28,593
Less Expenditure	4,080	18,079	40,157	-	-	22,688	8,922	-	28,593
Surplus / (deficit) for reporting period	2,611	70,455	-	-	-	6,691	85,386	-	-

1 DEEWR Funding to assist ANU to meet the costs of the redevelopment of the John Curtin School of Medical Research Stage 2.

2 DEEWR Funding to assist ANU to meet costs of new capital works (including major refurbishment, but excluding routine maintenance) to build/replace science laboratories and associated services as a first priority.

3 ANU is to spend \$50 million of its own resources on capital works (excluding routine maintenance), including for building/replacing science laboratories and associated services.

THE AUSTRALIAN NATIONAL UNIVERSITY

NOTES continued

50. ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE continued

50.3 Higher Education Loan Programmes

Notes	HECS - HELP (Australian Government payments only)				FEE-HELP		Total	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Financial assistance received in cash during the reporting period (total cash received from the Commonwealth for the Programmes)	32,537	27,588			10,209	6,748	42,746	34,346
Net accrual adjustments								
Revenue for the Period	32,537	27,588	10,209	6,748	10,209	6,748	42,746	34,346
Surplus / (deficit) from the previous year	-	-	-	-	-	-	-	-
Total revenue including accrued revenue	32,537	27,588	10,209	6,748	10,209	6,748	42,746	34,346
Less expenses including accrued expenses	32,537	27,588	10,209	6,748	10,209	6,748	42,746	34,346
Surplus / (deficit) for reporting period	-	-	-	-	-	-	-	-

OS-Help*

	2009 \$'000	2008 \$'000
Financial assistance received in cash during the reporting period (total cash received from the Commonwealth for the Programmes)	512	535
Less expenses including accrued expenses	401	416
Net accrual adjustments	-	-
Surplus / (deficit) from the previous year	111	119
Surplus / (deficit) for reporting period	74	(45)
	185	74

* OS-Help receipts from the Australian Government are not included in the Income Statement.

FINANCIAL STATEMENTS continued

THE AUSTRALIAN NATIONAL UNIVERSITY

50. ACQUISITION OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE continued

50.4 Scholarships

Notes	National Priority Scholarships		Australian Postgraduate Awards		International Postgraduate Research Scholarships		Commonwealth Education Costs Scholarships		Commonwealth Accommodation Scholarships		Indigenous Staff Scholarships	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Financial assistance received in cash during the reporting period (total cash received from the Commonwealth for the Programmes)	35	-	6,438	5,249	1,109	958	448	439	1,354	761	-	-
Net accrual adjustments	35	-	6,438	5,249	1,109	958	448	439	1,354	761	-	-
Revenue for the Period	-	-	8	(82)	(519)	(380)	303	134	631	351	11	11
Surplus / (deficit) from the previous year	35	-	6,446	5,167	590	578	751	573	1,965	1,112	11	11
Total revenue including accrued revenue	24	-	5,781	5,159	1,053	1,097	295	270	896	481	-	-
Less expenses including accrued expenses	11	-	695	8	(463)	(519)	456	303	1,089	631	11	11
Surplus / (deficit) for reporting period												

50.4 Scholarships (Continued)

Notes	Indigenous Access Scholarships		Total	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Financial assistance received in cash during the reporting period (total cash received from the Commonwealth for the Programmes)	71	53	9,455	7,460
Net accrual adjustments	-	-	-	-
Revenue for the Period	71	53	9,455	7,460
Surplus / (deficit) from the previous year	16	-	450	34
Total revenue including accrued revenue	87	53	9,905	7,494
Less expenses including accrued expenses	33	37	8,092	7,044
Surplus / (deficit) for reporting period	54	16	1,823	450

THE AUSTRALIAN NATIONAL UNIVERSITY

NOTES continued

50. ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE continued

50.5 DEEWR Research

Notes	Institutional Grants Scheme		Research Training Scheme		Systemic Infrastructure Initiative		Research Infrastructure Block		Implementation Assistance Programme	
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assistance received in cash during the reporting period (total cash received from the Commonwealth for the Programmes)	16,973	17,499	31,925	30,824	-	-	16,469	17,881	252	260
Net accrual adjustments	-	-	-	-	-	-	-	-	-	-
Revenue for the Period	16,973	17,499	31,925	30,824	-	-	16,469	17,881	252	260
Surplus / (deficit) from the previous year	-	-	-	-	77	617	-	-	(4)	(55)
Total revenue including accrued revenue	16,973	17,499	31,925	30,824	77	617	16,469	17,881	248	205
Less expenses including accrued expenses	16,973	17,499	31,925	30,824	77	540	16,469	17,881	244	209
Surplus / (deficit) for reporting period	-	-	-	-	-	77	-	-	4	(4)

50.5 DEEWR Research (Continued)

Notes	Australian Scheme for Higher Education Repositories		Commercialisation Training Scheme		Education Investment Fund		Diversity and Structural Adjustment Fund		Total	
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assistance received in cash during the reporting period (total cash received from the Commonwealth for the Programmes)	343	268	280	290	10,870	-	2,983	2,517	80,065	69,539
Net accrual adjustments	-	-	-	-	-	-	-	-	-	-
Revenue for the Period	343	268	280	290	10,870	-	2,983	2,517	80,065	69,539
Surplus / (deficit) from the previous year	340	137	351	150	-	-	2,517	-	3,281	849
Total revenue including accrued revenue	683	405	631	440	10,870	-	5,500	2,517	83,376	70,388
Less expenses including accrued expenses	485	65	85	89	10,319	-	2,030	-	78,607	67,107
Surplus / (deficit) for reporting period	198	340	546	351	551	-	3,470	2,517	4,769	3,281

THE AUSTRALIAN NATIONAL UNIVERSITY

NOTES continued

50. ACQUISITION OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE continued

50.6 Australian Research Council

(a) Discovery

Notes	Projects		Fellowships		Indigenous Research Development		Total	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
2(e)(i)	32,990	32,222	6,148	3,959	15	(13)	39,153	36,168
	32,990	32,222	6,148	3,959	15	(13)	39,153	36,168
	17,454	18,867	1,725	1,714	-	13	19,179	20,594
	50,444	51,089	7,873	5,673	15	-	58,332	56,762
Total revenue including accrued revenue	32,943	33,635	4,796	3,948	5	-	37,734	37,583
Less expenses including accrued expenses								
Surplus / (deficit) for reporting period	17,501	17,454	3,087	1,725	10	-	20,598	19,179

Financial assistance received in cash during the reporting period (total cash received from the Commonwealth for the Programmes)
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

50.6 Australian Research Council

(b) Linkages

Notes	Special Research Initiatives		Infrastructure		International Research Exchange		Projects		Total	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
2(e)(i)	-	-	4,590	2,185	349	341	7,274	6,027	12,203	8,953
	-	-	4,590	2,185	349	341	7,274	6,027	12,203	8,953
	7	51	441	1,145	196	320	5,567	2,936	6,211	4,452
	7	51	5,021	3,330	545	661	12,841	8,963	18,414	13,005
Total revenue including accrued revenue	7	44	4,470	2,889	298	465	8,836	3,396	13,611	6,764
Less expenses including accrued expenses										
Surplus / (deficit) for reporting period	-	7	551	441	247	196	4,005	5,567	4,803	6,211

Financial assistance received in cash during the reporting period (total cash received from the Commonwealth for the Programmes)
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

NOTES continued

50. ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE continued

50.6 Australian Research Council

(c) Networks and Centres

Notes	Research Networks		Centres		Total	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Financial assistance received in cash during the reporting period (total cash received from the Commonwealth for the Programmes)	541	1,061	7,232	7,089	7,773	8,150
Net accrual adjustments	-	-	-	-	-	-
Revenue for the Period	541	1,061	7,232	7,089	7,773	8,150
Surplus / (deficit) from the previous year	452	201	3,404	1,465	3,856	1,666
Total revenue including accrued revenue	993	1,262	10,636	8,554	11,629	9,816
Less expenses including accrued expenses	955	810	7,023	5,150	7,978	5,960
Surplus / (deficit) for reporting period	38	452	3,613	3,404	3,651	3,856

FINANCIAL STATEMENTS continued

THE AUSTRALIAN NATIONAL UNIVERSITY

NOTES continued

51. PROGRAMS FUNDED BY GRANTS RECEIVED FROM UNITED STATES OF AMERICA FEDERAL GOVERNMENT AGENCIES

Program	Agency	1-Jan \$'000	2009 Income \$'000	Expenditure \$'000	31-Dec \$'000	1-Jan \$'000	2008 Income \$'000	Expenditure \$'000	31-Dec \$'000
Catalina NEO Sky Survey	NASA	284	-	284	-	284	-	-	284
University of Arizona Collaborative Agreement to Search for Near Earth Objects	NASA	(55)	307	232	20	103	119	277	(55)
Water Transport in the Lactinial Gland	NIH	-	11	50	(39)	-	-	-	-
Visually Guided Terrain Following and Landing in UAV's	Office of Naval Research	54	(9)	45	-	51	3	-	54
Neuromodulation of Excessive Reward-Directed Behaviour	NIH	(4)	-	(4)	-	(4)	-	-	(4)
Temporal Resolution of Flight Control in Dragonflies and Locusts: Lessons for the Design of Flapping	Air Force	15	-	15	-	29	1	15	15
Plant Response to Bacterial Quorum Sensing Signals	Dept of Agriculture	(55)	-	(55)	-	(102)	36	(10)	(56)
Mechanisms of Mammalian Neuronal Integration	NIH	(95)	78	(17)	-	(41)	13	67	(95)
Two Photon Absorption Measurements: Establishing Reference Standards	Air Force	-	-	-	-	26	-	26	-
Quantum Linear Systems Theory	Air Force	-	191	51	140	-	-	-	-
VHESC-Silicon Solar Cells	US Army Research Office	8	-	8	-	-	36	28	8
Detection of Nuclear Explosions Using Infrared Techniques	Air Force	12	-	10	2	139	-	127	12
Antibiotic Resistance and Genetic Relationships of E. Coli from Australia	NIH	-	-	-	-	4	-	4	-
Social Network Characterisation of a Highly Active Core Group	NIH	-	-	-	-	16	-	16	-
CD8+ T Cell Specificity in Mouse Models of Small Pox Vaccination and Challenge	NIH	232	170	259	143	133	363	264	232
Control Optics for LIGO	NSF	-	-	-	-	(37)	57	20	-
Systems Approach to Immunity and Inflammation	NIH	196	2,255	2,597	(145)	-	550	354	196
Control of Calcium Movements in Muscle	NIH	(8)	34	36	(10)	-	17	25	(8)
TOTALS *		583	3,037	3,510	110	601	1,195	1,213	583

* The Chief Investigators for the above programs have certified that the grant funds have been expended in accordance with the provisions of the grant contracts.

GLOSSARY

AIS	Australian Institute for Sport
ANU	The Australian National University
ARC	Australian Research Council
ARPANSA	The Australian Radiation Protection and Nuclear Safety Agency
CDU	Charles Darwin University
CPAS	Centre for the Public Awareness of Science
Cth	Commonwealth
DEEWR	Department of Education, Employment and Workplace Relations
EFTSL	Equivalent Full-time Student Load
EIF	Education Investment Fund
GMT	Giant Magellan Telescope
Go8	Group of Eight
HESPG	Higher Education Special Purpose Grant
HSWE	Health, Safety and Work Environment
IARU	International Alliance of Research Universities
IU	Indiana University
JCSMR	The John Curtin School of Medical Research
LIEF	Linkage Infrastructure, Equipment and Facilities (ARC Funding)
MNRF	Major National Research Facilities
NHMRC	National Health and Medical Research Council
OHS	Occupational Health and Safety
RAP	Reconciliation Action Plan
SII	Systemic Infrastructure Initiative
UAI	Universities Admissions Index
UC	University of Canberra
USQ	University of Southern Queensland







